

Chapter 1

Getting the Lowdown on the GMAT

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Congratulations on deciding to take a significant step in your business career! More than one hundred countries offer the Graduate Management Admission Test (GMAT), and it's used by over 1,800 graduate programs in admissions decisions. But you're probably not taking the GMAT because you want to. In fact, you may not be looking forward to the experience at all!

The GMAT need not be a daunting ordeal. A little knowledge helps calm your nerves, so this chapter shows you how admissions programs use your test score and addresses the concerns you may have about the GMAT's format and testing and scoring procedures.

Knowing Why the GMAT's Important

If you're reading this book, you're probably thinking about applying to an MBA program. And if you're applying to an MBA program, you need to take the GMAT. Almost all MBA programs require that you submit a GMAT score for the admissions process.

Your GMAT score gives the admissions committee another tool to use to assess your skills and compare you with other applicants. The GMAT doesn't attempt to assess any particular subject area that you might've studied, but instead it gives admissions officers a reliable idea of how you'd likely perform in the classes that make up a graduate business curriculum. Although the GMAT doesn't rate your experience or motivation, it does provide an estimate of your academic preparation for graduate business studies.



Not every MBA applicant has the same undergraduate experience, but every applicant takes the same standardized test. Other admissions factors, like college grades, work experience, the admissions essay or essays, and a personal interview are important, but the GMAT is the one admissions tool that admissions committees can use to directly compare you with other applicants.

The most selective schools primarily admit candidates with solid GMAT scores, and good scores will certainly strengthen your application to any program, but you shouldn't feel discouraged if your practice tests don't put you in the 90th percentile. Very few students achieve anything like a perfect score on the GMAT. Even if you don't score as high as you'd like to, you undoubtedly have other strengths in your admissions profile, such as work experience, leadership ability, good college grades, motivation, and people skills. You may want to contact the admissions offices of the schools you're interested in to see how much they emphasize the GMAT. That said, the GMAT is a very important factor in admissions, and because you're required to take the test anyway, you should do everything you can to perform your best!

Timing It Perfectly: When to Take the GMAT (and What to Bring)

Which MBA programs to apply to isn't the only decision you have to make. After you've figured out where you want to go, you have to make plans for the GMAT. You need to determine when's the best time to take the test and what you should bring with you when you do.

When to register for and take the GMAT

When's the best time to take the GMAT? With the computerized test, this question has become more interesting. When the exam was a paper-and-pencil format with a test booklet and an answer sheet full of bubbles, you had a very limited choice of possible test dates — about one every two months. Now you've got much more flexibility when choosing the date and time for taking the test. You can choose just about any time to sit down and click answer choices with your mouse.

Registering when you're ready

The first step in the GMAT registration process is scheduling an appointment, but don't put off making this appointment the way you'd put off calling the dentist (even though you probably would like to avoid both!). Depending on the time of year, appointment times can go quickly. Usually, you have to wait at least a month for an open time. To determine what's available, you can go to the official GMAT Web site, www.mba.com, and select "Take the GMAT." From there, you can choose a testing location and find out what dates and times are available at that location. When you find a date and time you like, you can register online, over the phone, or by mail or fax.

The best time to take the GMAT is after you've had about four to six weeks of quality study time and during a period when you don't have a lot of other things going on to distract you. Of course, if your MBA program application is due in four weeks, put this book down and schedule an appointment right away! If you have more flexibility, you should still plan to take the GMAT as soon as you think you've studied sufficiently. All of the following circumstances warrant taking the GMAT as soon as you can:

- ✓ **You want to start your MBA program right away.** If you're confident that you'd like to begin business school within the next few semesters, you should consider taking the GMAT in the near future. After you know your score, you'll be better able to narrow down the business schools you want to apply to. Then you can focus on the other parts of your application, and you won't have to worry about having an application due in four weeks and no GMAT score.

- ✓ **You're considering attending business school.** Maybe you don't know whether you want to pursue an MBA. Even so, now's a good time to take the GMAT. Your GMAT score may help you decide that you've got the skills to succeed academically in graduate business school. You may think that you don't have what it takes, but your performance on the GMAT may surprise you! When you do decide to apply to an MBA program, you'll already have one key component of the application under wraps.
- ✓ **You're about to earn (or have just earned) your bachelor's degree.** If you're nearing graduation or have just graduated from college and you think you may want to get an MBA, it's better to take the GMAT now than wait until later. You're used to studying. You're used to tests. And math and grammar concepts are probably as fresh on your mind as they'll ever be.

