Find out how to prove — and improve — the effectiveness of your Business program with the ETS® Major Field Tests.

Content Validity

The Major Field Test (MFT) in Business, first administered in 1990, assesses mastery of concepts, principles and knowledge by graduating Business students. To ensure fairness and content relevance, the test is revised approximately every four to five years.

Developed by Leading Educators in the Field

Experienced faculty members representing all the relevant areas of the discipline determine test specifications, questions and types of scores reported. ETS assessment experts subject each question to rigorous tests of sensitivity and reliability. Every effort is made to include questions that assess the most common and important topics and skills.

In addition to factual knowledge, the test evaluates students’ abilities to analyze and solve problems, understand relationships and interpret material. Questions that require interpretation of graphs, diagrams and charts are included. Academic departments may add up to two subgroups and as many as 50 additional locally written questions to test areas of the discipline that may be unique to the department or institution.

National Comparative Data

A Comparative Data Guide, published each year, contains tables of scaled scores and percentiles for individual student scores, departmental mean scores and any subscores or group assessment indicators that the test may support. The tables of data are drawn from senior-level test takers at a large number of diverse institutions. Nearly 1,500 colleges and universities employ one or more of the Major Field Tests for student achievement and curriculum evaluation each year.

Who Develops the MFT in Business?

Individuals who serve or recently have served on the Committee for the MFT in Business are faculty members from the following institutions:

- California State University–Fullerton
- Florida Southern College
- Murray State University
- Rider University
- University of Central Oklahoma
- University of Phoenix

For more information about the MFT in Business:

Phone: 1-800-745-0269
Email: highered@ets.org
Visit: www.ets.org/mft

Educational Testing Service
Rosedale Road
Princeton, NJ 08541
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. Programs can choose when and where to administer the tests. It is designed to take two hours and may be split into two sessions. This test must be given by a proctor. Mathematical operations do not require the use of a calculator.

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, and provide information to facilitate development of appropriate goals and educational programs, and enhance the accountability of undergraduate business education.

The distribution of the content areas with some examples of the topics covered is as follows:

### The Test Outline

#### I. Accounting (~15%)
B. Managerial Accounting: cost concepts, product-costing systems, activity-based costing, cost, volume and profit analysis, budgeting (except capital budgeting covered under Finance); standard costing; nonroutine decision making
C. International Accounting

#### II. Economics (~13%)
A. Basic Economic Concepts: scarcity and opportunity cost, production possibilities frontier, comparative advantage and specialization, economic systems
B. Microeconomics: supply and demand, models of consumer choice, production and costs, product market structures, resource markets, market failure and the role of government
C. Macroeconomics: measurement of economic performance, aggregate demand and aggregate supply, money and the banking system, monetary policy and fiscal policy
D. International Economics: international trade and policy, exchange rates, balance of payments

#### III. Management (~15%)
A. Management Principles: history and theory, functions (organizing, leading, planning and controlling), group/team dynamics
B. Organizational Behavior: leadership and motivation, communication, managing diversity, human resource management
C. Operations Management: operations design, operations execution, top quality management
D. Strategy and Policy: strategic analysis, policy determination
E. International/Cross-Cultural Management
F. Entrepreneurship

#### IV. Quantitative Business Analysis (~11%)
A. Probability and Statistics: measure of set operations, conditional/joint probabilities, counting rules, measures of central tendency and dispersion, distributions (including normal and binomial), sampling and estimation, hypothesis testing, correlation and regression, time-series forecasting, statistical concepts in quality control
B. Quantitative Operations Management Techniques: linear programming, project scheduling (including PERT and CPM), inventory modeling, statistical process control, special topics (including queuing theory, simulation and decision analysis)

#### V. Information Systems (~10%)
A. Information Systems in Business and Society: information management in global society; security, privacy and ethical issues
B. Information Technology Concepts: hardware technology, software technology, database management systems, network and internet technology
C. Business Information Systems: automation and support systems, transaction processing systems, management information systems, decision support and expert systems, enterprise systems (ERP)
D. Systems Development: systems investigation and analysis, systems planning development and implementation

#### VI. Finance (~13%)
A. Corporate Finance: time value of money, capital budgeting, working capital management, financial statement analysis, cost of capital, capital structure
B. Investments: risks and returns, valuation of securities, financial markets and environments
C. International Finance

#### VII. Marketing (~13%)
A. Identifying Attractive Markets: strategic marketing planning, scanning, marketing environment, marketing research and information technology tools, consumer and organizational buyer behavior
B. Serving Selected Markets: the marketing mix (product, price, place and promotion), segmenting consumer and organizational markets, marketing services, marketing for not-for-profit organizations, marketing of social causes
C. International Marketing

#### VIII. Legal and Social Environment (~10%)
A. Legal Environment: courts and legal systems, constitution and business, administrative law, tort law, crimes
B. Regulatory Environment: employment law, labor law, antitrust law, consumer protection, environmental and international law, security regulation
C. Business Relationships: contract and sales law (UCC), business organizations, law of agency, intellectual property
D. Ethics and Social Responsibility: ethics, social responsibility

#### IX. International Issues (overlapping and drawn from other content areas above)

### How scores for the Major Field Test in Business are reported:

**Total Score** — Reported for each student and summarized for the group.

**Assessment Indicators** — Reported for the group* only
- Accounting (18)  —  Finance (16)
- Economics (16)  —  Marketing (16)
- Management (18)  —  Legal and Social Environment (12)
- Quantitative Business Analysis (13)
- Information Systems (12)
- International Issues (~12, drawn from other content areas)

Numbers in parentheses are the approximate number of questions in each category.

* A minimum of five (5) students is required for assessment indicators to be reported.