

GMAT AWA PRACTICE PAPER

QUESTION: 1

The following appeared in a memorandum from the information technology department of a major advertising firm:

“The more efficient a firm’s employees are, the more profitable that firm will be. Improvements in a firm’s information technology hardware and software are a proven way to increase the efficiency of employees who do the majority of their work on computers. Therefore, if our firm invests in the most powerful and advanced information technology available, employee productivity will be maximized. This strategy ensures that every dollar spent on enhanced information technology will help to increase our firm’s profit margins.”

Discuss how well reasoned . . . etc.

QUESTION: 2

The following editorial appeared in the Elm City paper:

“The construction last year of a shopping mall in downtown Oak City was a mistake. Since the mall has opened, a number of local businesses have closed, and the downtown area suffers from an acute parking shortage, and arrests for crime and vagrancy have increased in the nearby Oak City Park. Elm City should pay attention to the example of the Oak City mall and deny the application to build a shopping mall in Elm City.”

Discuss how well reasoned . . . etc.

QUESTION: 3

The following appeared as part of an editorial in a weekly newsmagazine:

“Historically, most of this country’s engineers have come from our universities; recently, however, our university-age population has begun to shrink, and decreasing enrollments in our high schools clearly show that this drop in numbers will continue throughout the remainder of the decade. Consequently, our nation will soon be facing a shortage of trained engineers. If we are to remain economically competitive in the world marketplace, then we must increase funding for education—and quickly.”

Discuss how well reasoned . . . etc.

QUESTION: 4

The following appeared in an Excelsior Company memorandum:

“The Excelsior Company plans to introduce its own brand of coffee. Since coffee is an expensive food item, and since there are already many established brands of coffee, the best way to gain customers for the Excelsior brand is to do what Superior, the leading coffee company, did when it introduced the newest brand in its line of coffees: conduct a temporary sales promotion that offers free samples, price reductions, and discount coupons for the new brand.”

Discuss how well reasoned . . . etc.

QUESTION: 5

The following appeared as part of an article in a health club trade publication:

“After experiencing a decline in usage by its members, Healthy Heart fitness center built an indoor pool. Since usage did not increase significantly, it appears that health club managers should adopt another approach—lowering membership fees rather than installing expensive new features.”

Discuss how well reasoned . . . etc.

QUESTION: 6

The following appeared as part of an article in a popular arts-and-leisure magazine:

“The safety codes governing the construction of public buildings are becoming far too strict. The surest way for architects and builders to prove that they have met the minimum requirements established by these codes is to construct buildings by using the same materials and methods that are currently allowed. But doing so means that there will be very little significant technological innovation within the industry, and hence little evolution of architectural styles and design—merely because of the strictness of these safety codes.”

Discuss how well reasoned . . . etc.

QUESTION: 7

The following is from a campaign by Big Boards Inc. to convince companies in River City that their sales will increase if they use Big Boards billboards for advertising their locally manufactured products:

“The potential of Big Boards to increase sales of your products can be seen from an experiment we conducted last year. We increased public awareness of the name of the current national women’s marathon champion by publishing her picture and her name on billboards in River City for a period of three months. Before this time, although the champion had just won her title and was receiving extensive national publicity, only five percent of 15,000 randomly surveyed residents of River City could correctly name the champion when shown her picture; after the three-month advertising experiment, 35 percent of respondents from a second survey could supply her name.”

Discuss how well reasoned . . . etc.

QUESTION: 8

The following appeared as part of an article on government funding of environmental regulatory agencies:

“When scientists finally learn how to create large amounts of copper from other chemical elements, the regulation of copper mining will become unnecessary. For one thing, since the amount of potentially available copper will no longer be limited by the quantity of actual copper deposits, the problem of over-mining will quickly be eliminated altogether. For another, manufacturers will not need to use synthetic copper substitutes, the production of which creates pollutants. Thus, since two problems will be settled—over-mining and pollution—it makes good sense to reduce funding for mining regulation and either save the money or reallocate it where it is needed more.”

Discuss how well reasoned . . . etc.

