CRACKING THE SYSTEM CRACKING THE ATTEMPT ATTEM

(GRADUATE MANAGEMENT ADMISSION TEST)

FIRST EDITION

REVOLUTIONARY TECHNIQUES AND STRATEGIES FOR SCORING HIGH ON THE GRADUATE MANAGEMENT ADMISSION TEST

INCLUDING HOW TO:

- THINK LIKE THE TEST MAKERS
- AVOID THE TRAPS THAT TRICK MOST STUDENTS
- LEARN THE FEW RULES OF LOGIC NEEDED TO ACE CRITICAL REASONING
 - USE FOOLPROOF TECHNIQUES TO TACKLE DATA SUFFICIENCY QUESTIONS
 - LEARN STRATEGIC SHORTCUTS FOR THE VERBAL SECTIONS

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BY GEOFF MARTZ, JOHN KATZMAN WITH ADAM ROBINSON THE **PRINCETON** REVIEW

CRACKING THE SYSTEM

THE GMAT.

GEOFF MARTZ AND JOHN KATZMAN WITH ADAM ROBINSON

VILLARD BOOKS NEW YORK 1989



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Portions of this text were originally published in *The Princeton Review: Cracking the System: The SAT.* Copyright © 1986 by Adam Robinson, John Katzman and David Owen.

Library of Congress Cataloging-in-Publication Data

Martz, Geoff.

The Princeton review.

1. Graduate Management Admissions Test. 2. Management —Examinations, questions, etc. 3. Business—Examinations, questions, etc. I. Katzman, John. II. Title. HF1118.M33 1989 650'.076 89-5737 ISBN 0-394-75685-1

Manufactured in the United States of America

9 8 7 6 5 4 3 2

DESIGNED BY BARBARA MARKS

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FOREWORD

In 1981 I founded The Princeton Review in order to help prepare high school students for the SAT (Scholastic Aptitude Test). My first course had nineteen students, and it was held in my parents' apartment. A year later, I began working with Adam Robinson, a highly regarded tutor. Within five years we had become the largest SAT course in the country.

Our SAT techniques are based in part on what we feel to be essential flaws in the design of the test—flaws that could cause students to score well below their true potential. When we looked at the GMAT (Graduate Management Admissions Test), we realized that it contains many of the same flaws as the SAT. (Both tests are written by the Educational Testing Service.) We felt that our techniques for tackling the SAT could be equally useful in tackling the GMAT. So, along with Geoff Martz, one of our veteran teachers and development experts, we designed a course specifically geared for the GMAT. For the past two years, this course has been taught across the country. It has helped GMAT students attain the same phenomenal score improvements as our SAT students.

How do we do it? First, unlike many coaches, we do not insist that the student learn dozens of math theorems or memorize all the rules of written grammar. Our exhaustive examination of the GMAT has shown that the information needed to do well on this test is surprisingly limited. Thus, we concentrate on a small number of crucial concepts.

Those who have sweated through the GMAT and who have felt that the scores did not reflect their college grades or their business acumen probably suspect that there is more to mastering a standardized test than just reviewing rusty math and verbal skills. So we take our preparation a step further and teach techniques specifically designed to master multiple-choice standardized tests.

Finally, The Princeton Review offers even more than a thorough review and great techniques. Our classes are small (eight to twelve students) and are grouped according to ability. For students who require extra help, we provide smaller group work sessions and even one-on-one tutoring. In addition, we administer several diagnostic GMATs under actual exam conditions.

Unfortunately, many students can't get to our courses. So for you we have written this book. Although the book explains our strongest techniques, it cannot substitute for small classes and great teaching. Still, careful study and practice

of the techniques will provide you with the means to boost your score significantly.

To get the maximum effect of our approach, you must practice on actual GMATs. The only source of real GMAT questions is a book published by the Educational Testing Service called *The Official Guide for GMAT Review*. Available in bookstores, it contains one complete GMAT plus sample sections of each question type. Applying our techniques to the questions in *The Official Guide for GMAT Review* will prove to you that they work. Make the techniques an integral part of the way you think about tests and you will be comfortable and confident using them when it counts—on the day of your actual GMAT.

