

## **Entry Examination Program “Economics and Management”**

**Educational group code: 38.06.00 Economics and management**  
**Educational profile: 38.06.01**

**Name of the program: Economics and Management**

### **I. THE CONTENT OF EXAMINATION**

Entry examination is carried out in the form of written task (parts 1 and 2) and oral interview (part 3). The goal of the written part of the examination is to assess the level of the candidates' prerequisite knowledge in the economic theory and general and strategic management to ensure their readiness for advanced studies according to the doctoral program requirements. The goal of the oral part of the examination is to assess the candidates' preparedness for research work in the field of the program (i.e., in management) and their motivation to pursue academic career.

*In the written part of the examination candidates are required to answer two written questions – one in management (part 1) and one in economic theory (part 2). The questions are randomly combined in variants that are given to the candidates at the day of the examination. The topics for preparation are provided below.*

#### **Part 1. Management**

##### **1.1. General Management**

1. Scientific management: origin, contributors, and main topics. Scientific management as management philosophy and as management tool. Contribution of the scientific management to development of the management theory and practice. Criticism of the scientific management.
2. Classical (administrative) school: origin, contributors, and main topics. Contribution of the classical school to development of the management theory and practice. Criticism of the classical school.
3. Human relations movement: origin, contributors, main topics, and development in 1940s-1950s. Human relation movement contribution to development of the management theory and practice. Criticism of the human relations.
4. Management science and its contribution to development of the management theory and practice.
5. Contingency approach: origin, contributors, and main topics. Contingency approach to structuring of organizations. Contribution of the contingency approach to development of the management theory and practice.
6. Development of management theory and practice in 1980-1990-s. Lean production. Total quality management. Business processes reengineering.
7. The concept of organization culture: artifacts, espoused values, and shared tacit assumptions. The functions of the organization culture: external survival and internal integration.
8. Leader and leadership. Universalistic, behavioral, and contingency approach to organization leadership. Contemporary approaches to leadership studying.
9. Motivation. Evolution of approaches to motivation in organizations.
10. Organization structure. The main types of organization structure: advantages and disadvantages. Network organization.

11. Contemporary concepts and approaches to structuring of organization: virtual organization, borderless organization, holacracy.
12. The concept of the learning organization: origin, contributors, main topics, and its development. Contribution of the concept to development of the management theory and practice.
13. The concept of corporate social responsibility: origin, contributors, main topics, and its development 2000s-2010s. Contribution of the concept to development of the management theory and practice.

## **1.2. Strategic Management**

14. Strategy and an aspiration to competitive advantage. Evolution of approaches to sources of competitive advantages.
15. The importance of developing and realization of strategy. Different approaches to the process of strategic management.
16. Position supremacy, monopolistic rents and industrial organization theory of M. Porter: basic provision, criticism of the theory and its development in recent years.
17. Resource based view (RBV): origin, core concepts and analytical tools. Contribution of the RBV to development of the management theory and practice.
18. Dynamic capabilities concept: origin, contributors, main topics. Contribution of the concept to development of the management theory and practice.
19. Corporate strategy. Feasibility of diversification. Strategic compliance and obtaining an economic effect from diversification. Approaches to diversification.

## **Part 2. Economic theory**

1. Model of market equilibrium. Demand function. Supply function. Market equilibrium and its shifts. Government regulation of the market.
2. Consumer theory. Utility function. Cardinal utility theory and marginal utility function. Ordinal utility theory and indifference curves. Optimum of the consumer.
3. Consumer reaction to income change (Engel curve) and to price change (demand curve). Aggregation of individual demand curves. Price elasticity of demand.
4. Production function and its representation. Marginal productivity. Return to scale. Technological progress. Types of costs: total, average, marginal, fixed, variable, sunk. Cost curves in short and long run.
5. Market structure. Perfect competition. Equilibrium in the short and long run. Pure monopoly and its causes. Equilibrium of the monopolist. Monopolistic competition.
6. Resource markets. Demand for resource. Labor supply. Human capital. Equilibrium in labor markets. Supply and demand for capital. Equilibrium in the capital market. Demand and supply for land.
7. International economy. Causes for international trade (absolute advantages, comparative advantages, monopolistic competition).
8. International financial markets. Currency markets and exchange rates. International capital markets.
9. Economic efficiency. Pareto criterion. Market failures: natural monopoly, externalities, public goods. Role of the state in the economy. Public choice.
10. Macroeconomic indicators. Gross Domestic Product and its calculation. Price index and inflation.
11. Money and their functions. Evolution of money. Quantitative theory of money. Banks and the banking system. Creation of money and bank multiplier. Central Bank and its role.