QUESTION: 9

The following appeared as part of an article in a popular science magazine:

“Scientists must typically work 60 to 80 hours a week if they hope to further their careers; consequently, good and affordable all-day child care must be made available to both male and female scientists if they are to advance in their fields. Moreover, requirements for career advancement must be made more flexible so that preschool-age children can spend a significant portion of each day with a parent.”

Discuss how well reasoned . . . etc.

QUESTION: 10

The following appeared as part of a recommendation by one of the directors of the Beta Company:

“The Alpha Company has just reduced its workforce by laying off 15 percent of its employees in all divisions and at all levels, and it is encouraging early retirement for other employees. As you know, the Beta Company manufactures some products similar to Alpha’s, but our profits have fallen over the last few years. To improve Beta’s competitive position, we should try to hire a significant number of Alpha’s former workers, since these experienced workers can provide valuable information about Alpha’s successful methods, will require little training, and will be particularly motivated to compete against Alpha.”

Discuss how well reasoned . . . etc.

QUESTION: 11

The following appeared in the letters-to-the-editor section of a local newspaper:

“*Muscle Monthly*, a fitness magazine that regularly features pictures of bodybuilders using state-of-the-art exercise machines, frequently sells out, according to the owner of Skyview Newsstand. To help maximize fitness levels in our town’s residents, we should, therefore, equip our new community fitness center with such machines.”

Discuss how well reasoned . . . etc.

QUESTION: 12

The following appeared as part of an article in the business section of a local newspaper:

“The Cumquat Café made a mistake in moving to a new location. After one year at the new spot, it is doing about the same volume of business as before, but the owners of the RoboWrench plumbing supply wholesale outlet that took over its old location are apparently doing better: RoboWrench is planning to open a store in a neighboring city.”

Discuss how well reasoned . . . etc.

Question: 13

The following appeared in a memorandum from the CEO of a consumer electronics manufacturing firm to the head of the company's human resources department, who is responsible for hiring new employees:

“Eight years ago, our firm’s profits were increasing with each new employee we added. We discovered that each employee had the skills and motivation to generate more revenue for the firm than his or her salary cost us. However, for the past two years, our profit margin has been falling, even though we have continued to add employees. Thus, our newer employees are not generating enough revenue to justify their salaries. We must not be hiring new employees with the same level of skills and motivation as those we used to attract. Clearly, then, failures in the human resources department account for our falling profits.”

Discuss how well reasoned . . .etc.

Question: 14

The following appeared in a memorandum from the director of human resources to the executive officers of Company X:

“Last year, we surveyed our employees on improvements needed at Company X by having them rank, in order of importance, the issues presented in a list of possible improvements. Improved communications between employees and management was consistently ranked as the issue of highest importance by the employees who responded to the survey. As you know, we have since instituted regular communications sessions conducted by high-level management, which the employees can attend on a voluntary basis. Therefore, it is likely that most employees at Company X now feel that the improvement most needed at the company has been made.”

Discuss how well reasoned . . . etc.

Question: 15

The following appeared in a memorandum from the vice president of Road Food, an international chain of fast-food restaurants:

“This past year, we spent almost as much on advertising as did our main competitor, Street Eats, which has fewer restaurants than we do. Although it appeared at first that our advertising agency had created a campaign along the lines we suggested, in fact our total profits were lower than those of Street Eats. In order to motivate our advertising agency to perform better, we should start basing the amount that we pay it on how much total profit we make each year.”

Discuss how well reasoned . . . etc.

Question: 16

The following appeared in the promotional literature for Cerberus dog food:

“Obesity is a great problem among pet dogs, just as it is among their human owners. Obesity in humans is typically caused by consuming more calories than the body needs. For humans, a proper diet for losing weight is a reduced calorie diet that is high in fiber and carbohydrates but low in fat. Therefore, the best way for dog owners to help their dogs lose weight in a healthy way is to restrict the dog’s diet to Cerberus reduced calorie dog food, which is high in fiber and carbohydrates but low in fat.”

Discuss how well reasoned . . . etc.

