GMAT-Reading-Test 31

# Passage 31

The number of women directors appointed to corpo-

rate boards in the United States has increased dramati-

cally, but the ratio of female to male directors remains

low. Although pressure to recruit women directors,

**(5)** unlike that to employ women in the general work force,

does not derive from legislation, it is nevertheless real.

Although small companies were the first to have

women directors, large corporations currently have a

higher percentage of women on their boards. When the

**(10)**chairs of these large corporations began recruiting

women to serve on boards, they initially sought women

who were chief executive officers (CEO’s) of large corpo-

rations. However, such women CEO’s are still rare. In

addition, the ideal of six CEO’s (female or male ) serving

*(15)* on the board of each of the largest corporations is realiz-

able only if every CEO serves on six boards. This raises

the specter of director overcommitment and the resultant

dilution of contribution. Consequently, the chairs next

sought women in business who had the equivalent of

*(20)* CEO experience. However, since it is only recently that

large numbers of women have begun to rise in manage-

ment, the chairs began to recruit women of high achieve-

ment outside the business world. Many such women are

well known for their contributions in government,

*(25)* education, and the nonprofit sector. The fact that the

women from these sectors who were appointed were

often acquaintances of the boards’ chairs seems quite

reasonable: chairs have always considered it important

for directors to interact comfortably in the boardroom.

*30)* Although many successful women from outside the

business world are unknown to corporate leaders, these

women are particularly qualified to serve on boards

because of the changing nature of corporations. Today a

company’s ability to be responsive to the concerns of the

*35)* community and the environment can influence that

company’s growth and survival. Women are uniquely

positioned to be responsive to some of these concerns.

Although conditions have changed, it should be remem-

bered that most directors of both sexes are over fifty

*(40)* years old. Women of that generation were often encour-

aged to direct their attention toward efforts to improve

the community. This fact is reflected in the career devel-

opment of most of the outstandingly successful women

of the generation now in their fifties, who currently serve

*(45)* on corporate boards: 25 percent are in education and

22 percent are in government, law, and the nonprofit

sector.

One organization of women directors is helping busi-

ness become more responsive to the changing needs of

*(50)* society by raising the level of corporate awareness about

social issues, such as problems with the economy,

government regulation, the aging population, and the

environment. This organization also serves as a resource

center of information on accomplished women who are

*(55)* potential candidates for corporate boards.

1. The author of the passage would be most likely to agree

with which of the following statements about

achievement of the “ideal” mentioned in line 14?

(A) It has only recently become a possibility.

(B) It would be easier to meet if more CEO’s were

women

(C) It is very close to being a reality for most corporate

boards.

(D) It might affect the quality of directors’ service to

corporations.

(E) It would be more realizable if CEO’s had a more

extensive range of business experience.

2. According to the passage, the pressure to appoint

women to corporate boards differs from the pressure to

employ women in the work force in which of the

following ways?

(A) Corporate boards are under less pressure because they

have such a small number of openings.

(B) Corporate boards have received less pressure from

stockholders, consumers, and workers within

companies to include women on their boards.

(C) Corporate boards have received less pressure from

the media and the public to include women on their

boards.

(D) Corporations have only recently been pressured to

include women on their boards.

(E) Corporations are not subject to statutory penalty for

failing to include women on their boards.

3. All of the following are examples of issues that the

organization described in the last paragraph would be

likely to advise corporations on EXCEPT

(A) long-term inflation

(B) health and safety regulations

(C) retirement and pension programs

(D) the energy shortage

(E) how to develop new markets

4. It can be inferred from the passage that, when seeking to

appoint new members to a corporation’s board, the chair

traditionally looked for candidates who

(A) had legal and governmental experience

(B) had experience dealing with community affairs

(C) could work easily with other members of the board

(D) were already involved in establishing policy for that

corporation

(E) had influential connections outside the business

world

5. According to the passage, which of the following is true

about women outside the business world who are

currently serving on corporate boards?

(A) Most do not serve on more than one board.

(B) A large percentage will eventually work on the staff

of corporations.

(C) Most were already known to the chairs of the board

to which they were appointed.

(D) A larger percentage are from government and law

than are from the nonprofit sector.

(E) Most are less than fifty years old.

6. The passage suggests that corporations of the past differ

from modern corporations in which of the following

ways?

(A) Corporations had greater input on government

policies affecting the business community.

(B) Corporations were less responsive to the financial

needs of their employees.

(C) The ability of a corporation to keep up with

changing markets was not a crucial factor in its

success.

(D) A corporation’s effectiveness in coping with

community needs was less likely to affect its growth

and prosperity.

(E) Corporations were subject to more stringent

government regulations.

7. Which of the following best describes the organization

of the passage?

(A) A problem is described, and then reasons why

various proposed solutions succeeded or failed are

discussed.

(B) A problem is described, and then an advantage of

resolving it is offered.

(C) A problem is described, and then reasons for its

continuing existence are summarized.

(D) The historical origins of a problem are described,

and then various measures that have successfully

resolved it are discussed.

(E) The causes of a problem are described, and then its

effects are discussed.

8. It can be inferred from the passage that factors making

women uniquely valuable members of modern corporate

boards would include which of the following?

Ⅰ. The nature of modern corporations

Ⅱ. The increased number of women CEO’s

Ⅲ. The careers pursued by women currently available to

serve on corporate boards

(A) Ⅰonly

(B) Ⅱonly

(C) Ⅲ only

(D) Ⅰand Ⅲ only

(E) Ⅰ,Ⅱ, and Ⅲ

**ANSWERS**

D

E

E

C

C

D

B

D