

**Which of the following must hold a statutory meeting?**

- Statutory companies
- Private limited companies
- Public limited companies**
- Chartered companies

**Which of the following is NOT included in aids to trade?**

- Insurance**
- Warehousing
- Transportation
- Foreign trade

**The portion of capital kept at the winding up of a company for the payment of debts is known as:**

- Reserve capital**
- Issued capital
- Subscribed capital
- Authorized capital

**Which of the following business type can avail some concessions from the government?**

- Sole proprietorship
- Partnership
- Joint Stock company
- Cooperative society**

**While making financial projections in a business plan, which of these would NOT form part of the plan?**

Source of loan

**Audit**

Net income or profit

Expected revenues

**Which of the following are included in a business plan?**

Financial information, production plans, personal policies.

Goals of the business and how they will be achieved.

Market analysis

**All of the given options.**

**Which of the following is not a reason for a business failure?**

Managerial experience or inexperience

Effective control systems

Insufficient control system

**None of the given options**

**In which of the following two or more organizations collaborate on a project for mutual gain?**

Limited partnership

Public corporation

**Strategic alliance**

None of the given options

The difference between a country's merchandise exports and its merchandise imports is the:

Current account

Capital account

Balance of trade

**Balance of payments**

One of the best solutions to get rid of non-biodegradable wastes is:

Dumping

**Recycling**

The MBTI is a personality test that has been used to select candidates who will more likely engage in organizational citizenship behaviors at work.

However, critics of this test suggest that the results can change over time as a person's personality develops. Therefore the MBTI personality test may be:

Legal but not valid

**Valid but not reliable**

Reliable but not valid

Reliable but not legal

According to Maslow's hierarchy of needs, a person who buys a motion detector/burglar alarm for her house is motivated to do so in an attempt to fulfill the following need:

Esteem

**Security**

Social

Self-actualization

**Douglas McGregor is associated with which of the following?**

Scientific management

Motivational factors

**Theory X and theory Y**

The Hawthorne studies

**Which step in Maslow's Hierarchy of Needs Theory deals with achieving one's potential?**

Safety

**Self actualization**

Physiological

Social

**Which of the following generic terms is not a management function?**

Leading

**Systemizing**

Planning

Organizing

**What is potentially the biggest advantage of a small partnership over a sole proprietorship?**

Unlimited liability

Single tax filing

Difficult ownership resale

**Raising capital**

**Which of the following is the oldest form of business organization?**

**Sole proprietorship**

Partnership

Company

Cooperative society

**Which of the following is an advantage of a corporation that is *not* an advantage as a limited partner in a partnership?**

Limited liability

**Easy transfer of ownership position**

Double taxation

All of the given options are advantages that the corporation has over limited partner

**Examples of constructive industries include:**

**Canals**

Fishery

Sugar mills

Plant nurseries

**Which of the following statement shows the Trade Deficit process?**

**A process in which country imports are higher than the exports**

A process in which country exports are equal to the exports

A process in which country imports are less than the country exports  
All of the given options

**Name of the business should:**

Be simple  
Indicates the type of business  
Be familiar

**All of the given options**

Hormel Foods Corporation in the USA allows the Danish company Tulip International to produce and market SPAM for the UK market under its own name. What kind of market entry strategy is Hormel using?

Licensing  
Joint venturing  
Contracting

**Franchising**

**Which of the following is excluded from factors that can affect the business?**

Demographic Factors  
Economic and social factors  
Natural factors

**None of the above**

The formation of \_\_\_\_\_ does not require any legal formality like registration.

Company

Cooperative society

Partnership

**Sole proprietorship**

**Which of the following is a disadvantage of partnership?**

Distribution of work

Sufficient capital

Prime credit standing

**Profit sharing**

**In partnership deed, profit and loss is distributed among the partners:**

In equal percentage

As per percentage of capital invested

**As per agreed ratio in partnership deed**

None of the given options

**The powers of the Board of Directors to borrow from the bank are mentioned in:**

**Article of Association**

Memorandum of Association

Special Resolution

None of the given options

**Which of the following should be considered when designing a business plan?**

Objectives of the business

Marketing components of the business

Financial components of the business

**All of the given options**

A firm that acquires another firm as part of its overall business strategy is engaging in \_\_\_\_\_.