Question: 17

The following appeared in an article in a travel magazine:

“After the airline industry began requiring airlines to report their on-time rates, Speedee Airlines achieved the number one on-time rate, with more than 89 percent of its flights arriving on time each month. And now Speedee is offering more flights to more destinations than ever before. Clearly, Speedee is the best choice for today’s business traveler.”

Discuss how well reasoned . . . etc.

Question: 18

The following appeared in a memorandum to the planning department of an investment firm:

“Costs have begun dropping for several types of equipment currently used to convert solar energy into electricity. Moreover, some exciting new technologies for converting solar energy are now being researched and developed. Hence we can expect that solar energy will soon become more cost efficient and attractive than coal or oil as a source of electrical power. We should, therefore, encourage investment in Solario, a new manufacturer of solar powered products. After all, Solario’s chief executive was once on the financial planning team for Ready-to-Ware, a software engineering firm that has shown remarkable growth since its recent incorporation.”

Discuss how well reasoned . . . etc.

Question: 19

The following appeared in a memorandum from a company's marketing department:

"Since our company started manufacturing and marketing a deluxe air filter six months ago, sales of our economy filter—and company profits—have decreased significantly. The deluxe air filter sells for 50 percent more than the economy filter, but the economy filter lasts for only one month while the deluxe filter can be used for two months before it must be replaced. To increase repeat sales of our economy filter and maximize profits, we should discontinue the deluxe air filter and concentrate all our advertising efforts on the economy filter."

Discuss how well reasoned . . . etc.

Question: 20

The following appeared in the editorial section of a local newspaper:

"The tragic crash of a medical helicopter last week points up a situation that needs to be addressed. The medical helicopter industry supposedly has more stringent guidelines for training pilots and maintaining equipment than do most other airline industries, but these guidelines do not appear to be working: statistics reveal that the rate of medical-helicopter accidents is much higher than the rate of accidents for nonmedical helicopters or commercial airliners."

Discuss how well reasoned . . . etc.

Question: 21

The following appeared as part of a recommendation from the business manager of a department store:

"Local clothing stores reported that their profits decreased, on average, for the three-month period between August 1 and October 31. Stores that sell products for the home reported that, on average, their profits increased during this same period. Clearly, consumers are choosing to buy products for their homes instead of clothing. To take advantage of this trend, we should reduce the size of our clothing departments and enlarge our home furnishings and household products departments."

Discuss how well reasoned . . . etc.

Question: 22

The following appeared in a letter to the editor of a regional newspaper:

“In response to petitions from the many farmers and rural landowners throughout our region, the legislature has spent valuable time and effort enacting severe laws to deter motorists from picking fruit off the trees, trampling through the fields, and stealing samples of foliage. But how can our local lawmakers occupy themselves with such petty vandalism when crime and violence plague the nation’s cities? The fate of apples and leaves is simply too trivial to merit their attention.”

Discuss how well reasoned . . . etc.

Question: 23

The following appeared in a letter from a part-owner of a small retail clothing chain to her business partner:

“Commercial real estate prices have been rising steadily in the Sandida Heights neighborhood for several years, while the prices in the adjacent neighborhood of Palm Grove have remained the same. It seems obvious, then, that a retail space in Sandida Heights must now be much more expensive than a similar space in Palm Grove, which was not the case several years ago. So, it appears that retail spaces in Sandida Heights are now overpriced relative to those in Palm Grove. Therefore, it would be in our financial interest to purchase a retail space in Palm Grove rather than in Sandida Heights.”

Discuss how well reasoned . . . etc.

Question: 24

The following appeared as part of an editorial in a campus newspaper:

“With an increasing demand for highly skilled workers, this nation will soon face a serious labor shortage. New positions in technical and professional occupations are increasing rapidly, while at the same time the total labor force is growing slowly. Moreover, the government is proposing to cut funds for aid to education in the near future.”

Discuss how well reasoned . . . etc.

