



**MGMT 3000 Spring 2013**  
**Exam 1 Review Notes / Study Guide**

*The exam will be a combination of 40 multiple choice and true/false questions.*

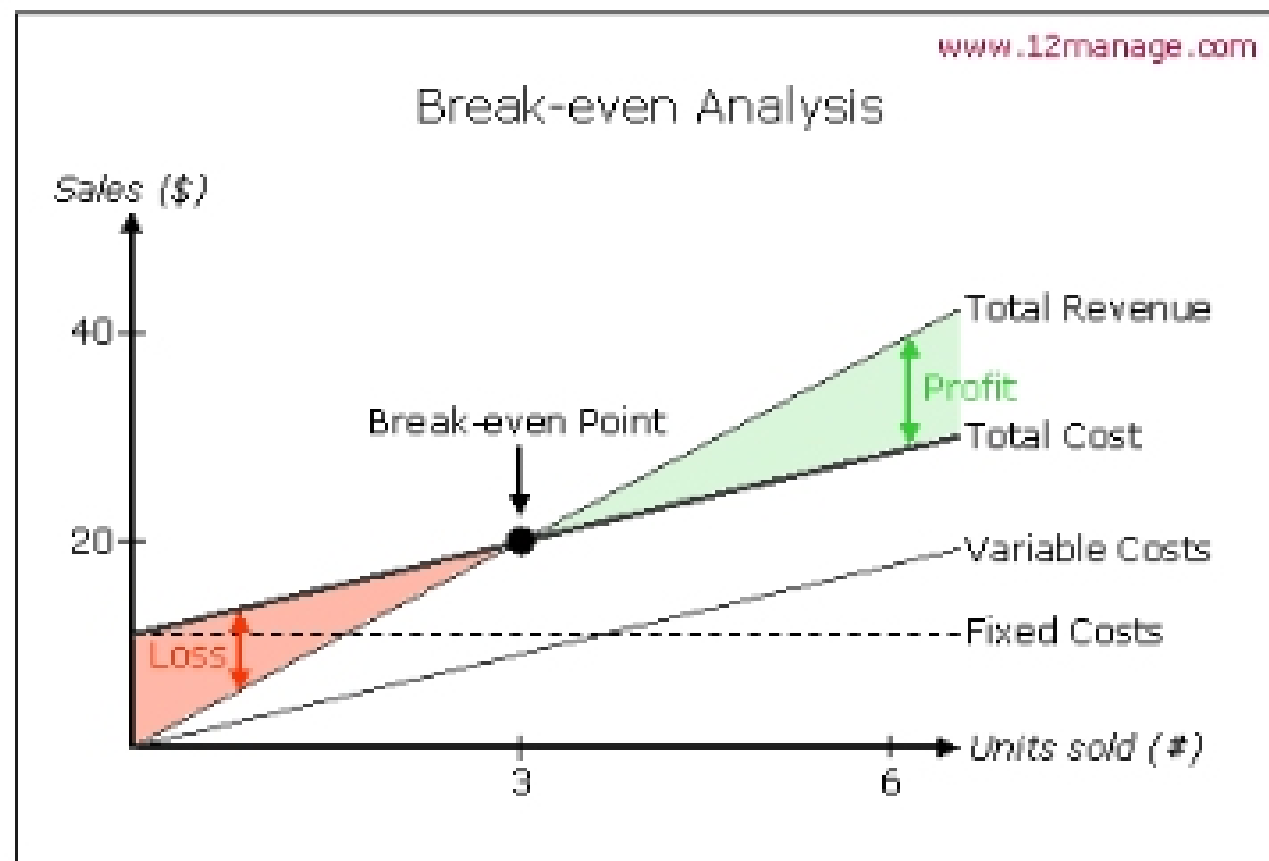
Exam 1 will cover the following material:

***Full List of Random Names, Numbers, Dates, etc. that we most likely need to know (because this is what the test is pretty much going to be) (Tests on random stuff mostly, not key points)***

