INTRODUCTION TO BUSINESS

Sample Test 2 Questions
Amanda, a regional manager for Shine Cosmetics, has just seen a report showing that sales in her region are lower than anticipated so far this quarter. Her next task is to determine the reason for the disappointing results and find a way to get sales up to their desired level. Amanda's efforts are part of the __________ function of management.

A. controlling
B. leading
C. organizing
D. planning
E. forecasting
Question #2

Which of the following activities would be a part of the *leading* function of management?

A. Devising a new strategic plan to enter a new foreign market currently dominated by a competing firm.
B. Recruiting qualified workers to join the organization and assigning them to their proper position.
C. Examining a financial report to see whether the firm's profits are improving and taking corrective action if they are not.
D. Training and coaching workers to help them understand their job and perform it effectively.
E. None of the above is an example of leading.
Question #3

Which of the following activities is part of the planning function of management?

A. Assigning a particular worker to do a specific task.
B. Looking at market forecasts to identify future business opportunities and challenges.
C. Praising a sales representative who has far exceeded her monthly sales objectives.
D. Conducting a job interview with a potential new employee.
E. None of the above is an example of planning.
Gangsta Industries produces a variety of anti-crime and safety products such as burglar alarms, smoke detectors, surveillance cameras, and specialty locks. Gangsta sells to households, businesses, and government agencies. They have found that each market group requires a different marketing strategy. Gangsta would probably benefit from departmentalization by

A. function.
B. process.
C. customer type.
D. geographical.
E. time.
Question #5

At Channing Pharmaceuticals, research personnel are told that the company would like to develop at least three new products each year. After that, scientists and other research personnel work essentially on their own to accomplish this task. Managers at Channing seem to prefer

A. free-rein leadership.
B. autocratic leadership.
C. participative leadership.
D. democratic leadership.
E. boss-centered leadership.
Question #6

Compared to the decentralized management structure, which of the following is a disadvantage of the centralized management structure?

A. Faster decision making
B. Less top management control
C. Less efficient
D. complex distribution system
E. weakened corporate image
Question #7

The business operations of the Cadet Corporation are complex, requiring a great deal of planning and coordination. The span of control for the managers of the Cadet Corporation is likely to be

A. narrow.
B. wide.
C. unrelated to these variables.
D. decentralized.
E. centralized.
When Elaine accepted a position with Cannon Corporation in Dallas, Texas she felt uneasy. She was new to the area and new to this company. However, she was pleased that her new job offered her the opportunity to play on the company volleyball team. She quickly made new friends and, through her new friends, learned about the city. Apparently, her new job satisfies Elaine's ________ needs.

A. safety  
B. esteem  
C. self-actualization  
D. physiological  
E. social
Question #9

The CEO of Collier Chemical, likes to boast that his company offers the highest salaries in the industry, has excellent working conditions, and has clear and consistent company policies. Yet he admits his workforce is not highly motivated. Herzberg's research suggests that Collier Chemical is having difficulty motivating its employees because it is focusing on

A. interactive factors.
B. motivating factors.
C. altruistic factors.
D. hygiene factors.
E. industry factors.
Matt works for a sports marketing firm. He feels that he has been treated unfairly by the organization. He helped three other employees organize a series of successful street hockey tournaments in different regions of the country. While the other employees were given a bonus and corporate recognition, his efforts were ignored. According to equity theory, Matt is likely to respond by

A. ignoring the perceived inequity.
B. reaching the conclusion that his treatment is not related to the treatment of others.
C. reducing his efforts on future projects.
D. working even harder in the future.
E. compare himself to somebody else.
ANSWERS

1. A
2. D
3. B
4. C
5. A
6. A
7. A
8. E
9. D
10. C