12. Macroeconomic theory of J. M. Keynes: consumption function, autonomous investments, equilibrium with unemployment. Interest rate.
13. IS-LM model. Equilibrium in the short and long periods.
14. AD-AS model. Equilibrium in the short and long periods.
15. Monetary and fiscal policy: goals, types, instruments and consequences.
16. Relationship between inflation and unemployment. Phillips curve. The theory of rational expectations.
17. The impact of international trade and international capital markets on macroeconomic equilibrium.
18. Asymmetric information and adverse selection in various markets (goods, labor, capital, and insurance). Remedies for inefficiencies created by adverse selection.
19. Asymmetric information and moral hazard. Remedies for inefficiencies created by moral hazard. The problem of top managers' compensation.
20. Economic theory of property rights. Different property rights regimes (private, government, common-pool resources): their advantages and disadvantages. The tragedy of commons.

*In the oral part* of the examination candidates are interviewed on the topic of their prospective research that they wish to pursue. The candidates are **required** to prepare the Research proposal and bring it for the interview. The Research proposal can be 2-3 pages long and should include the following main points:

1. Statement of the research problem (problem is clearly defined and grounded in reality; the research gap is shown and justified)
2. Formulation of the research question (research question is stated in analytical and researchable terms; permits more than one plausible answer)
3. Theoretical framework (research proposal clearly states several theoretical perspectives (concepts) that will be incorporated in the development of the theoretical framework)
4. Appropriate research design (research design is well justified and clearly spells out the unit of observation; sample selection; methods for data collection and data analysis)
5. Theoretical contribution (the contributions of the future research findings for theory is clearly stated)
6. Managerial implication (the contribution of the research findings for practice is clearly stated)

In order to prepare for the interview and develop Research proposal candidates may additionally request individual consultations from possible research advisor of the program to obtain recommendations. The research topic should be related to one of the possible research themes of the available research advisors at GSOM SPbSU. The list of the GSOM research advisors and their research topics can be found at the GSOM Doctoral program web page.

Examples of possible questions:

- Please explain how your future research topic is connected with contemporary management theory? What is the research gap in this particular research field?
- What is the intended theoretical and practical contribution of your research project?
- Why the chosen research design is most appropriate for your research question? What are the main advantages and disadvantages of this particular empirical research strategy?
- Please name 3-5 key academic publications in the leading research journals for your research topic? Why those?

## II. RECOMMENDED LITERATURE

### Part 1 – General management

- Bernstein, E., Bunch, J., Canner, N., Lee, M. 2016. Beyond the holacracy HYP. *Harvard Business Review*. Vol. 94, Issue 7/8. P. 38–49.
- Daft, R. L., Benson, A. 2016. *Management*. Andover, UK: Cengage Learning.
- Drucker, P. F. 1992. The new society of organizations. *Harvard Business Review*. Vol. 70, Issue 5. P. 95–105.
- Drucker, P. F. 2008. *The Essential Drucker: The Best of Sixty Years of Peter Drucker's Essential Writings on Management*. Harper Business.
- Nonaka, I. Takeuchi, H. 1995. *The Knowledge-Creating Company: How Japanese Companies Create the Dynamics of Innovation*. Oxford University Press.
- Porter, M. E., Kramer, M. R. 2011. Creating shared value. *Harvard Business Review*. Vol. 89, Issue 1–2. P. 62–77. 2
- Warner, M. (Ed.) 2002. *International Encyclopedia of Business and Management*. Vol. 1-8. 2<sup>nd</sup> ed. Thomson Learning.

