

GMAT AWA Practice Test

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.

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.

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.

The following appeared in a memorandum from the president of a company that makes shampoo:

"A widely publicized study claims that HR2, a chemical compound in our shampoo, can contribute to hair loss after prolonged use. This study, however, involved only 500 subjects. Furthermore, we have received no complaints from our customers during the past year, and some of our competitors actually use more HR2 per bottle of shampoo than we do. Therefore, we do not need to consider replacing the HR2 in our shampoo with a more expensive alternative."

Discuss how well reasoned . . . etc.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.