When our first book, Cracking the System: The SAT, was published in 1986, many people asked us when we'd be coming out with books on other tests and others subjects. Since then we have written Cracking the System: College Admissions, Word Smart, Cracking the System: The GRE, and Cracking the System: The LSAT. Many other books are planned for the series; if there's a particular subject or a particular test you would like to see included, let us know.

If you have any questions about our course, or about academic matters in general, give us a call at 1-800-333-0369.

Good luck!

—John Katzman

June 1989

ACKNOWLEDGMENTS

Our GMAT course is much more than clever techniques and powerful computer score reports; the reason our results are great is that our teachers care so much about their students. We would like to thank all the teachers who have made the GMAT course so successful, but in particular the core group of teachers and development people who helped get it off the ground: Alicia Ernst, Tom Meltzer, Paul Foglino, John Sheehan, Mark Sawula, Nell Goddin, Teresa Connelly, and Phillip Yee. We would also like to thank Diane Reverand along with everyone at Villard Books and our agent, Julie Coopersmith.

Finally, we would like to thank the people who truly have taught us everything we know about the GMAT: our students.

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PART ONE

ORIENTATION

CHAPTER 1

Orientation

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What Is the Graduate Management Admission Test?

The Graduate Management Admission Test (GMAT) is a three-and-a-half hour standardized multiple-choice test divided into seven sections:

- 1. a 20-question problem-solving math section
- 2. a second 20-question problem-solving math section
- 3. a 25-question math section called Data Sufficiency
- 4. a 25-question Reading Comprehension section
- 5. a 25-question grammar section called Sentence Correction
- a wild card section—either a 20-question Critical Reasoning section or a second 25-question Reading Comprehension section
- an Experimental section

Each of these sections lasts thirty minutes, and sections can appear in any order. The Experimental section is not used in the scoring process. The test

publisher uses it to try out new questions for future tests and to gauge the relative difficulty of your GMAT. The Experimental section will look just like a regular section and can be from any of the section types. For example, on the test you take you might find that there are two Sentence Correction sections (one real, one Experimental). We will have more to say about the Experimental section later.

Where Does the GMAT Come From?

The GMAT is published by the Educational Testing Service (ETS) under the sponsorship of the Graduate Management Admission Council (GMAC). The council is supposed to oversee ETS. Both ETS and GMAC are private companies. We'll tell you more about them in this chapter.

How Is the GMAT Scored?

Four or five weeks after you've taken the GMAT, you will receive a report from ETS containing three scores:

1. Your total score

This is reported on a scale that runs from 200 to 800, much like the SAT.

2. Your verbal score

This is reported on a scale that runs from 0 to 60.

3. Your math score

This is also reported on a scale that runs from 0 to 60.

Business schools tend to focus on the total score, which means that you can make up for your weakness in one area by being strong in another. For example, if your quantitative skills are better than your verbal skills, they will help pull up your total score. Total scores go up or down in ten point increments. In other words, you might receive 490 or 500 on the GMAT, never 494 or 495.

You will also see a percentile ranking next to each score. For example, if you saw a percentile of 72 next to your verbal score, it would mean that 72 percent of the people who took this test scored lower than you did in verbal skills.

Are GMAT Scores Equivalent to SAT Scores?

No. Even though they both use the same 200-800 scale, GMAT scores are not the same as SAT scores. For one thing, the pool of applicants to business schools is much more select than the pool of applicants to colleges. People who take the GMAT have already graduated from college. In addition, most have several years of business experience.

The GMAT itself is more complex than the SAT. GMAT questions cover a broader range of topics and have a greater degree of difficulty.

Most people find that their GMAT score is somewhat lower than the score they received on the verbal or math SAT. According to ETS two thirds of the people who take the GMAT score between 380 and 590.

What Is the Princeton Review?

The Princeton Review is a coaching school based in New York City. It has branches in over thirty-five cities across the country and several branches abroad. The Princeton Review's techniques are unique and powerful. We developed them after studying dozens of real ETS exams, analyzing them with computers, and proving our theories with our students. They work because they are based on the same principles that ETS uses in writing the test.