**Please add to this list!**

- Data- The correct info is 7910 Exabytes. 1 exabyte = 1 billion gigabytes. 3 times more bits than stars in the universe.
- A Yotta is 1000 trillion = a number with 24 zeroes
- Thomas Friedman - "The World is Flat", Lexus and the Olive Tree
- BRIC countries - Brazil, Russia, India, China
- 3 skills managers need:
  - Technical, Interpersonal, Conceptual
- US Interest Rate = .25 (low risk, low return)
- Russia Interest Rate = 8.25 (high risk, high return)
- Strategic Planning: 1 - 10 years
- Intermediate Planning: 6 months - 2 years
- Operational Planning: 1 week - 1 year
- Prime Rates: lowest interest rate can be for commercial loan

- U.S. = 3.25%, Japan = 1.2%, Russia: 7.75% ← **not sure about the Ruskiies**
- Russia Prime Minister: Dmitry Medvedev
- Starbucks mission statement: "Our mission: to inspire and nurture the human spirit - one person, one cup, and one neighborhood at a time."
  - CEO: Howard Schultz
- Chick-fil a: "Be America's Best Quick-Serve Restaurant"
- The moon is **238,857** miles away from Earth. <- heard this is first question on exam
- Google: purchased motorola for 12.5 B, \$76 million in profit in 2010, but negative equity of 1.75 Billion
  - Google's mission statement: "Organize the world's information and make it universally accessible and useful"
- Amazon CEO: Jeff Bezos
- Objectives are typically quantifiable goals
  - Strategies are like road maps. They are the ways by which you will achieve the objectives.
- Fortune 500 Data (**The following is based off of 2011 data, which is what I think he said in class, not 2012...can anyone agree that that's true??**)<--
  - Most profitable company: US - Exxon Mobil; World: Gazprom, Exxon Mobil
  - Walmart (largest corporation, not most profitable) revenue: 421.8 B
    - 2.1 million employees
  - Target's revenue: 67.4 B
  - Coca-Cola (Beverage leader) revenue: 35.1 B
  - PepsiCo (Food & Consumer Products leader) revenue: 57.8 B
  - Walt Disney revenue (entertainment leader) revenue: 38.1 B
  - Amazon.com (internet leader) revenue: 34.2 B
  - Google revenue: 29.3 B
  - Toyota is the number 1 auto manufacturer globally
  - ^^ do we have to know their exact revenues? - yep
- Types of charts / graphics
  - Flow charts
  - Gantt charts
  - PERT networks
- Important! → on the graph with output (units) [x-axis] and sales (\$) [y-axis]:
  - Need to know which line is the sales line and which one is the cost line
  - Where the break even point is
  - Net gain vs. Net loss areas
  - Fixed cost line



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- Break even point (BEP) formula
  - $BEP = (FC + \text{profit}) / (P - VC)$ 
    - Note: profit might not always exist, so the formula could also be  $(FC) / (P - VC)$
- ZipCar Savings
  - If you make 30 trips a month for 2 hours a day, you will spend only \$4,284 a year, compared to over \$9,600 if you own your own car
- Avg price of a house in Detroit = \$7,200
- Toll Brothers
  - 2005: \$806.1 million Revenue, 8,000 homes per year; 4,655 employees (21 states)
  - 2009: 2,450 homes; 2,066 employees (Survived!)
  - Average revenue per house: \$90,000
  - Revenues grew 300% from 1982-1987
  - IPO in 1986
  - Sold minority stake for \$40 million
  - 1989-1992 housing slump: 1st time in history that net income declined
  - Home prices falling in 2008: Toll Brothers' stock was down 2/3rds from its peak in 2005.
  - Sales contracts were down 49% from 2007 and 76% from 2007
  - By 2009, house prices had fallen by 1/3rd from their peak, nationwide
- Chery Automobile (whoever put the bolds here, are they bolded for a reason?)
  - President = **Yin Tongyao**
  - Founded in 1997
  - By 2006, they are the 4th largest passenger car company