### Part 1 – Strategic Management

- Collis, D. J., Montgomery C. A. 1999. Competing on Resources: Strategy in the 1990s. *Knowledge and Strategy*: 25–40.
- Fahey, N. 1986. *Macroenvironmental Analysis for Strategic Management*. Minnesota: West Publishing.
- Grant, R. 2013. *Contemporary Strategy Analysis*. 8<sup>th</sup> ed. Wiley.
- Gupta, A. K., Govindarajan V. 1984. Business unit strategy, managerial characteristics, and business unit effectiveness at strategy implementation. *Academy of Management Journal* Vol. 27. N 1, p. 25–41.
- Hamel, G. Prahalad, C. K. 1996. *Competing for the Future*. Harvard Business Review Press.
- Leinwand, P., Mainardi, C., Kleiner, A. 2015. 5 ways to close the strategy-to-execution gap. *Harvard Business Review*.
- Markides, C. C., Williamson, P. J. 1994. Related diversification, core competences and corporate performance. *Strategic Management Journal*, 15(S2), 149–165.
- Mintzberg, H., Lampel, J., Ahlstrand B. 2005. *Strategy Safari: A Guided Tour through the Wilds of Strategic Management*. Free Press.
- Morrison, R., Foote, N., Hensley, D., Landsberg, M. 2003. Corporate center role. *McKinsey Bulletin*, (1), 3.
- Porter, M. 1998. *Competitive Strategy: Techniques for Analyzing Industries and Competitors*. Free Press.
- Teece, D. J. 2007. Explicating dynamic capabilities: the nature and microfoundations of (sustainable) enterprise performance. *Strategic Management Journal*. 28.13: 1319–1350.
- Van Alstyne, M. W., Parker, G. G., Choudary, S. P. 2016. Pipelines, platforms, and the new rules of strategy. *Harvard Business Review*, 94(4), 54–62

### Part 2 – Economic theory

- Begg D., Vernasca G., Fischer S., Dornbusch R. 2014. *Economics*. 11<sup>th</sup> ed. McGraw-Hill.
- Besanko D, Dranove D, Shanley M, Schaefer S. 2013. *Economics of Strategy*. 6<sup>th</sup> ed. John Wiley & Sons.
- Brickley J., Smith C. W., Zimmerman J. 2015. *Managerial Economics & Organizational Architecture*. 6<sup>th</sup> ed. McGraw Hill.
- Frank, R. H. 2015. *Microeconomics and Behavior*. 9<sup>th</sup> ed. New York: McGraw-Hill/Irwin.
- Mankiw N. G. 2014. *Principles of Economics*. 7<sup>th</sup> ed. Cengage Learning.

- Mankiw N. G., Taylor M. P. 2014. *Macroeconomics*. 3<sup>rd</sup> ed. Cengage Learning.
- Varian, H. R. 2014. *Intermediate Microeconomics: A Modern Approach*. 9<sup>th</sup> ed. WW Norton & Company.

### **Part 3 – Interview**

Latest research papers in top-tier international journals of past 3–5 years (of ABS-list or FT-45, Web of Science, Scopus) and Russian scientific journals (according to impact-factor of Russian Science Citation Index) in the field of the chosen topic.

## **III. METHODOLOGY**

The structure of the examination is the following:

Written part – question 1 (management)	30 points
Written part – question 2 (economic theory)	30 points
Oral part (interview)	40 points

Written part is performed first and is assessed by 2 examiners (each responsible for 1 question).

Oral interview is carried out after the written part by 2 examiners at one time representing 2 different fields in management.

### **Procedure for the written part:**

- Written part is performed in handwriting in a classroom simultaneously by all candidates.
- Neither hard copy nor electronic materials can be used (including glossaries and vocabularies).
- Answers should be written in the language of the program.
- Length: 90 minutes.