Question: 25

The following appeared as part of a memorandum from a government agency:

“Given the limited funding available for the building and repair of roads and bridges, the government should not spend any money this year on fixing the bridge that crosses the Styx River. This bridge is located near a city with a weakening economy, so it is not as important as other bridges; moreover, the city population is small and thus unlikely to contribute a significant enough tax revenue to justify the effort of fixing the bridge.”

Discuss how well reasoned . . . etc.

Question: 1

The following appeared as part of an article in an entertainment magazine:

“A series of books based on the characters from a popular movie are consistently best sellers in local bookstores. Seeking to capitalize on the books’ success, Vista Studios is planning to produce a movie sequel based on the books. Due to the success of the books and the original movie, the sequel will undoubtedly be profitable.”

Discuss how well reasoned . . . etc.

Question: 2

The following appeared in a letter to the editor of a popular science and technology magazine:

“It is a popular myth that consumers are really benefiting from advances in agricultural technology. Granted, consumers are, on the average, spending a decreasing proportion of their income on food. But consider that the demand for food does not rise in proportion with real income. As real income rises, therefore, consumers can be expected to spend a decreasing proportion of their income on food. Yet agricultural technology is credited with having made our lives better.”

Discuss how well reasoned . . . etc.

Question: 3

The following appeared in the editorial section of a local newspaper:

“This city should be able to improve existing services and provide new ones without periodically raising the taxes of the residents. Instead, the city should require that the costs of services be paid for by developers who seek approval for their large new building projects. After all, these projects can be highly profitable to the developers, but they can also raise a city’s expenses and increase the demand for its services.”

Discuss how well reasoned . . . etc.

Question: 4

The following appeared in the editorial section of a local newspaper:

“In order to avoid the serious health threats associated with many landfills, our municipality should build a plant for burning trash. An incinerator could offer economic as well as ecological advantages over the typical old-fashioned type of landfill: incinerators can be adapted to generate moderate amounts of electricity, and ash residue from some types of trash can be used to condition garden soil.”

Discuss how well reasoned . . . etc.

Question: 5

The following appeared in the editorial section of a monthly business newsmagazine:

“Most companies would agree that as the risk of physical injury occurring on the job increases, the wages paid to employees should also increase. Hence it makes financial sense for employers to make the workplace safer: they could thus reduce their payroll expenses and save money.”

Discuss how well reasoned . . . etc.

Question: 6

The following appeared as part of a company memorandum:

“Adopting an official code of ethics regarding business practices may in the long run do our company more harm than good in the public eye. When one of our competitors received unfavorable publicity for violating its own code of ethics, it got more attention from the media than it would have if it had had no such code. Rather than adopt an official code of ethics, therefore, we should instead conduct a publicity campaign that stresses the importance of protecting the environment and assisting charitable organizations.”

Discuss how well reasoned . . . etc.

Question: 7

The following appeared in the editorial section of a daily newspaper:

“Although forecasts of presidential elections based on opinion polls measure current voter preference, many voters keep changing their minds about whom they prefer until the last few days before the balloting. Some do not even make a final decision until they enter the voting booth. Forecasts based on opinion polls are therefore little better at predicting election outcomes than a random guess would be.”

Discuss how well reasoned . . . etc.

Question: 8

The following appeared in the editorial section of a newspaper in the country of West Cambria:

“The practice of officially changing speed limits on the highways—whether by increasing or decreasing them—is a dangerous one. Consider what happened over the past decade whenever neighboring East Cambria changed its speed limits: an average of 3 percent more automobile accidents occurred during the week following the change than had occurred during the week preceding it—even when the speed limit was lowered. This statistic shows that the change in speed limit adversely affected the alertness of drivers.”

Discuss how well reasoned . . . etc.

Question: 9

The following appeared as part of a memorandum from the vice president of Nostrum, a large pharmaceutical corporation:

“The proposal to increase the health and retirement benefits that our employees receive should not be implemented at this time. An increase in these benefits is not only financially unjustified, since our last year’s profits were lower than those of the preceding year, but also unnecessary, since our chief competitor, Panacea, offers its employees lower health and retirement benefits than we currently offer. We can assume that our employees are reasonably satisfied with the health and retirement benefits that they now have since a recent survey indicated that two-thirds of the respondents viewed them favorably.”