The Princeton Review's techniques for beating the GMAT will help you improve your scores by teaching you to

- 1. think like the test-writers at ETS
- 2. take full advantage of the limited time allowed
- 3. find the answers to questions you don't understand by using our unique process of elimination techniques
- avoid the traps that ETS has set for you (and use those traps to your advantage)

A Warning

Many of our techniques for beating the GMAT are counterintuitive. Some of them seem to violate "common sense." To get the full benefit of our techniques, you must trust them. The only way to develop this trust is to practice the techniques and convince yourself that they work.

But you have to practice them *properly*. If you try our techniques on the practice problems in most popular GMAT coaching books, you will probably decide that they don't work.

Why?

Because the practice questions in those books are very different from the questions on real GMATs. These books may have Data Sufficiency questions and Sentence Correction questions and Reading Comprehension questions, but if you compare them with the questions on real GMATs you'll find that the resemblance is only superficial. In fact, studying the practice questions and techniques in some of the other books could actually hurt your GMAT score.

One reason these coaching books do not use real GMAT questions is that the Graduate Management Admission Council won't let them. So far, the council has refused to let anyone (including us) license actual questions from old tests. The council says it is in the process of figuring out an equitable licensing system, but we aren't holding our breath. For one thing, the council has its own review

book (published jointly with ETS) called *The Official Guide for GMAT Review*. The cover of the book boasts that it is "the only review guide with actual—not simulated—test questions." ETS is apparently not in any hurry to let anyone else have access to real questions.

For this reason, we strongly recommend that you purchase the current edition of *The Official Guide for GMAT Review.* Ignore the suggested methods for answering the questions—they are too time-consuming to be of any use during a real test—and concentrate on the real GMAT sections.

The book can be found in many bookstores, or you can order it by sending a check for \$9.95 (within the United States) to:

Graduate Management Admission Test Educational Testing Service P.O. Box 6108 Princeton, NJ 08541-6108

By practicing our techniques on real GMATs, you will be able to prove to yourself that the techniques work and increase your confidence when you actually take the test.

CHAPTER 2

How to Think About the GMAT

Are You a Genius or an Idiot?

If you're like most people, you think standardized tests measure how smart you are. If you score 800 on the GMAT, you may think of yourself as a genius (and the future manager of a corporate empire). If you score 200, you may think of yourself as an idiot (and the future manager of a 7-Eleven). You may think that the GMAT measures your math and verbal abilities. At the very least, you probably believe that the GMAT is an accurate predictor of how you'll do in business school.

One reason you might believe this is because ETS encourages you to think that it's so. and no years the survey of the contract the survey of the survey of the contract the survey of the survey

What Is ETS?

If you went to ETS to interview for a job, you would be impressed with the working conditions: a beautiful 400-acre estate just outside Princeton, New Jersey. The estate used to be a hunting club, and it boasts a swimming pool, a goose pond, a baseball diamond, lighted tennis courts, jogging trails, an expensive house for the company president, and a chauffeured motor pool.

You would also be impressed with the company's financial structure. ETS is a large private company, and it makes a lot of money. (It's also tax-exempt.) It sells the GMAT and the SAT of course, but it also sells about 500 other tests—including those for CIA agents, golf pros, travel agents, firemen, and barbers.

However, what would probably impress you the most, businesswise, is the fact that ETS has pulled off a deal that would in any other field have rendered it liable to antitrust action: ETS has a monopoly.

To Get into Business School You Can

- A) take the GMAT
- B) take the GMAT

If you don't like *Time*, you can read *Newsweek*. If you don't like AT&T, there are a host of competitors to choose from. But if you don't like the GMAT ... well, you might as well consider going into social work.

ETS won't mind. They write that test, too.

It might strike you that a company could get fat and lazy without any competition to keep it honest, but you can't really blame ETS for trying to hold on to a deal that's as sweet as this one. And in order to do that, ETS must convince both you and the business schools you are applying to that the GMAT actually measures something.

There's just one hitch. It doesn't.

What Does the GMAT Measure?

The GMAT is not a test of how smart you are. Neither is it a test of your business ability. It's simply a test of how good you are at taking ETS tests. ETS says that "the GMAT is not a test of knowledge in specific subjects." This is also untrue. In fact, you will learn that by studying the very specific knowledge outlined in this book, you can substantially improve your score.

