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Admissions and Academic Coordination Office for International Students

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DEMO version of Master's degree admission test
ECONOMICS & MANAGEMENT (English medium of instruction)

The admission test of Economics & Management consists of two parts: A and B.

Part A includes 15 test questions, which require choosing a correct answer from given variants. Each correct answer is worth 4 points. The candidate can get total of 60 points for this part.

Part B includes 8 tasks of medium and high difficulty, which require choosing one or several correct answers from given variants. Each correct answer is worth 5 points. The candidate can get total of 40 points for this part.

The maximum number of points for two parts (A and B) – 100.

The minimum number of points needed to pass the exam successfully – 40.

The candidate has 180 minutes (3 hours) to complete all the tasks.

Part A

Choose one correct answer:

- 1) Business plan is considered completed, if:
 - a) the logical sequence of events in the work tasks has been determined;
 - b) all work tasks within and outside the firm necessary to move the business project from the business plan stage to the actual production stage have been accomplished;
 - c) a budget for the implementation and flow of funds that will finance the business plan has been prepared.

- 2) Sales profit is the difference between:
 - a) gross profit and management expenses;
 - b) marginal profit and selling expenses;
 - c) gross profit and the sum of management and selling expenses.

- 3) Financial result indicator at the critical point (break-even point) is:
 - a) always over 1 million rubles;
 - b) always less than 1 thousand rubles;
 - c) always 0 rubles.

- 4) The value terms of all costs of production factors required by an enterprise for its operations are called:
- operating costs;
 - variable costs;
 - department cost;
 - gross income.
- 5) Amortization is defined as:
- a method of internal reporting;
 - the technology of preparing budgets of an enterprise;
 - a method of transferring the cost of fixed assets to the manufactured product;
 - a method of analyzing the dynamics of fixed assets of an enterprise.
- 6) The amount of fixed assets value required to produce a unit of output is called:
- capital/output ratio;
 - return on assets ratio;
 - return on equity;
 - equipment utilization rate.
- 7) The main indicator of the effectiveness of the organization's activity, characterizing the rationality of the use of means of production, material, labor and financial resources is:
- profit;
 - income;
 - profitability;
 - costs.
- 8) The net present value of a project NPV shows:
- the share of investment costs returned to the organization in the form of net profit within a certain period of time;
 - the algebraic sum of discounted forecast cash flows from the realization of the investment project;
 - discounted value of gross profit from realization of finished products;
 - average profitability of the investment project.
- 9) Non-normed working assets include:
- short-term financial investments;
 - finished goods in stock;
 - material inventories;
 - deferred expenses.
- 10) The management process begins with the function of:
- organization;
 - motivation;
 - control;
 - planning.

11) The store selling children's shoes announced a global sale of all remaining stock due to liquidation. Thus, the store implements the strategy of:

- a) strengthening of positions in the market;
- b) horizontal integration;
- c) downsizing;
- d) «harvesting».

12) The functions of wages are NOT:

- a) reproductive;
- b) psycho-physiological;
- c) regulatory;
- d) organizational and behavioral.

13) The company plans to open 50 stores within a year (i.e. 4 stores per month), which will require an investment of \$14.5 million. The expected revenues from their openings over the next 4 years should be: Year 1 – \$3.0 million; Year 2 – \$5.8 million; Year 3 – \$6.9 million and for Year 4 – \$9.1 million.

The profitability index of the project on opening stores at a discount rate of 13% is equal to:

- a) 1;
- b) 1,1;
- c) 1,2;
- d) 0,9.

14) If exports exceed imports, then:

- a) the trade balance does not exceed the government budget balance;
- b) net investment exceeds total expenditure;
- c) there is a trade surplus;
- d) net exports are less than zero.

15) If the rent for the use of the premises where the production facility is located increases, there will be an increase in:

- a) fixed costs;
- b) average variable costs;
- c) variable costs;
- d) marginal costs.

Part B

Choose one or several correct answers:

1) The labor incentive system includes:

- a) conducting performance appraisals of employees;
- b) creation of target groups for development of proposals in the sphere of labor stimulation;
- c) staff rotation;
- d) analyzing the labor incentive system.

- 2) Indicate the functions of marketing:
- a) sales promotion;
 - b) situational management;
 - c) orientation to commercial success;
 - d) market research.
- 3) The advantages of external sources of staff recruitment include:
- a) reduction of intrigue threats within the organization;
 - b) increase in labor productivity;
 - c) increase in motivation and labor satisfaction of staff workers;
 - d) all answers are correct.
- 4) The charges may be of the following types:
- a) administrative;
 - b) indirect;
 - c) customs;
 - d) license;
 - e) direct.
- 5) The budget deficit may be of the following types:
- a) actual;
 - b) potential;
 - c) structural;
 - d) frictional;
 - e) cyclical.
- 6) The main instruments of monetary policy are:
- a) exchange rate;
 - b) currency intervention;
 - c) gold parity;
 - d) currency restrictions;
 - e) foreign exchange reserves.
- 7) The changes in resources related to the short-term period include:
- a) hiring 12 additional workers;
 - b) organizing a new work shift;
 - c) commissioning new equipment;
 - d) construction of a new workshop;
 - e) opening another factory.
- 8) Natural market barriers include:
- a) granting licenses or patents to a limited number of firms;
 - b) economies of scale and lower costs of production for incumbent firms compared to "newcomers";
 - c) imposition of various kinds of government restrictions;
 - d) creation of innovative goods;
 - e) marketing innovations to capture the market.

**Grading scale of admission test
ECONOMICS & MANAGEMENT**

Module	Content of module	Number of questions	Number of points for a correct answer to a question	Maximum number of points for a module
A	Multiple-choice test questions with one correct answer	15	4	60
B	Multiple-choice test questions with one or several correct answer	8	5	40
IN TOTAL		-	-	100

**Topics and Questions for admission test
ECONOMICS & MANAGEMENT**

I. SECTION «ECONOMICS»

Fixed assets of an enterprise. Depreciation of fixed assets.
 Working capital of the enterprise.
 Labor productivity: factors and reserves of growth.
 Forms and systems of labor remuneration at the enterprise.
 Production costs: their meaning and types.
 Cost of production.
 Price: types and methods of determination.
 Profit and profitability.
 Breakeven operation of the enterprise (break-even point).
 The main taxes at the enterprise.
 The system of plans of the enterprise.
 Business plan: main sections.
 Evaluation of the effectiveness of investment projects.
 Bankruptcy of the enterprise: essence, procedures.
 Economic growth and its types. Economic cycle.
 Business competition and its types.
 Employment and unemployment: indicators and types.
 Inflation: concept, causes, indicators.

II. SECTION «MANAGEMENT»

Basic functions of management.
 Internal environment of the organization and its main elements.
 External environment of the organization: characteristic, main elements.
 Mission, goals and objectives of the organization.
 Classification of organizational management structures.

The process of development and adoption of management decision.

Professional recruitment and selection of personnel.

Conflicts in the organization: types and ways of solution.

Strategic, tactical and operational levels of management.

Styles of management.

Strategies of the organization: basic and competitive.