

**Q-REV 2**

**Indicate whether the statement is true or false.**

1. Television is the main advertising medium in the United States.
  - a. True
  - b. False
2. Credit union customers are also known as members.
  - a. True
  - b. False
3. Contracts are only valid when written.
  - a. True
  - b. False
4. About 20 percent of savings and loan associations failed in the late 1980s.
  - a. True
  - b. False
5. The average person only sees a few advertisements every day.
  - a. True
  - b. False
6. To evaluate customer acceptance, once a product is introduced, marketers track customers and their responses to it.
  - a. True
  - b. False
7. Even people with work experience need to adjust to new jobs.
  - a. True
  - b. False
8. A disadvantage for telecommuters is that their companies may decrease their salary because the employee is saving money by not commuting.
  - a. True
  - b. False
9. A financial plan can be used to attract investors.
  - a. True
  - b. False
10. Bartering is a preferred method of exchange, because you immediately have an item that you want.
  - a. True
  - b. False

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11. Government is the largest provider of services in the country.
  - a. True
  - b. False
12. Federal law mandates that all companies employing more than 500 workers offer pension plans.
  - a. True
  - b. False
13. Companies tend to thrive when they have diversity.
  - a. True
  - b. False
14. When computers were first used in business, they were small and easy to move.
  - a. True
  - b. False
15. The ADA requires that employers make any and all accommodations necessary for a qualified person with a disability.
  - a. True
  - b. False
16. Monopolies limit choice, but oligopolies promote choice.
  - a. True
  - b. False
17. In a market economy, a country's economic health depends on businesses doing well.
  - a. True
  - b. False
18. Business culture refers to the standards of a particular company.
  - a. True
  - b. False
19. At the heart of most trade disputes is whether there should be limits on trade or whether trade should be unrestricted.
  - a. True
  - b. False
20. Everyone involved in a business should understand some of the basics of accounting.
  - a. True
  - b. False

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**Indicate the answer choice that best completes the statement or answers the question.**

21. Companies sometimes test applicants to see
- a. if they have the right skills and character for the job.
  - b. if the recruiter is exercising good judgment.
  - c. if the candidate wants the job.
  - d. if the job description attracts the right candidate.
22. Which of the following is *not* involved in the process of managing human resources?
- a. finding employees      b. supervising employees
  - c. training employees      d. evaluating employees
23. A financial institution that offers short-term loans to businesses and consumers at higher rates than banks is a
- a. commercial bank.      b. finance company.
  - c. credit union.      d. brokerage firm.
24. Demographics do *not* include
- a. gender.      b. behavioral characteristics.
  - c. location.      d. income.
25. Free trade
- a. opens up new markets in other countries.
  - b. causes a loss of jobs at home.
  - c. forces business to produce poor-quality products.
  - d. creates hostility among competing nations.
26. Distribution includes all of the following *except*
- a. purchasing.      b. Internet ordering.
  - c. stock handling.      d. inventory control.
27. The type of medium an advertiser uses depends on
- a. whether the offering being advertised is a product or service.
  - b. the market it wants to reach.
  - c. technology resources.
  - d. how well consumers will remember the ad.
28. To be used as money, an item must be
- a. difficult to acquire.      b. common.
  - c. scarce.      d. plentiful.
29. Local taxes pay for
- a. interstate highways.      b. defense.
  - c. motor vehicle departments.      d. city streets and parks.

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30. Operating expenses include
- a. remodeling costs.
  - b. security deposits.
  - c. utility bills.
  - d. legal permits.
31. To market a product successfully, a company has to
- a. spend a lot of money on advertising.
  - b. understand what people want to buy.
  - c. hire sales representatives.
  - d. make sure they have a large inventory of their product.
32. Businesses advertise for all of the following reasons *except*
- a. to promote an event.
  - b. to increase sales.
  - c. to inform about a political candidate.
  - d. to spend money.
33. Accounting includes all of the following *except*
- a. creating financial transactions.
  - b. collecting financial transactions.
  - c. recording financial transactions.
  - d. reporting financial transactions.
34. Another name for money is
- a. exchange.
  - b. currency.
  - c. unit.
  - d. barter.
35. Business etiquette
- a. is the same in all countries.
  - b. differs from country to country.
  - c. is the same throughout an industry.
  - d. differs from industry to industry.
36. The purpose of a financial plan is to
- a. project future income.
  - b. see if there is enough money to start the business.
  - c. describe the assets that need to be purchased to start a business.
  - d. all of the above
37. One of government's roles is to
- a. generate sales revenues.
  - b. foster economic success.
  - c. provide health care for all its citizens.
  - d. guarantee the safety of all citizens.

