



MAJOR FIELD TESTS

Colleges and universities use the Major Field Tests to measure student academic achievement and growth and to assess the educational outcomes of their major programs. In addition, academic departments use the Major Field Tests to evaluate their curricula and to measure the progress of their students. The tests also provide students with an assessment of their own level of achievement within a field of study compared to that of students in their program and to national comparative data.

Background

Development of the Major Field Tests began in 1989, modeled on the development of the Graduate Record Examinations (GRE) Subject Tests. However, unlike the GRE Subject Tests, the Major Field Tests do not serve as a predictor of graduate school success, but are designed to measure the basic knowledge and understanding achieved by senior undergraduates in their major field of study. Each test is revised approximately every five years. Experienced teaching faculty members representing all the relevant areas of a discipline participate in determining test specifications, questions, and types of scores reported. ETS assessment experts subject each question to rigorous tests of sensitivity and reliability. In addition, every effort is made to include questions that assess the most common and most important topics and skills within each major field of study.

Test Content

The Major Field Tests are designed to assess mastery of concepts, principles, and knowledge expected of students at the conclusion of an academic major in specific subject areas. In addition to factual knowledge, the tests evaluate students' abilities to analyze and solve problems, understand relationships, and interpret material. The tests may contain questions that require interpretation of graphs, diagrams, and charts based on material related to the field. Academic departments may add up to 50 additional locally written questions to test areas of a discipline that may be unique to the department or institution.

Test Length

The tests are two-hour multiple-choice tests. The addition of optional, locally developed questions may require a longer testing period.

Test Administration

Departments or schools choose when and where to give the tests; however, the tests are normally administered during the senior year when students have completed the majority of courses in the major. Many institutions administer the tests as part of the requirements of a capstone course.

National Comparative Data

A Comparative Data Guide, published each year, contains tables of scale scores and percentiles for individual student scores, departmental mean scores, and any subscores or group assessment indicators that the tests may support. The tables of data are drawn from senior-level test takers at a large number of diverse institutions. More than 500 colleges and universities employ one or more of the Major Field Tests for student achievement and curriculum evaluation each year.

Scores

Major Field Test score reports are sent directly to the office within an institution that purchases them, such as a department chairperson, dean, or director of testing. Results of the tests are reported for the entire group of test takers, as well as for individual students. Overall student scores are reported on a scale of 120-200; subscores (which many of the tests include) are reported on a scale of 20-100. Another score reported for most of the tests is based on group-level achievement in subfields of the discipline. These "assessment indicators" report the average percent of a subset of test questions answered correctly by all students tested. On Major Field Tests, only correct answers are scored, so students are not penalized for omissions or guesses.

BUSINESS

BUSINESS (3YMF)

(Current form introduced in Spring 2002)

The Major Field Test in Business contains 120 multiple-choice items, some of which are grouped in sets and based on such materials as diagrams, charts, and tables of data. The questions are designed to measure a student's knowledge and ability to apply significant facts, concepts, theories, and analytical methods. The questions represent a wide range of difficulty, and the test attempts to cover both depth and breadth in assessing students' levels of achievement.

Following the general guidelines of business school accrediting agencies, the Business Test covers areas outlined in statements of the "Common Body of Knowledge" for undergraduate business education. The test assumes that most institutions will offer a common core that includes accounting, economics, finance, law, management, marketing and quantitative analysis. In addition, it is assumed that the common core will address important social and international considerations of modern business operations.

The Business Test is intended to:

- Measure students' academic achievement in the multidisciplinary subject matter representative of undergraduate business education
- Provide information to students regarding their level of achievement
- Provide information to faculties regarding the achievement of their students; information that can be used by the institution to assess their performance relative to their specific mission and objectives.
- Provide information to facilitate development of appropriate goals and educational programs, and to enhance the accountability of undergraduate business education.