You don't have to start an MBA program right away. Your GMAT scores are generally valid for up to five years, so you can take the test now and take advantage of your current skills as a student to get you into a great graduate program later.



Giving yourself about four to six weeks to study provides you with enough time to master the GMAT concepts but not so much time that you forget what you've learned by the time you sit for the test.

Scheduling for success

Whenever you register, there are a few considerations to keep in mind when scheduling a test date and time. Take advantage of the flexibility allowed by the computer format. The GMAT is no longer just an 8:00 a.m. Saturday morning option. You can take the test every day of the week except Sunday, and you can start at a variety of times, ranging from around 8:30 a.m. to about 1:00 p.m. You make the test fit into your life instead of having to make your life fit the test!

If you're not a morning person, don't schedule an early test! If the afternoon is when you're strongest and most able to handle a nonstop, two-and-a-half-hour barrage of questions — not to mention the analytical essays — schedule your test for the afternoon. By choosing the time that works for you, you'll be able to comfortably approach the test instead of worrying whether you set your alarm. We're guessing that you have enough to worry about in life as it is without the added stress of an inconvenient test time.



Study for the test at different times of the day to see when you're at your best. Then schedule your test session for that time. Even if you have to take a few hours away from work or classes, it's worth it to have the advantage of taking the test at a time that's best for you.

While you're thinking about the time that's best for the test, you should think about days of the week as well. For some people Saturday may still be a good day for a test — just maybe not at 8 a.m.! For others, the weekend is the wrong time for that type of concentrated academic activity. If you're used to taking the weekends off, it may make more sense for you to schedule the test during the week.



Choosing the time and day to take the GMAT is primarily up to you. Be honest with yourself about your habits, preferences, and schedule, and pick a time and day when you'll excel.

Things to take to the GMAT (and things to leave at home)

The most important thing you can bring to the GMAT is a positive attitude and a willingness to succeed. However, if you forget your admission voucher or your photo I.D., you won't get the chance to apply those qualities! In addition to the voucher and I.D., you should also bring

a list of five schools where you'd like to have your scores sent. You can send your scores to up to five schools for free if you select those schools when entering your pretest information at the test site. You can, of course, list fewer than five schools, but if you decide to send your scores to additional schools later, you'll have to pay. If you can come up with five schools you'd like to apply to, you may as well send your scores for free.



Because you can take two optional five-minute breaks, we recommend you bring along a quick snack like a granola bar and perhaps a bottle of water. You can't take food or drink with you to the testing area, but you are given a little locker that you can access during a break.

There's really nothing else to bring. You can't use a calculator and you'll be provided with an erasable notepad (which is a lot like a mini dry-erase board), which you're required to use instead of pencil and paper.

Forming First Impressions: The Format of the GMAT

The GMAT is a standardized test, and by now in your academic career, you're probably familiar with what that means: lots of questions to answer in a short period of time, no way to cram for or memorize answers, and very little chance of scoring one hundred percent. The skills tested on the GMAT are those that leading business schools have decided are important for MBA students: verbal, quantitative, and analytical writing.

Getting familiar with what the GMAT tests

Standardized tests are supposed to test your academic potential, not your knowledge of specific subjects. The GMAT focuses on the areas that admissions committees have found to be relevant to MBA programs. The sections that follow are an introduction to the three GMAT sections. We devote the majority of the rest of this book to telling you exactly how to approach each one.

Demonstrating your writing ability

You type two original analytical writing samples during the GMAT. The test gives you thirty minutes to compose and type each of the essays. One of the samples asks you to analyze an issue, and the other presents you with an argument to analyze. You're expected to write these essays in standard written English. Although you won't know exactly the nature of the issue and argument you'll get on test day, examining previous topics gives you adequate preparation for the types of topics you're bound to see.



The readers of your GMAT essay score you based on the overall quality of your ideas and your ability to organize, develop, express, and support those ideas.

Validating your verbal skills

The GMAT verbal section consists of 41 questions of three general types: the ubiquitous reading comprehension problem, sentence correction questions, and critical reasoning questions. Reading comprehension requires you to answer questions about written passages on a number of different subjects. Sentence correction questions test your ability to spot and correct writing errors. Critical reasoning questions require you to analyze logical arguments and understand how to strengthen or weaken those arguments.