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38. Internet ad rates are based on
- a. the format of the ad.
  - b. the size of the ad.
  - c. the type of ad.
  - d. all of the above
39. Worker protection laws
- a. ensure that every employee earns a living wage.
  - b. impose safety requirements.
  - c. require employers to provide health insurance.
  - d. severely curtail outsourcing.
40. Insurance companies
- a. provide loans for buying homes or businesses.
  - b. can offer loans to businesses and consumers as well as protection against fire and theft.
  - c. are not-for-profit financial institutions.
  - d. cannot offer loans to businesses and consumers.
41. An ad for a locally owned farm stand would most likely be
- a. in a national magazine.
  - b. in an online ad.
  - c. on network television.
  - d. in a local newspaper.
42. TV audience measurement is collected by
- a. Arbitron Inc.
  - b. Microsoft.
  - c. Nielsen Media Research.
  - d. all of the above
43. All of the following are factors of media costs *except*
- a. the geographic scope of the distribution of the ad.
  - b. the business that is paying for the ad.
  - c. the type of media used to distribute the ad.
  - d. the audience that the media will reach.
44. Once the idea for a product is generated,
- a. the product gets tested at the factory.
  - b. the product gets tested on the market.
  - c. the idea for the product is screened.
  - d. a business plan for the product is developed.
45. Media planning includes
- a. selecting advertising media.
  - b. deciding when the ad should appear.
  - c. deciding where the ad should appear.
  - d. all of the above.

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46. When applying for a job, a good person to use as a reference is a  
a. parent.      b. friend.  
c. cousin.      d. teacher.
47. Which statement is most correct?  
a. Companies tend to thrive when they have diversity.  
b. Companies have internal conflicts when they have diversity.  
c. Diversity has no impact on the success or failure of companies.  
d. Diversity works better in some industries than in others.
48. The following are public goods *except*  
a. schools.      b. libraries.  
c. highways.      d. shopping malls.
49. A medium of exchange is  
a. involving an intermediary in a trade.  
b. bartering.  
c. a compromise.  
d. anything that is generally accepted as a measure of value and wealth.
50. All of the following are transfer payments *except*  
a. veterans' benefits.      b. income tax refunds.  
c. unemployment pay.      d. Social Security.
51. To specialize means  
a. to take specific courses in college.  
b. to promote a particular feature.  
c. to focus on a particular activity, area, or product.  
d. to give preferential treatment.
52. To reduce limits on trade,  
a. companies sell products illegally on the "black market."  
b. governments enact embargoes.  
c. nations form trade alliances.  
d. nations reduce their comparative advantage.
53. Most of the banks in the United States are  
a. commercial banks.      b. savings and loan associations.  
c. credit unions.      d. savings banks.

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54. Trade disputes occur when
- a. two companies from the same country want to export the same product.
  - b. two nations want to export the same product to another country.
  - c. two companies in different nations cannot agree on a price.
  - d. nations restrict trade with each other.
55. Corporate culture is a company's shared
- a. values.      b. beliefs.
  - c. goals.      d. all of the above
56. All of the following are benefits *except*
- a. health insurance.      b. pay.
  - c. sick leave.      d. retirement plans.
57. All of the following are reasons to restrict trade *except*
- a. foreign competition can lower the demand for products made at home.
  - b. foreign companies' products may be inferior to those produced at home.
  - c. companies at home need to be protected from unfair foreign competition.
  - d. other countries may not have the same environmental or human rights standards.
58. Market researchers commonly ask shoppers to
- a. buy a product to get an opinion of it.
  - b. help develop product strategies.
  - c. tell them how to best produce and market products and services.
  - d. respond to surveys to discover their wants and needs.
59. An example of involuntary separation is
- a. retirement.      b. termination.
  - c. transfer.      d. resignation.
60. Which of the following is not an example of world trade?
- a. The United States buys pepper from India.
  - b. Australia buys wheat from the United States.
  - c. The United States sells airplanes to Russia.
  - d. A grocery store chain in North Carolina buys avocados from a farm in California.

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**Match each item with the correct statement below.**

- a. human resources
- b. job description
- c. compensation
- d. recruitment
- e. reference
- f. orientation
- g. group training
- h. transfer
- i. separation
- j. turnover

- 61. The number of employees who leave an organization and are replaced over time
- 62. Actively looking for qualified people to fill a job
- 63. A move to another job within a company, usually at the same level and pay
- 64. People employed in a business, commonly referred to as personnel
- 65. Pay and benefits
- 66. Teaching several employees in a class
- 67. The process of helping new employees adjust to a new company
- 68. A detailed outline of the duties, qualifications, and conditions required to do a specific job
- 69. Leaving a company for any reason
- 70. Someone who comments on a job applicant's character and qualifications for a job



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**Match each item with the correct statement below.**

- a. financial plan
- b. capital
- c. financial forecast
- d. budget
- e. property
- f. assets
- g. equity
- h. liabilities
- i. accounts payable
- j. owner's equity

- 71. Money supplied by investors, banks, or owners of a business
- 72. An owner's claim to the assets of the business
- 73. A plan specifying how money will be used or spent during a particular period
- 74. Short-term liabilities that a business owes its creditors
- 75. Creditors' claims to the assets of a business
- 76. Anything of value that is owned or controlled
- 77. A set of documents that outline the essential financial facts about a new venture
- 78. An estimate of a business's financial outlook for each of the next few years
- 79. Property and other items of value owned by a business
- 80. Financial claims to all assets