**A strategic acquisition**

A financial acquisition

A two-tier tender offer

A shark repellent

The record of a country's imports and exports of goods and services is called its:

Visible trade balance.

**Balance of payments**

Balance of payments on current account.

Balance of trade.

Which of the following is the treaty designed to remove barriers to the free flow of goods, services, and capital between nations?

GATT

EU

**WTO**

NAFTA

Export subsidies are:

Maximum limits on the quantity of specific products imported to a nation.

Taxes placed on imported products.

Licensing requirements or unreasonable quality standards designed to reduce imports.

**Government payments to domestic producers to reduce the price on exported goods.**

If a very successful fast food restaurant has been ignoring customers' concerns about the small war toys and toy guns included in their Kids Meals, then managers should begin focusing on improving the firm's:

**Ethics**

Profitability.

Productivity.

Game plan

\_\_\_\_\_ is a dimension of social responsibility that includes hiring minority workers, making safe products, minimizing pollution, using energy wisely, and providing a safe work environment

Corporate philanthropy

Corporate policy

Corporate governance

**Corporate responsibility**

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Selection devices that are based upon physical condition of the candidates are known as:

**Medical tests**

Background investigations.

Aptitude tests

Application forms.

Which of the following chart shows turnover in an organization?

GANNT chart

**Replacement chart**

PERT chart

Bar chart

The Hawthorne Studies found:

**That social and psychological factors could significantly affect productivity**

That economic factors affect productivity

Money to be the primary motivator of female employees.

That workers were motivated to produce more when managers left them alone.

According to Maslow's hierarchy of needs, a person who buys a motion detector/burglar alarm for her house is motivated to do so in an attempt to fulfill the following need:

Esteem.

**Security**

Social

Self-actualization.

Company policy, administration, supervision, interpersonal relations, working conditions, and salary are characterized as:

Growth factors

**Hygiene factors**

Esteem factors

Motivating factors

Which of the following step is important to improve expectancy?

**Deliver rewards as promised.**

Observe and recognize performance.

Create the belief that effort is related to performance

Make the rewards meaningful.

The term "Job Rotation":

Is another term for employee empowerment

Involves allocating a wider range of similar tasks to individuals

Involves giving employees work with a greater degree of responsibility and autonomy

**Means that staff is moved periodically from task to task in order to increase variety and interest**

Which of the following is NOT included as a basic idea in the definition of marketing concepts?

**Total company effort**

Profit

Productivity

Customer satisfaction

In \_\_\_\_\_ of marketing, unsatisfied need of the customers are satisfied.

Social oriented stage

Product oriented stage

**Marketing oriented stage**

None of the given options

Which of the following statements is NOT true about services?

They are experienced, used or consumed.

They are often sold first, then consumed.

They are perishable.

**They are tangible.**

The degree to which a tool or test measures what it is supposed to measure is known as:

**Validity**

Reliability

Dependability

Goodness of fit.

Which of the following would generally have *unlimited* Liability?

A limited partner in a partnership

A shareholder in a corporation

**The owner of a sole proprietorship**

A member in a limited liability company (LLC)

What is potentially the biggest advantage of a small partnership over a sole proprietorship?

Unlimited liability

Single tax filing

Difficult ownership resale

**Raising capital**

Which of the following enjoys limited liability?

A general partnership

**A corporation**

A sole proprietorship

None of the given options

In which type of business entity the entire ownership interest is transferable most freely?

- General partnership
- Limited partnership
- Corporation

**Limited liability company**

A Pizza delivery service company generated after tax earnings of Rs. 800,000. With total stockholder investments equaling Rs. 20,00,000. What was the company's return on equity?