Quizzing your quantitative skills

The quantitative section is pretty similar to most standardized math sections except that it presents you with a different question format and tests your knowledge of statistics and probability. In the 37-question section, the GMAT tests your knowledge of arithmetic, algebra, geometry, and data interpretation with standard problem-solving questions. You'll have to solve problems and choose the correct answer from five possible choices.

Additionally, GMAT data sufficiency questions present you with two statements and ask you to decide whether the problem can be solved by using the information provided by just the first statement, just the second statement, both statements, or neither statement. We show exactly how to tackle these unusual math questions in Chapter 15.

Understanding the computerized format

The GMAT can be taken only as a *computer-adaptive test* (CAT). The CAT adapts to your ability level by presenting you with questions of various difficulty, depending on how you answer previous questions. If you're answering many questions correctly, the computer gives you harder questions as it seeks to find the limits of your impressive intellect. If you're having a tough day and many of your answers are wrong, the computer will present you with easier questions as it seeks to find the correct level of difficulty for you.

With the CAT format, your score isn't based solely on how many questions you get right and wrong but rather on the average difficulty of the questions. You could miss several questions and still get a very high score, so long as the questions you missed were among the most difficult available in the bank of questions. At the end of each section, the computer scores you based on your level of ability.

Answering in an orderly fashion

With the CAT format, the question order in the verbal and quantitative sections is different from the order on paper exams that have a test booklet and answer sheet. On the CAT, the first ten questions of the test are preselected for you, and the order of subsequent questions depends on how well you've answered the previous questions. So if you do well on the first ten questions, question 11 will reflect your success by being more challenging. If you do poorly on the initial questions, you'll get an easier question 11. The program continues to take all previous questions into account as it feeds you question after question.



Perhaps the most important difference of the CAT format is that because each question is based on your answers to previous questions, you can't go back to any question. You must answer each question as it comes. After you confirm your answer, it's final. If you realize three questions later that you made a mistake, try not to worry about it. After all, your score is based on not only your number of right and wrong answers but also the difficulty of the questions.

Observing time limits

Both the verbal and quantitative sections have a 75-minute time limit. Because the quantitative section has 37 questions, you have about two minutes to master each question. The verbal section has 41 questions, so you have a little less time to ponder those, about a minute and three-quarters per question. You don't have unlimited time in the analytical writing section either; you have to write each of the two essays within 30 minutes, for a total of 60 minutes spent on analytical writing.



These time limits have important implications for your test strategy. As we discuss later in this chapter, your GMAT score depends on the number of questions you're able to answer. If you run out of time and leave questions unanswered at the end of a section, you'll essentially reduce your score by the number of questions you don't answer. In Chapter 2, we present you with an efficient, workable strategy for managing your time and maximizing your score.

Honing your computer skills for the GMAT

Technically challenged, take heart! You need to have only minimal computer skills to take the CAT format of the GMAT test. In fact, the skills you need for the test are far less than those you'll need while pursuing an MBA! Because you have to type your essays, you need basic word-processing skills. For the multiple-choice sections, you need to know how to select answers using either the mouse or the keyboard. That's it for the computer skills you need to take the GMAT.

Knowing Where You Stand: Scoring Considerations

Okay, you know the GMAT's format and how many questions it has and so on. But what about what's really important to you, the crucial final score? Probably very few people take standardized tests for fun, so here's the lowdown on scoring.

How the GMAT testers figure your score



Because the GMAT is a computer-adaptive test, your verbal and quantitative scores aren't based just on the number of questions you get right. The scores you earn are based on three factors:

- ✓ **The difficulty of the questions you answer:** The questions become more difficult as you continue to answer correctly, so getting tough questions means you're doing well on the test.
- ✓ **The number of questions that you answer:** If you don't get to all the questions in the verbal and quantitative sections, your score is reduced by the proportion of questions you didn't answer. So if you fail to answer 5 of the 37 quantitative questions, for example, your raw score would be reduced by 13 percent and your percentile rank may go from the 90th percentile to the 75th percentile.
- ✓ **The number of questions you answer correctly:** In addition to scoring based on how difficult the questions are, the GMAT score also reflects your ability to answer those questions correctly.

GMAT essay readers determine your analytical writing assessment (AWA) score. College and university faculty members from different disciplines read your responses to the essay prompts. Two independent readers score each of the two writing assignments separately on a scale from 1 to 6, with 6 being the top score. Your final score is the average of the scores from each of the readers for each of the essays.