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**Match each item with the correct statement below.**

- a. bank account
  - b. electronic funds transfer
  - c. direct deposit
  - d. collateral
  - e. safe-deposit box
  - f. commercial banks
  - g. credit unions
  - h. finance companies
  - i. brokerage firms
  - j. Federal Reserve System
- 
- 81. Companies that offer short-term loans to businesses and consumers at higher interest rates than banks charge
  - 82. The electronic transfer of a payment directly from the payer's bank account to that of the party being paid
  - 83. Financial institutions that offer the entire range of banking services, such as checking and savings accounts, loans, and financial advice
  - 84. A system that allows money to be transferred from one bank account to another through a network of computers
  - 85. Property or goods pledged by a borrower to use as security against a loan if it is not repaid
  - 86. A record of the amount of money a customer has deposited into or withdrawn from a bank
  - 87. Not-for-profit banks set up by organizations for their customers to use
  - 88. A secure box in a bank's vault used for the safe storage of a customer's valuables
  - 89. The central bank of the United States
  - 90. Companies that sell stocks and bonds and may also offer a wide range of financial services to their customers

**Q-REV 2**

**Match each item with the correct statement below.**

- a. telecommunications
- b. telecommuting
- c. wearable computer
- d. computer-aided design
- e. virtual reality
- f. search engine
- g. intranet
- h. extranet
- i. cookies
- j. virus

- 91. A computer network that gives authorized users controlled access to an intranet
- 92. An arrangement that allows employees to work at home while communicating with the workplace by phone, fax, or modem
- 93. A computer network used by an organization
- 94. Bits of information about a computer user that are stored on that computer's hard drive
- 95. A small portable computer designed to be used while it is worn on the body
- 96. An artificial, three-dimensional visual world created by a computer
- 97. The transmission of information over communication lines
- 98. Software for designing products with a computer
- 99. A program that can insert copies of itself into a computer without the user's knowledge
- 100. A computer program that can produce a list of documents related to a given topic

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**Match each item with the correct statement below.**

- a. culture
- b. business etiquette
- c. corporate culture
- d. hierarchy
- e. bureaucracy
- f. diversity
- g. stereotype
- h. baby boom generation
- i. discrimination
- j. ageism

- 101. A company's shared values, beliefs, and goals
- 102. To identify people by a single trait or as a member of a certain group rather than as individuals
- 103. Unfair treatment of a person or group, usually because of prejudiced attitudes
- 104. Discrimination against workers because of their age
- 105. The beliefs, customs, and attitudes of a distinct group of people
- 106. A chain of command
- 107. A variety of employees with different backgrounds and identities
- 108. Several levels of management
- 109. Conduct that is considered socially acceptable in business
- 110. The era of babies born in the United States between 1946 and 1964

**Q-REV 2**

**Match each item with the correct statement below.**

- a. monopoly
- b. oligopoly
- c. trust
- d. copyright
- e. patent
- f. trademark
- g. revenue
- h. subsidies
- i. tax
- j. tax incentive

- 111. Income that governments get from all sources
- 112. A document that gives artists the legal right to own their creations
- 113. A name, symbol, or a characteristic that identifies a product
- 114. An amount of money people and businesses pay governments to help run them
- 115. The act of a company controlling an industry or being the only one to offer a product or service
- 116. The legal grant for the sole right to own an invention
- 117. A group of companies that band together to form a monopoly and cut out competition
- 118. The act of a small number of companies controlling an industry
- 119. A temporary reduction or elimination of tax that is meant to encourage or discourage an activity
- 120. Grants given to producers or consumers to lower the costs they face

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Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_

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**Answer Key**

1. False
2. True
3. False
4. True
5. False
6. True
7. True
8. False
9. True
10. False
11. True
12. False
13. True
14. False
15. False
16. False
17. True
18. True
19. True
20. True
21. a
22. b
23. b
24. b
25. a

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26. b

27. b

28. c

29. d

30. c

31. b

32. d

33. a

34. b

35. b

36. d

37. b

38. d

39. b

40. b

41. d

42. c

43. b

44. c

45. d

46. d

47. a

48. d

49. d

50. b

51. c

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52. c

53. a

54. d

55. d

56. b

57. b

58. d

59. b

60. d

61. j

62. d

63. h

64. a

65. c

66. g

67. f

68. b

69. i

70. e

71. b

72. j

73. d

74. i

75. h

76. e



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77. a

78. c

79. f

80. g

81. h

82. c

83. f

84. b

85. d

86. a

87. g

88. e

89. j

90. i

91. h

92. b

93. g

94. i

95. c

96. e

97. a

98. d

99. j

100. f

101. c

102. g

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103. i

104. j

105. a

106. d

107. f

108. e

109. b

110. h

111. g

112. d

113. f

114. i

115. a

116. e

117. c

118. b

119. j

120. h