Test Content

Major areas covered by the tests are:

- I. **Accounting** (about 16 percent of the questions)
 - A. Financial accounting
 1. Conceptual foundations
 2. Income statement and Statement of Retained Earnings
 3. Balance sheet
 4. Statement of cash flows
 - B. Managerial accounting
 1. Cost concepts
 2. Product costing systems
 3. Activities-based costing
 4. Cost, volume, and profit analysis
 5. Budgeting (except capital budgeting covered under Finance)
 6. Standard costing
 7. Nonroutine decision-making
- II. **Economics** (about 16 percent of the questions)
 - A. Macroeconomics
 1. National accounts and income determination
 2. Monetary and fiscal policy
 3. Federal Reserve system
 4. Employment, inflation, and growth
 - B. Microeconomics
 1. Market structure
 2. Price theory
 3. Supply and demand
 - C. International economics
 1. Balance of trade and payments
 2. International monetary system
 3. Exchange rates
 4. Trade policy (including GATT and NAFTA and the European Union)
 5. Comparative advantage

- III. **Management** (about 17 percent of the questions)
 - A. Management process
 - 1. History and theory
 - 2. Functions (organizational structure, planning, , and controlling)
 - 3. Group/team dynamics and managing diversity
 - B. Organizational behavior
 - 1. Leadership and motivation
 - 2. Communication
 - 3. Group/team dynamics
 - C. Strategy and policy
 - 1. Strategic analysis
 - 2. Policy determination
 - D. International Management
 - E. Entrepreneurship
- IV. **Quantitative Business Analysis and Information Systems** (about 16 percent of the questions)
 - A. Probability and statistics
 - 1. Measure of set operations
 - 2. Conditional/joint probabilities
 - 3. Counting rules
 - 4. Measures of central tendency and dispersion
 - 5. Distributions (including normal and binomial)
 - 6. Sampling and estimation
 - 7. Hypothesis testing
 - 8. Correlation and regression
 - 9. Time-series forecasting
 - 10. Statistical concepts in quality control
 - B. Management science
 - 1. Linear programming
 - 2. Project scheduling (including PERT and CPM)
 - 3. Inventory and production planning
 - 4. Special topics (including queuing theory, simulation, and decision analysis)
 - C. Information systems
 - 1. Technology (hardware and software)
 - 2. System analysis and design
 - 3. Interdisciplinary issues
 - 4. Management of information systems and technology
- V. **Finance** (about 12 percent of the questions)
 - A. Valuation of investments
 - 1. Time value of money
 - 2. Capital budgeting
 - 3. Price/earnings and dividend models
 - 4. Risk, return and diversification
 - B. Financial markets
 - 1. Market efficiency
 - 2. The Capital Asset Pricing model
 - 3. Sources of financing for firms
 - 4. International markets
 - C. Corporate finance
 - 1. Working capital management
 - 2. Financial statement analysis
 - 3. Cost of capital and capital structure
 - 4. Risk management
- VI. **Marketing** (about 12 percent of the questions)
 - A. Marketing processes
 - 1. Strategic marketing
 - 2. The 4 P's (Product, Price, Promotion, and Place)
 - 3. Marketing environment
 - 4. Marketing research and information systems
 - 5. Consumer and industrial buyer behavior
 - B. Marketing institutions
 - 1. Consumer markets/Market segmentation
 - 2. Industrial markets
 - 3. Service and nonprofit
 - 4. Social issues
 - C. International marketing
- VII. **Legal and Social Environment** (about 10 percent of the questions)
 - A. Legal environment
 - 1. Courts and legal systems
 - 2. Constitution and business
 - 3. Administrative law
 - B. Regulatory environment

1. Employment and labor law
2. Antitrust law
3. Consumer protection
4. Tort law
5. Crimes
6. Environmental and international law

- C. Business relationships
1. Contract and commercial law (including UCC)
 2. Business organizations
 3. Law of agency
 4. Intellectual property

- D. Ethics and Social Responsibility
1. Ethics
 2. Social responsibility

VIII. **International Issues** (overlapping and drawn from Economics, Finance, Management and Marketing - Topics IIC, IIID, VB4, VIC, and VIIB6)

Scores on the Business II Test are reported as follows:

Total Score

Reported for each student and summarized for the group.

Assessment Indicators

Reported for the group* only.

- Accounting (20)
- Economics (20)
- Management (20)
- Quantitative Business Analysis and Information Systems (20)
- Finance (13)
- Marketing (14)
- Legal and Social Environment (13)
- International Issues (12 percent of the questions overlap and are drawn from economics, finance, management, and marketing)

Numbers in parentheses are approximate number of questions in each category

*A minimum of five students is required for assessment indicators to be reported.



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