### **Procedure for the oral part:**

- There is no special time planned for preparation as the topic for discussion is self-selected by the candidate (interviews start after a short break following the written part).
- There is no predefined order of interviews so all candidates are expected to wait together until being called for the interview.
- The interview starts with the candidate's presentation of the Research proposal (points to be covered: statement of the research problem; formulation of the research question; development of the theoretical framework; appropriate research design; theoretical contribution; managerial implication). Then examiners ask questions related to the declared research topic.
- Length: 20-25 minutes for the interview (including 5-7 minutes for Research proposal presentation), then after the candidate is dismissed – 5-15 minutes for examiners' discussion and decision on the grade.

## **IV. ASSESSMENT CRITERIA**

Maximum for the examination is 100 points. Total result is calculated as a sum of points for the written and oral parts. There are no minimum points for separate parts.

Each part is assessed in points that are further converted proportionally in the total score.

**Criteria for the written part grading:**

Main criteria (for each question)	Max points	Sub-criteria	Points
Completeness of the answer	5	All relevant points are covered without any remarks	5
		There are small lacks in the answer, but all key points are covered	4
		1-2 of the key points are missed	3
		No more than half of the key points are covered	2
		Almost all key points are missed	1
		Irrelevant or no answer	0
Logic of the answer	4	The answer is logical and coherent	4
		The answer is logically structured with some remarks	3
		The answer is not well structured OR coherence is missing	2
		The answer is logically weak and unsystematic	1
		Irrelevant or no answer	0
Understanding of the topic	6	The answer is sufficient and demonstrates a good understanding of the topic in question	6
		The answer is sufficient and demonstrates general understanding of the topic in question	5
		The answer is sufficient and demonstrates understanding of basic points of the topic in question	4
		Demonstrated understanding of basic theoretical aspects of the topic is not sufficient	3
		The answer demonstrates lacks in understanding of basic theoretical approaches to the topic in question	2
		The answer is not sufficient and demonstrates understanding of few points of the topic	1
		There is no understanding of basic theoretical points of the topic OR there are significant mistakes in it	0
<b>TOTAL</b>	<b>15</b>		

**Conversion scale:**

Points gained	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Score for the final grade	0	2	4	6	8	10	12	14	16	18	20	22	24	26	28	30

**Criteria for the oral part grading:**

Main criteria (for each question)	Max points	Sub-criteria	Points
Completeness of the initial presentation of the Research proposal	5	All relevant points are covered without any remarks	5
		There are small lacks in the answer, but all key points are covered	4
		1-2 of the key points are missed	3
		No more than half of the key points are covered	2
		Almost all key points are missed	1
		Irrelevant or no answer	0
Quality of answers to the examiners'	5	Answers to the commission are clear, consistent and logical	5

questions		Answers to the commission in general are consistent and logical,	4
		There are some remarks to the answers on commission's questions	3
		Inconsistent (but sufficient in general) answers on commission's questions	2
		Insufficient answers on commission's questions OR many additional questions were needed	1
		No clear answers on commission's questions	0
Logic of the Research proposal and answers (general assessment for the whole interview)	4	The answer is logical and coherent	4
		The answer is logically structured with some remarks	3
		The answer is not well structured OR coherence is missing	2
		The answer is logically weak and unsystematic	1
		Irrelevant or no answer	0
Understanding of the research topic and its relevance (theoretical and practical)	6	The answers are sufficient and demonstrate a good understanding of the chosen topic and its relevance	6
		The answers is sufficient and demonstrate general understanding of the chosen topic and its relevance	5
		The answers is sufficient and demonstrate understanding of basic points of the chosen topic and its relevance	4
		Demonstrated understanding of basic theoretical aspects of the chosen topic and its relevance is not sufficient	3
		The answers demonstrate lacks in understanding of basic theoretical approaches to the chosen topic and its relevance	2
		The answers are not sufficient and demonstrate understanding of few points of the chosen topic OR there is no clarity of the topic relevance	1
		There is no understanding of basic theoretical points of the topic OR there are significant mistakes in it	0
<b>TOTAL</b>	<b>20</b>		

#### Conversion scale:

Points gained	0	1	2	3	4	5	6	7	8	9	10
Score for the final grade	0	2	4	6	8	10	12	14	16	18	20

Points gained	11	12	13	14	15	16	17	18	19	20
Score for the final grade	22	24	26	28	30	32	34	36	38	40