Discuss how well reasoned . . . etc.

Question: 10

The following appeared as part of an article in the business section of a daily newspaper:

“Company A has a large share of the international market in video-game hardware and software. Company B, the pioneer in these products, was once a \$12 billion-a-year giant but collapsed when children became bored with its line of products. Thus Company A can also be expected to fail, especially given the fact that its games are now in so many American homes that the demand for them is nearly exhausted.”

Discuss how well reasoned . . . etc.

Question: 11

The following appeared as part of an article on trends in television:

“A recent study of viewers’ attitudes toward prime-time television programs shows that many of the programs that were judged by their viewers to be of high quality appeared on (noncommercial) television networks, and that, on commercial television, the most popular shows are typically sponsored by the best-selling products. Thus, it follows that businesses who use commercial television to promote their products will achieve the greatest advertising success by sponsoring only highly rated programs—and, ideally, programs resembling the highly rated noncommercial programs on public channels as much as possible.”

Discuss how well reasoned . . . etc.

Question: 12

The following appeared as part of an article in a photography magazine:

“When choosing whether to work in color or in black-and-white, the photographer who wishes to be successful should keep in mind that because color photographs are more true to life, magazines use more color photographs than black and-white ones, and many newspapers are also starting to use color photographs. The realism of color also accounts for the fact that most portrait studios use more color film than black-and-white film. Furthermore, there are more types of color film than black-and-white film available today. Clearly, photographers who work in color have an advantage over those who work in black-and-white.”

Discuss how well reasoned . . . etc.

Question: 13

The following appeared as part of a letter to the editor of a local newspaper:

“It makes no sense that in most places 15-year-olds are not eligible for their driver’s license while people who are far older can retain all of their driving privileges by simply renewing their license. If older drivers can get these renewals, often without having to pass another driving test, then 15-year-olds should be eligible to get a license. Fifteen-year olds typically have much better eyesight, especially at night; much better hand-eye coordination; and much quicker reflexes. They are also less likely to feel confused by unexpected developments or disoriented in unfamiliar surroundings, and they recover from injuries more quickly.”

Discuss how well reasoned . . . etc.

Question: 14

The following appeared in an ad for a book titled *How to Write a Screenplay for a Movie*:

“Writers who want to succeed should try to write film screenplays rather than books, since the average film tends to make greater profits than does even a best-selling book. It is true that some books are also made into films. However, our nation’s film producers are more likely to produce movies based on original screenplays than to produce films based on books, because in recent years the films that have sold the most tickets have usually been based on original screenplays.”

Discuss how well reasoned . . . etc.

Question: 15

The following appeared as part of an article in a daily newspaper:

“The computerized onboard warning system that will be installed in commercial airliners will virtually solve the problem of midair plane collisions. One plane’s warning system can receive signals from another’s transponder—a radio set that signals a plane’s course—in order to determine the likelihood of a collision and recommend evasive action.”

Discuss how well reasoned . . . etc.

Question: 16

The following appeared in a memorandum from the ElectroWares company's marketing department:

"Since our company started manufacturing and marketing a deluxe light bulb six months ago, sales of our economy light bulb—and company profits—have decreased significantly. Although the deluxe light bulb sells for 50 percent more than the economy bulb, it lasts twice as long. Therefore, to increase repeat sales and maximize profits, we should discontinue the deluxe light bulb."

Discuss how well reasoned . . . etc.

Question: 17

The following is taken from an editorial in a local newspaper:

"Over the past decade, the price per pound of citrus fruit has increased substantially. Eleven years ago, Megamart charged 15 cents a pound for lemons, but today it commonly charges over a dollar a pound. In only one of these last 11 years was the weather unfavorable for growing citrus crops. Evidently, then, citrus growers have been responsible for the excessive increase in the price of citrus fruit, and strict pricing regulations are needed to prevent them from continuing to inflate prices."

Discuss how well reasoned . . . etc.