If the two readers assigned to one of your writing tasks give you scores that differ by more than one point, a third reader is assigned to adjudicate. For example, if one reader gives you a 6 and the other gives you a 4, a third reader will also review your essay.

How the GMAT testers report your score

Your final GMAT score consists of separate verbal, quantitative, and analytical writing scores and a combined verbal and quantitative score. When you're finished with the test — or when your time is up — the computer immediately calculates your verbal and quantitative scores. You'll have a separate scaled score of from 0 to 60 for the verbal and quantitative sections. The two scores are added together and converted to a scaled score ranging between 200 and 800. The mean total score falls slightly above 500.

You get your analytical writing assessment scores after the essays have been read and scored. This score will be included in the official score report that's either mailed to you or made available online about twenty days after you take the exam. So although you'll be able to view your verbal, quantitative, and total scores immediately after the test, you'll need to wait three weeks to see how well you did on the AWA.

When you do get your official scores, the AWA score appears as a number between 1 and 6. This number is a scaled score that's the average of the scores for all four of the readings of your responses (two for analysis of an issue and two for analysis of an argument). The final score is rounded to the nearest half point, so a 4.8 average is reported as 5.

Official scores, including the verbal, quantitative, total, and AWA scores, are sent to the schools that you've requested receive them. The score reports that they receive include all the scores listed above, as well as a table showing the percentage of test-takers who scored below you. (For example, if your total score is 670, then about 89 percent of test-takers have a score lower than yours.) You don't have to pay for the five schools you select at the time of the test to receive your scores, and for a fee you can request your scores be sent to any other school at any time up to five years after the test.

Why you should (almost) never cancel your GMAT score

Immediately after you conclude the GMAT test and before the computer displays your scores, you're given the option of canceling your scores. You may see this as a blessing if you've had a rough day at the computer. You may jump at the chance to get rid of all evidence of your verbal, quantitative, and writing struggles.

Canceling your scores is almost always a bad idea. There are several reasons why this is the case:



- ✓ **People routinely overestimate or underestimate their performance on standardized tests.** The GMAT isn't a test on state capitals or chemical symbols, so it's not always easy to know how well you did. So long as you answer most of the questions and are able to focus reasonably well during the test, you'll probably earn scores that aren't too different from the average scores you'd get if you took the test repeatedly. People who retake the GMAT and other standardized tests rarely see their scores change significantly unless they're initially unprepared to take the exam and later attempt it with significant preparation. You're reading this book, so you don't fall into that category of test-taker.

- ✓ **You may not have time to reschedule.** It may take a while to reschedule the test. If your applications are due right away, you could miss an application deadline because you don't have GMAT scores to submit.
- ✓ **You'll never know how you did.** If you cancel your scores, you'll never know how you did or what areas you need to work on to improve your score if you decide to retake the test later.
- ✓ **Your score cancellation will be added to your GMAT record.** Cancelled scores are noted on all official GMAT score reports. Some schools may look on your cancelled score unfavorably.

A few circumstances exist in which you should consider canceling your scores. These situations aren't based on your estimation of how you did, which may be inaccurate, but on extenuating factors:

- ✓ **You're pretty darn ill during the test.** Waking up on test day with a fever of 101°F or getting sick during the test may warrant canceling a GMAT score.
- ✓ **You were unable to concentrate during the test.** Unusual personal difficulties, like a death in the family or the demise of a close relationship, could distract you to the point where you freeze up in the middle of the exam.
- ✓ **You left many questions unanswered.** If you forget the time management techniques we discuss in Chapter 2 and you leave quite a few questions unanswered in the verbal and quantitative sections, you may consider canceling your scores.

Repeating the Process: Retaking the GMAT

Because most programs consider only your top scores, it may be in your best interest to retake the GMAT if you aren't happy with your first score. The GMAT administrators let you take the test quite a few times if you want (that's pretty big of them, considering you have to pay for it every time). If you do retake the GMAT, make sure you take the process and test seriously. You should show score improvement. A college will be much more impressed with a rising score than a falling one.



Most colleges will be turned off if they see that you have taken the GMAT more than two or three times. The key is to prepare to do your best on the first try. Obviously, that's your goal if you've chosen to read this book.



Official GMAT reports contain scores for every time you take the test. So if you take the GMAT twice, both scores appear on your report. It's up to the business program to decide how to use those scores. Some may take the higher score and some may take the average. Keep in mind that your new scores won't automatically be sent to the recipients of previous scores. You'll need to reselect those programs when you take the retest.