The GMAT as Job Interview

The first axiom of any how-to book on job interviewing is that you must always tell your interviewer what he or she wants to hear. Whether or not this is a good job-hunting advice, it happens to be a very useful strategy on the GMAT. The

test-writers at ETS think in very predictable ways. You can improve your score by learning to think the way they do and by learning to anticipate the kinds of answers they think are correct.

How Not to Get a Job at ETS

Whatever you do, don't mention Harvard Business School. ETS is kind of sensitive about that. A few years ago, Harvard decided to try an experiment. They admitted part of their entering class according to the standard criteria (Grade Point Average, GMAT, etc). One fifth of the class, however, were admitted without reference to their GMAT scores.

When the students finished their first year, the admissions officers at Harvard sat down and compared the two groups. After analyzing the results, Harvard decided to stop using the GMAT. If you send Harvard your GMAT results, they won't even open the envelope.

Who Writes the GMAT?

Many people believe that GMAT questions are written by university professors or successful executives. This is not true. Virtually all questions are written by ordinary company employees or by college students and other people who are hired part-time from outside ETS. Sometimes the questions are even written by teenagers. The daughter of one ETS vice president spent the summer after she graduated from high school writing questions for ETS tests.

According to a Nader report on ETS, the questions for all ETS tests are written by fewer than seventy people. To reduce the work load, ETS "examiners" try to write each question so that it can be used in as many as four different tests. Some of the questions from the GMAT have turned up on the SAT. As you struggle with a difficult question on the GMAT, it may console you to know that somewhere in America a hapless barber is having even more trouble with it than you are.

How Much Does the GMAT Change from Test to Test?

Not very much. Imagine that you're one of those sixty-odd overworked test-writers struggling to produce tests that will be taken by over 7 million students each year. Not only must your test question be suitable for the test you are now writing, but it must also be good enough to be included in a file from which future test questions for other tests may be chosen. Under these circumstances, what is needed is a kind of generic question written according to established formulas. While ETS has tried several different question types over the years, the essential philosophy of the GMAT hasn't changed much since the test was first administered in 1954.

Will ETS Change the Test in Response to The Princeton Review?

To make a significant change in the GMAT, ETS would have to alter its most fundamental notions of standardized testing. Until ETS is willing to give up its essential philosophy, the GMAT will remain a flawed test, and our techniques (which are based on those flaws) will continue to work just fine.

However, we are not asleep. We monitor each new GMAT very closely. Each year, we will publish a new edition of this book to reflect the subtle shifts that happen over time, as well as any changes in question type.

Forget About the "Best" Answer

The instructions for the GMAT tell you to select the "best" answer to every question. What does "best" ar swer mean? It means the answer ETS believes is correct.

Is the GMAT Just Like the SAT?

The GMAT and the SAT are both prepared by the same organization, so while they share the same philosophy, there are substantial differences between the two tests. The GMAT is a much tougher test, and it contains question types not found on the SAT. Many of the techniques developed by the Princeton Review for the SAT are useful on some sections of the GMAT, but we have also developed new techniques and expanded on some of the old ones.

Is This Book Just Like the Princeton Review Course?

No. You won't have the benefit of taking four proctored GMATs that are analyzed and scored by our computers. You won't get to sit in small classes with ten other highly motivated students who will spur you on. You won't get to work with two expert instructors who can assess your strengths and pinpoint your weaknesses. There is no way to put these things in a book.

What you will find in this book are some of the techniques and methods that have enabled our students to crack the system—plus a review of the essentials you cannot afford not to know.

If at all possible, you should take our course. If that is impossible, then there is this book.

How to Crack the System

In the following chapters we're going to teach you our method for cracking the GMAT. Read each chapter carefully. Some of our ideas may seem strange at

first. For example, when we tell you that it is sometimes easier to answer hard GMAT questions without actually working out the entire problem, you may think, "This isn't the way I conduct business."

The GMAT Isn't About Business

We're not going to teach you business skills. We're not going to teach you math and English. We're going to teach you the GMAT.