Question: 18

The following appeared in a presentation by the chief production manager of a machine parts manufacturing company at a management meeting:

"Our factory in Cookville is our most advanced and efficient. It is capable of producing ten drill bits for each dollar of production costs, whereas none of our other factories can produce more than seven drill bits per dollar of production costs. Therefore, we can reduce our overall drill bit production costs by devoting the Cookville factory entirely to drill bit production. Since reducing the production costs of individual machine parts is the only way to achieve our larger goal of reducing our overall production costs, dedicating the Cookville factory entirely to drill bit production and shifting all other machine part production to our other factories will help us to attain that larger goal."

Discuss how well reasoned . . . etc.

Question: 19

The following appeared as part of an article in a local newspaper:

“Over the past three years the tartfish industry has changed markedly: fishing technology has improved significantly, and the demand for tartfish has grown in both domestic and foreign markets. As this trend continues, the tartfish industry on Shrimp Island can expect to experience the same overfishing problems that are already occurring with mainland fishing industries: without restrictions on fishing, fishers see no reason to limit their individual catches. As the catches get bigger, the tartfish population will be dangerously depleted while the surplus of tartfish will devalue the catch for fishers. Government regulation is the only answer: tartfish-fishing should be allowed only during the three-month summer season, when tartfish reproduce and thus are most numerous, rather than throughout the year.”

Discuss how well reasoned . . . etc.

Question: 20

The following appeared in a proposal from the development office at Platonic University:

“Because Platonic University has had difficulty in meeting its expenses over the past three years, we need to find new ways to increase revenues. We should consider following the example of Greene University, which recently renamed itself after a donor who gave it \$100 million. If Platonic University were to advertise to its alumni and other wealthy people that it will rename either individual buildings or the entire university itself after the donors who give the most money, the amount of donations would undoubtedly increase.”

Discuss how well reasoned . . . etc.

Question: 21

The following appeared as part of an article in the business section of a local newspaper:

“Hippocrene Plumbing Supply recently opened a wholesale outlet in the location once occupied by the Cumquat Café. Hippocrene has apparently been quite successful there because it is planning to open a large outlet in a nearby city. But the Cumquat Café, one year after moving to its new location, has seen its volume of business drop somewhat from the previous year’s. Clearly, the former site was the better business location, and the Cumquat Café has made a mistake in moving to its new address.”

Discuss how well reasoned . . . etc.

Question: 22

The following appeared in the editorial section of a local paper:

“Applications for advertising spots on KMTV, our local cable television channel, decreased last year. Meanwhile a neighboring town’s local channel, KOOP, changed its focus to farming issues and reported an increase in advertising applications for the year. To increase applications for its advertisement spots, KMTV should focus its programming on farming issues as well.”

Discuss how well reasoned . . . etc.

Question: 23

The following appeared as part of an article in a computer magazine:

“A year ago Apex Manufacturing bought its managers computers for their homes and paid for telephone connections so that they could access Apex computers and data files from home after normal business hours. Since last year, productivity at Apex has increased by 15 percent. Other companies can learn from the success at Apex: given home computers and access to company resources, employees will work additional hours at home and thereby increase company profits.”

Discuss how well reasoned . . . etc.

Question: 24

The following was excerpted from an article in a farming trade publication:

“Farmers who switched from synthetic to organic farming last year have seen their crop yields decline. Many of these farmers feel that it would be too expensive to resume synthetic farming at this point, given the money that they invested in organic farming supplies and equipment. But their investments will be relatively minor compared to the losses from continued lower crop yields. Organic farmers should switch to synthetic farming rather than persist in an unwise course. And the choice to farm organically is financially unwise, given that it was motivated by environmental rather than economic concerns.”

Discuss how well reasoned . . . etc.

Question: 25

The following appeared in a letter to prospective students from the admissions office at Plateau College:

“Every person who earned an advanced degree in science or engineering from Olympus University last year received numerous offers of excellent jobs. Typically, many graduates of Plateau College have gone on to pursue advanced degrees at Olympus. Therefore, enrolling as an undergraduate at Plateau College is a wise choice for students who wish to ensure success in their careers.”

Discuss how well reasoned . . . etc.