

PRETEST YOUR BUSINESS I.Q.

- _____ is the unfavorable balance of trade that occurs when a country's imports exceed its exports.
 - Trade surplus
 - Trade protectionism
 - The nation's debt
 - Trade deficit
- In the United States, what signal tells farmers and other producers what to produce?
 - supply
 - demand
 - price
 - news reports
- Which of the following refers to taxes and spending by the government?
 - fiscal policy
 - monetary policy
 - national policy
 - deficit policy
- What are people who take the risk of starting and managing a business called?
 - bureaucrats
 - entrepreneurs
 - speculators
 - designers
- What is the term used to describe working four 10-hour days instead of five 8-hour days ever week?
 - job sharing
 - compressed workweek
 - flextime
 - weekending
- Which of the following utilities provided by marketers brings strawberries to the market in winter?
 - time
 - place
 - possession
 - information
- Which of the following marketing terms describes a product that's better for the environment than competing products?
 - green products
 - pure products
 - eco-friendly products
 - crystal-clear products
- Which kind of goods are consumers more likely to go out of town to find?
 - convenience goods
 - shopping goods
 - specialty goods
 - dry goods
- Which kind of marketing intermediary is most likely to sell to consumers like you and me?
 - wholesalers
 - retailers
 - sales agents
 - manufacturing agents
- What are TV programs devoted exclusively to selling goods and services called?
 - infomercials
 - advertorials
 - promotional videos
 - sales pitches

11. Which of the following leadership styles involves making decisions without consulting others?
 - a. democratic
 - b. laissez-faire
 - c. autocratic
 - d. participative
12. Making goods using less input is called:
 - a. skimping
 - b. lean manufacturing
 - c. downsizing
 - d. short-changing
13. Companies use _____ to compare their practices and products against the best in the industry.
 - a. outsourcing
 - b. operations management
 - c. distribution
 - d. benchmarking
14. Which form of business provides limited liability to the owners?
 - a. sole proprietorship
 - b. partnership
 - c. cooperative
 - d. corporation
15. Who controls the money supply of the United States?
 - a. Congress
 - b. The President
 - c. The Federal Reserve
 - d. Local banks
16. The organizational structure that is described on the organization chart is the:
 - a. matrix structure
 - b. line organization
 - c. informal organization
 - d. critical structure
17. What do accountants call items such as trucks and machinery?
 - a. liabilities
 - b. assets
 - c. revenues
 - d. goods
18. Which function in business is responsible for obtaining money and deciding how it should be spent?
 - a. finance
 - b. accounting
 - c. credit
 - d. logistics
19. It is illegal and unethical for insiders use private company information to further their own fortunes or those of their family and friends, a practice called:
 - a. liability reporting
 - b. insider trading
 - c. facilitating
 - d. trading short
20. A company's profit is calculated by subtracting expenses from the total:
 - a. revenue
 - b. liabilities
 - c. assets
 - d. income
21. The most powerful tactic a union can use to achieve its objectives is the _____ in which workers refused to go to work.
 - a. boycott
 - b. lockout
 - c. strike
 - d. decertification

22. People who report illegal or unethical behavior are called:
- a. security officers
 - b. whistleblowers
 - c. stakeholders
 - d. auditors
23. _____ is a motivational strategy that emphasizes motivating the worker through the job itself.
- a. Equity theory
 - b. Flexible staffing
 - c. Job enrichment
 - d. Telecommuting
24. To motivate employees, the organization should set goals that are: d
- a. easy to meet
 - b. subjective and vague
 - c. too high to reach
 - d. ambitious but attainable
25. The owners of a corporation are the:
- a. government
 - b. creditors
 - c. corporate officers
 - d. stockholders