

## **Entrance Test EN 213 BEC Vantage intensive**

This entrance test consists of three parts: two reading tasks (two points for each correct answer) and one gap filling exercise with multiple choice questions that tests grammar and vocabulary (one point for each correct answer). Try to do all parts of the test without any help. Use the separate answer sheet for your answers. Please return the answer sheet only to KBZ Zug, Aabachstrasse 7, 6300 Zug or send it per email to [andrea.kaufmann@zg.ch](mailto:andrea.kaufmann@zg.ch).

### **Part one – Reading one**

You are going to read an article about business education courses. After reading the text, look at the multiple choice task and choose for each question the answer which you think fits best according to the text, A, B, C, D or E.

#### **How to become a manager**

In Great Britain, business schools have long aimed to provide general business education as a career for a leader or manager in the form of Masters in Business Administration (MBA). In the year 2010, such schools were turning out 50,000 MBA graduates, compared to 9,000 in Germany and only 1,400 in Japan. Ms Yazuchi, who is currently writing a book on the evolution of management as a profession, points out that a growing proportion of business people now have an MBA – as indeed does Prime Minister David Cameron.

However, an MBA has few of the characteristics of traditional professional training. For example, it involves no promise to follow professional standards, as seen with qualifications in law, medicine and accountancy. There is also no commitment to taking shorter follow-up courses as part of the professional's continuing education. Worse, argues Ms Yazuchi, some of the theories taught in business schools conflict with a sense of professionalism. For example, if managers are 'agents', shareholders are 'principals' and organisations simply process contracts, the implication is that managers have an obligation to fulfil a contract, as does a consultant or an investment banker, but owes no loyalty to a larger body, which is one of the characteristics of a professional.

A further criticism of MBA courses is that they may be more useful for training people to advise large complex corporations than to run them. Certainly, many companies seem critical of the courses that business schools teach. When APA, a top-ranking school near London, asked the companies whose managers it educates what they wanted, it found the answer was increased hands-on experience, less analysis and fewer case studies.

So schools are redesigning their courses. The BAM School in Oxford is offering MBA students a three-day workshop in 'visioning' and role-playing, and a selection of compulsory leadership courses, including one on leading in an entrepreneurial firm. There is a course on self-assessment, the option to work for an organisation, create change, and be coached on how they are doing.

Such changes may help business schools to retain clients, especially for executive education, which has been one of their most profitable sidelines. But companies often want to teach their up-and-coming leaders themselves. Many now have programmes loosely modelled on GE's in-house academy, Braintrain, founded by Sam Cooper, who ran the company in the 1960s. Chief executives such as Tom Burgler at British Airways or TS Lasouki of Lambda, a large pharmaceutical company, personally teach such courses.

Nigel Trilly, a guru at the University of Cambridge, cleverly runs a course to teach business leaders how to run their own courses. He points out that most business school staff are researchers with little real-world experience. "Leadership is a clinical art, and people need experience," he argues. "You don't train a physician by getting a researcher to perform open-heart surgery."

Whether people can learn to be leaders from traditional business school courses is questionable. Most people probably learn largely on the job, by watching and by making mistakes, as they have always done.

## Questions

- 1) According to the text, in the year 2010
  - a) David Cameron graduated with an MBA.
  - b) more business schools were founded than at any other time.
  - c) Yazuchi wrote a book about the development of management studies.
  - d) there were more MBA graduates in Great Britain than in Germany and Japan together.
  - e) Business schools started to provide general business education in the form of an MBA.
  
- 2) How do MBA courses compare with other professional training?
  - a) MBA studies are broader, with students selecting modules from other professional courses.
  - b) Entry standards for MBA programmes are lower than with other professional education.
  - c) Graduates from MBA courses do not belong to a professional group.
  - d) An MBA is a more useful qualification in any future career.
  - e) MBAs are shorter than other professional training courses.
  
- 3) Feedback on APA courses revealed that
  - a) experienced managers appreciate being given opportunity to teach at APA.
  - b) companies would like to see more practical work on APA courses.
  - c) analytical skills of graduates of MBA courses should be improved.
  - d) graduates from APA often become corporate consultants.
  - e) APA teachers are considered the best in their field.
  
- 4) What change has the BAM school in Oxford introduced?
  - a) Students now have to take courses on being a leader.
  - b) All the students are taught by doing roleplays.
  - c) It is bringing in a prolonged assessment of students' abilities.
  - d) There are opportunities for students to gain experience as a business coach.
  - e) Practical experience of managing change is compulsory for BAM students.
  
- 5) Which statement is true for paragraph 5, which starts with "Such changes ..."?
  - a) Clients want training at their own companies to follow the MBA model.
  - b) Chief executives offer to teach on the new business school courses.
  - c) Many companies still prefer to run in-house courses.
  - d) Business schools risk losing their clients by changing their course programme.
  - e) MBA courses are increasingly profitable.

- 6) Which statement is true of Nigel Trilly?
- a) He learns a lot on courses by business leaders.
  - b) He questions the expertise of some business school staff.
  - c) In his courses, MBA students get real-world experience.
  - d) He teaches business skills to medical students.
  - e) He praises the quality of research in business schools.
- 7) According to the article, how will business training evolve in the future?
- a) There will be an increase in MBA graduates from business schools.
  - b) MBA training will become more competitive.
  - c) More research will be done in business training.
  - d) Only business leaders will be trained in management.
  - e) MBA will be useful for complex organisations.
- 8) According to the article, what is not an important aspect for managers?
- a) practical experience in management.
  - b) courses in self-evaluation.
  - c) obligatory graduation from formal business schools.
  - d) gaining experience on the job.
  - e) reflection on one's mistakes.

