

Verbal Reasoning Questions

“The project was ambitious in its size, complexity, triparty nature, and in its pioneering of the Private Finance Initiative. This difficulty was unavoidable and contributed to the project’s failure. However, a more prudent estimation of the unknown difficulties and timescales would have enabled the Department to better prepare for the project, and increase its chance of success.

In December 1997 XSoft indicated they needed more time to complete the project, which should have been inevitable. If the Department knew from the start how long the project would take, it is questionable whether they would have considered inception; especially considering the implications of delay on overall profitability for the venture“.

Q1 If more care had been put into estimating the difficulties, it is less likely the project would have failed.

True False Cannot say

Q2 XSoft withheld information from the Department regarding how long the project would take.

True False Cannot say.

Q3 The Department’s profits were dependent upon how long the project took.

True False Cannot say

“Ever since the gun’s invention it has been changing the world in many different ways. Many of these changes have been brought about by man’s desire to protect themselves, and the challenge of inventing bigger and more accurate weapons.

Each time there has been a major innovation in the development of the gun, there has been a profound effect on the world. The gun helped in the exploration of the world, it has also helped in the development of society as we know it.”

Q4 The gun was invented because the human race needs to protect themselves.

True False Cannot say

Q5 Guns are the reason our society is the way it is today.

True False Cannot say

Q6 Financial incentives had no part to play in the development of the gun.

True False Cannot say.

“Being socially responsible is acting ethically and showing integrity. It directly affects our quality of life through such issues as human rights, working conditions, the environment, and corruption. It has traditionally been the sole responsibility of governments to police unethical behaviour. However, the public have realised the influence of corporations and, over the last ten years, the level of voluntary corporate social responsibility initiatives that dictate the actions of corporations has increased.”

Q7 The ethical actions of corporations has changed over the last ten years.

True False Cannot say

Q8 Corporations can influence the public’s quality of life.

True False Cannot say

Q9 Ten years ago, it was up to each corporation to decide whether they acted morally or not.

True False Cannot say

“A well-nourished child can be more likely to be a studious one. But food has been seen as a cost to be cut, rather than an ingredient of good schooling. That may now be changing: as the government worries about obesity – which is fast rising among children- and urges everyone to eat less salt, fat and sugar, and more fruit and vegetables, the deficiency and unhealthiness of most school meals is striking. But cash constraints make change hard.”

Q10 Children who eat healthily will perform better in exams.

True False Cannot say

Q11 The number of obese children used to be less than it is now.

True False Cannot say

Q12 The government is apathetic about obesity.

True False Cannot say

“The costs of roaming - the service which allows UK customers to use their mobile phone abroad - are much higher than those in France, Germany, Sweden and Italy. Many people get caught out because they are unaware of the high prices, and that they get charged for simply receiving calls while abroad. Less than a quarter of consumers had any knowledge of the price of using a mobile phone abroad when they bought their phone. Better consumer information is vital if prices for pre-pay international roaming in the UK are to come down.”

Q13 It is more expensive for German customers to use a roaming service than it is for UK customers.

True False Cannot say

Q14 Pay-as-you-go roaming rates are lower than they are for contract customers.

True False Cannot say

Q15 Customers can be charged for calls which they do not make themselves.

True False Cannot say

“Globalisation is putting fresh pressure on mid-size firms, with huge companies moving into their markets and dictating prices. This kind of company feels neglected by government. They are too large to qualify for the grants and assistance that small enterprises can count on, but are too small to wield the kind of influence their larger competitors can bring to bear. But despite the squeeze, most mid-size firms still believe that they can deliver steady growth, by playing to their traditional strength - being nimbler and more customer-focused than their large rivals.”

Q16 Large companies have a greater effect on prices than mid-sized companies.

True False Cannot say

Q17 The size of grant awarded to a company is not dependant on the company's size.

True False Cannot say

Q18 Traditionally mid-sized firms are faster than large companies at adapting to market changes.

True False Cannot say

“If society seems obsessed with youth, it is at least partly because companies are. Like it or not, the young increasingly pick the styles and brands that trickle up to the rest of the population. Nike, Abercrombie & Fitch and Timberland first took off with the young, and when that clientele tired of them the companies felt the loss keenly. Now that grown-ups are no longer necessarily expected to act and look grown-up, parents and children can be found listening to exactly the same music, playing the same videogames, watching the same TV shows, and wearing the same brands of clothes and shoes.”

Q19 An adult's style can sometimes be similar to that of a child's.

True False Cannot say

Q20 The profits of Timberland are not affected by young customers.

True False Cannot say

Q21 Adults wear the same shoes as children because they want to look younger.

True False Cannot say

“Television is changing as it goes digital. The result will not only be better-quality pictures and sound but also personal TV, with viewers able to tailor the programmes they watch and even take part in them. How much money this makes for programme-makers or broadcasters, whoever they turn out to be, is not so clear.

Cable, satellite and terrestrial television broadcasters are upgrading their equipment to provide higher-quality digital services. Rupert Murdoch’s News Corporation will become the first company in the world to migrate an entire national TV system over to digital services when it turns off its old analogue version of its British satellite service, BSkyB.”

Q22 Rupert Murdoch is the owner of BSkyB.

True False Cannot say

Q23 The only change from traditional analogue services to digital services will be the picture quality.

True False Cannot say

Q24 Television broadcasters are upgrading their equipment because they will make more money from digital TV.

True False Cannot say.

“Brand equity has become a key asset in the world of business. Indeed, some brands are now worth more than companies. Corporations themselves are widely distrusted, whereas peculiarly, brands have the opposite effect on people. Brands are used to humanise corporations by appropriating characteristics such as courage, honesty, friendliness and fun. An example is Dove soap, where a dove represents white, cleanliness and peace. In a sense, rather than the product itself, the image and the idea is the selling point.”

Q25 Brands have always been an important asset to a company.

True False Cannot say

Q26 Many people distrust corporations.

True False Cannot say

Q27 People buy Dove soap because they like the idea of peace.

True False Cannot say

“The first problem with financial statements is that they are in the past; however detailed, they just provide a snap shot of the business at one moment in time. There is also a lack of detail in financial statements, giving little use for the running of a business. Financial statements are provided for legal reasons to meet with accounting regulations and are used largely by city analysts who compute share prices and give advice to shareholders. Accounts often have hidden information and may also be inconsistent – it is difficult to compare different companies’ accounts, despite there being standards, as there is much leeway in these standards”.

Q28 Financial statements tell analysts what is going to happen to a business in the future.

True False Cannot say

Q29 Companies create financial statements as part of their legal obligations.

True False Cannot say

Q30 If account-recording standards were changed, it would be easier to compare the performance of different companies.

True False Cannot say

Answers									
Q1	True	Q7	True	Q13	False	Q19	True	Q25	False
Q2	Cannot say	Q8	True	Q14	Cannot say	Q20	False	Q26	False
Q3	True	Q9	False	Q15	True	Q21	Cannot say	Q27	Cannot say
Q4	Cannot say	Q10	Cannot say	Q16	True	Q22	True	Q28	False
Q5	False	Q11	True	Q17	False	Q23	False	Q29	True
Q6	Cannot say	Q12	False	Q18	True	Q24	Cannot say	Q30	Cannot say