- a) 10%
- b) 15%
- c) 40%**
- d) 80%

Components of Business Plan include all of the following except

- a) Marketing Component
- b) Administrative Component
- c) External Component**
- d) Financial Component

An agreement between two parties in which one party possess the rights to the other party is

- a) Partnership
- b) Strategic Alliance
- c) Joint venture
- d) Franchising**

**The shareholders elect the Board of Directors in the**

- a) Through special resolution
- b) In annual general meeting**
- c) In Special meeting
- d) In statutory meeting

**Portion of the undistributed profit transferred to which of the following?**

- a) General Reserve
- b) Retained Earning
- c) Appropriation account
- d) All of the given options**

**Brief history, Auditor's report, shareholders' equity and liabilities, share capital, etc are mention in which of the document?**

- a) Charter of Company
- b) Article of Association
- c) Prospectus**
- d) None of the given option

**A joint stock company may be wound up voluntarily in which of the following way:**

- a) Expiry of Period**
- b) Fails to submit statutory report
- c) Fails to start its business within one year from the date of incorporation
- d) All of the following

Capital is required for the purchase of land, machines, wages and raw materials.

A businessman can generate its capital from:

- a) Debt
- b) Equity
- c) None of the above
- d) All of the given option**

Cooperative Societies are not formed for:

- a) The serving of the orphans and widows
- b) The help of poor people
- c) For the earning of profit**
- d) Social welfare

Which of the following is the source of acquiring of redeemable capital?

- a) Mudarbah Certificate
- b) Debentures
- c) Participation Term Certificates**
- d) All of the given option

Which one of the following statements about marketing is inaccurate?

- a) The growing number of products in all categories has made it easier for marketers to capture the attention of customers.**
- b) Marketing has to do with persuading customers a product meets their needs.

c) The mass market has fragmented into many different groups of customers.

d) Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers.

The process of tracking the demand and satisfaction of customers in an effort to develop products they will want to buy on an ongoing basis is called \_\_\_\_\_.

a) Marketing

b) Business vision

c) Product development

**d) Customer relationship management**

\_\_\_\_\_ is the typical sequence of changes in demand for a product that occurs over time.

a) The business vision statement

**b) The product life cycle**

c) Marketing research

d) A customer-oriented approach

All of the following except \_\_\_\_\_ are considered to be correct statements about marketing research.

a) It is a systematic search for information about customers' needs and how those needs differ

b) Marketing research is geared to uncover unmet consumer needs

c) With market research, the chance product development will be able to create a product consumers want to buy increases

**d) Marketing research provides an inexpensive method for tracking consumer behavior**

When a company targets a particular group of customers because of their need for its product, it can be stated the company has identified its \_\_\_\_\_.

a) Market differentiation

b) Market mission

**c) Market segment**

d) Marketing plan

\_\_\_\_\_ is the combination of a product's qualities and features, its price, the way it is promoted and sold, and the places at which it is sold.

**a) Marketing mix**

b) Product mix

c) Product differentiation

d) Product positioning

Which type of product promotion is identified as being direct, face-to-face communication by salespeople with existing and potential customers to promote a company's products?

a) Sales promotion

b) Public relations

**c) Personal selling**

d) Advertising

The specific method a company uses to sell and deliver its products to customers is known as its \_\_\_\_\_.

a) Retail intermediaries

b) Direct distribution

c) Distribution mix

**d) Distribution channel**

Of the following distribution methods, which one is best identified as being that which occurs when a company delivers and sells products straight to the final customer?

a) Independent wholesalers

**b) Direct distribution**

c) Company-owned distributors

d) Retail distributors

The combination of channels a company selects to place, promote, sell, and deliver its products to customers is best identified by which one of the following?

a) Missionary selling

b) Licensed distribution

**c) Distribution mix**

d) Distribution channel

All of the following choices represent one of the four types of utility except:

- a) Time
- b) Form
- c) Loyalty**
- d) Ownership

**Questions:**

**Q1. Discuss some of the concerns an entrepreneur may have when starting a new business.**

**Q2. Distinguish between management and leadership. Do you think a person could be an effective manager but an ineffective leader?**

**Q3. Describe the tasks involved in developing a human resource plan.**

**Q4. What are some of the non financial ways of compensation for employees?  
(3 marks)**

**Q5. How does the term Merger differs from the term Acquisition. (3 marks)**

**Q6. What do you mean by recruitment? What are the different ways of recruitment? (5 marks)**

**Q7. Describe Expectancy theory. (5 marks)**

**Q8. What is a business plan? Discuss the purpose and significance of a business plan.**

**Q9. What is Maslow's hierarchy of needs model? What are management implications of Maslow's Hierarchy need theory?**

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