## Part two – Reading two

Look at the statements below (1 to 8). Then read the four short paragraphs about a company called “Sparks”. These paragraphs contain advice given by four experts (Ana Andell, Benjamin Bright, Clare Claristic and Danny Deloy) on how the company can continue to grow its business.

Try to link the statements to the paragraphs: Which expert's advice (A, B, C or D) does each statement (1 to 8) refer to? For each statement, choose one letter. You will need to use some of the letters more than once.  
Statements:

1. Sparks' speed of production should be an advantage for winning certain contracts.  
Expert: .....
2. Sparks should develop the connections it has established with leading retailers.  
Expert: .....
3. It would be advisable for Sparks to consult customers before developing new products.  
Expert: .....
4. Expanding the product range would not be a problem for the workforce.  
Expert: .....
5. Producing goods for specialist markets might increase Sparks' profits.  
Expert: .....
6. Sparks may need to change the function of one of its facilities.  
Expert: .....
7. Sparks should utilise its current expertise to enter a different market.  
Expert: .....
8. Sparks may need to consider closing its current production facility.  
Expert: .....

“Sparks” is an American company that produces handbags for women. How can it continue to grow its business?

**Expert A: Ana Andell**

Faced with a shrinking market, cheap imports and competitive pricing, Sparks will have to work hard to increase its margins. They need to move into a more promising market, one where demand is growing and where the company can exploit existing skills and contacts. They could think about brand extension – this would not be a giant leap and the sales force would take it in its stride. Also, they wouldn’t need to re-equip their factory and could use non-USA sourcing if facilities here are in short supply.

**Expert B: Benjamin Bright**

They have the fundamentals of a survival strategy in a market where outsourced manufacture and brand differentiation hold the key to success. I think they should initially locate some of their production in another country, where manufacturing quality tends to be better and it is easier to meet changing customer demands. But they should also regularly monitor production in the United States and think about outsourcing all this work abroad at some point if they need it done faster. The company should continue to work on innovative products, and thorough market research will help to ensure any new ideas are well received.

**Expert C: Clare Claristic**

In order to beat their rivals in a highly competitive market, Sparks should ensure their products are attractive and build on their relationships with the big stores rather than trying to go it alone and market directly. They should also consider refocusing production by using their American factory for high-specification products. They could eventually build more production abroad in a cycle of continuous development.

**Expert D: Danny Deloy**

The demand for trendy handbags is relatively flat and the company should consider exploiting niche markets to improve its margins. But even within these, Sparks must distinguish its goods from those of its rivals in terms of quality, performance and design. Innovative sales, marketing and PR are vital to exploit these niche products. One competitive advantage that Sparks does have is production times. Many retail chains now have two-tier supply chains and Sparks could focus on top-up orders. They might also investigate other sales channels such as mail order.

### Part three - Grammar and Vocabulary

Read the text below about an American business. Choose the best word to fill each gap from A, B, C or D below. There is an example at the beginning (0).

#### Doing a good job

Paul Menter became (0) ..B.. executive of the American supermarket firm M-Mart in March 2000. He had left 14 years earlier, when M-Mart was one of America's greatest businesses, a chain of national supermarkets that (1) .... quality with value – as reflected in its 'good food costs less' (2) .... By March 2000, when Paul Menter re-joined the firm, M-Mart was in crisis: profits and (3) .... were falling. Under the two previous bosses, M-Mart had lost market leadership to its (4) .... Fresco. Paul Menter had run Saver, an insurance company, successfully, helping the firm to (5) .... from a crisis of its own. Surely he would now save M-Mart.

But a few years later, (6) .... of admiration, Paul Menter now attracts criticism. Investors are unhappy about the recent (7) .... to him of extra shares worth \$ 3.9 million, and about the decision of the (8) .... to make him chairman next March. The share (9) .... has fallen behind its sector by 17% since Paul Menter arrived. Menter has, in fact, done a reasonable job. He has (10) .... costs and raised profits, and savings are on (11) .... to reach \$ 960 million next year. Yet disappointment came on June 24<sup>th</sup>, when America's competition regulator suggested that M-Mart would not be allowed to (12) .... up market share by buying Eatitall, another supermarket chain. All these problems have arisen (13) ... Paul Menter has invested up to \$ 2 billion to modernise stores and IT infrastructure at M-Mart. Arguably, there has been too little investment in genuine (14) .... which would allow M-Mart to stand out from other supermarkets. Another error may have been to fail to increase non-food sales, which account for just 13% of (15).... at M-Mart, compared with 18% at Eatitall and a fifth at ALDO, the supermarket chains that might be regarded as model for M-mart.

0	A	main	B	chief	C	head	D	lead
1	A	joined	B	combined	C	mixed	D	linked
2	A	logo	B	image	C	slogan	D	brand
3	A	margins	B	edges	C	thresholds	D	frontiers
4	A	opposition	B	rival	C	competition	D	opponent
5	A	improve	B	repair	C	progress	D	recover
6	A	other	B	except	C	instead	D	rather
7	A	award	B	prize	C	gift	D	reward
8	A	group	B	committee	C	agency	D	board
9	A	cost	B	rate	C	figure	D	price
10	A	reduced	B	slumped	C	declined	D	fallen
11	A	objective	B	goal	C	target	D	aim
12	A	build	B	extend	C	grow	D	enlarge
13	A	although	B	but	C	however	D	despite
14	A	modification	B	revival	C	creation	D	transformation
15	A	acquisitions	B	gain	C	turnover	D	contracts

(adapted from Longman / Intelligent Business / 2005)