

## ***MGT211- INTRODUCTION TO BUSINESS***

### **MIDTERM EXAMINATION Spring 2010 MGT211- Introduction To Business (Session - 1)**

1. Which of the following must hold a statutory meeting?  
Statutory companies  
Private limited companies  
**Public limited companies**  
Chartered companies
2. Which of the following is NOT included in aids to trade?  
**Insurance**  
Warehousing  
Transportation  
Foreign trade
3. 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
4. Which of the following business type can avail some concessions from the government?  
Sole proprietorship  
Partnership  
Joint Stock company  
**Cooperative society**

5. 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

6. 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.

7. 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

8. 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

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

Current account

Capital account

Balance of trade

Balance of payments

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

Dumping

Recycling

11. 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

12. \_\_\_\_\_ is a written statement which contains the duties and responsibilities of a job.

Job analysis

Job specification

Job description

Job inventory chart

13. 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

14. Douglas McGregor is associated with which of the following?

Scientific management

Motivational factors

Theory X and theory Y

The Hawthorne studies

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

Safety

Self actualization

Physiological

Social

16. 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.

17. Which of the following statements is NOT true about services?

They are experienced, used or consumed

They are often sold first, and then consumed They are perishable

They are tangible

18. Which of the following generic terms is not a management function?
- Leading
  - Systemizing
  - Planning
  - Organizing
19. Increases in the degree of responsibility a worker has over his or her job is referred to as job:
- Empowerment
  - Enlargement
  - Enrichment
  - Entitlement
20. ABC Company is currently hiring employees from different countries. ABC Company is said to be implementing \_\_\_\_\_ strategy.
- Decentralization
  - Downsizing
  - Workforce diversity
  - Retrenchment
21. What is potentially the biggest advantage of a small partnership over a sole proprietorship?
- Unlimited liability
  - Single tax filing
  - Difficult ownership resale
  - Raising capital
22. Which of the following is the oldest form of business organization?
- Sole proprietorship
  - Partnership
  - Company

## Cooperative society

23. 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

24. Examples of constructive industries include:

Canals

Fishery

Sugar mills

Plant nurseries

25. 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

26. Mr. Saleem has invested 20,000 Rs in a business but did not take part in the management of the business. In which category of partner he falls?

Secret partner

Silent partner

Sleeping partner

All of the given options

27. Name of the business should: Be simple  
Indicates the type of business  
Be familiar  
**All of the given options**
28. 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**
29. What are some of the non financial ways of compensation for employees? (3 marks)
30. How does the term Merger differs from the term Acquisition. (3 marks)
31. What do you mean by recruitment? What are the different ways of recruitment? (5 marks)
32. Describe Expectancy theory. (5 marks)

**MIDTERM EXAMINATION**  
**Spring 2009**  
**MGT211- Introduction To Business (Session - 2)**

Question No: 1 ( Marks: 1 ) - Please choose one

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**

Question No: 2 ( Marks: 1 ) - Please choose one

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

Company

Cooperative society

Partnership

**Sole proprietorship**

Question No: 3 ( Marks: 1 ) - Please choose one Which of the following is a disadvantage of partnership?

Distribution of work

Sufficient capital

Prime credit standing

**Profit sharing**

Question No: 4 ( Marks: 1 ) - Please choose one

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

Question No: 5 ( Marks: 1 ) - Please choose one

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

Question No: 6 ( Marks: 1 ) - Please choose one

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**

Question No: 7 ( Marks: 1 ) - Please choose one



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

Question No: 8 ( Marks: 1 ) - Please choose one

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.

Question No: 9 ( Marks: 1 ) - Please choose one

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

Question No: 10 ( Marks: 1 ) - Please choose one 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.**

Question No: 11 ( Marks: 1 ) - Please choose one

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

Question No: 12 ( Marks: 1 ) - Please choose one

\_\_\_\_\_ 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**

Question No: 13 ( Marks: 1 ) - Please choose one

Human resource planning is a dynamic planning process which involves ongoing environmental scanning and an analysis of organizational objectives, strategies, and policies aimed at deciding:

What business the organization should be in

**The right quantity and quality of employees needed when and where**

What physical resources the organization needs

Who the organization's main competitors are

Question No: 14 ( Marks: 1 ) - Please choose one

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

Question No: 15 ( Marks: 1 ) - Please choose one

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

**Medical tests**

Background investigations.

Aptitude tests Application forms.

Question No: 16 ( Marks: 1 ) - Please choose one

Which of the following chart shows turnover in an organization?

GANNT chart

**Replacement chart**

PERT chart

Bar chart

Question No: 17 ( Marks: 1 ) - Please choose one 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.

Question No: 18 ( Marks: 1 ) - Please choose one

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.

Question No: 19 ( Marks: 1 ) - Please choose one

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

Growth factors

**Hygiene factors**

Esteem factors

Motivating factors

Question No: 20 ( Marks: 1 ) - Please choose one

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.

Question No: 21 ( Marks: 1 ) - Please choose one 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**

Question No: 22 ( Marks: 1 ) - Please choose one

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

**Total company effort**

Profit

Productivity

Customer satisfaction

Question No: 23 ( Marks: 1 ) - Please choose one

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

Social oriented stage  
Product oriented stage  
**Marketing oriented stage**  
None of the given options

Question No: 24 ( Marks: 1 ) - Please choose one 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.**

Question No: 25 ( Marks: 1 ) - Please choose one  
The degree to which a tool or test measures what it is supposed to measure is known as:

**Validity**  
Reliability  
Dependability Goodness  
of fit.

Question No: 26 ( Marks: 1 ) - Please choose one  
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)

Question No: 27 ( Marks: 1 ) - Please choose one  
What is potentially the biggest advantage of a small partnership over a sole proprietorship? Unlimited liability

Single tax filing  
Difficult ownership resale  
**Raising capital**

Question No: 28 ( Marks: 1 ) - Please choose one Which of the following enjoys limited liability?

A general partnership  
**A corporation**  
A sole proprietorship  
None of the given options

Question No: 29 ( Marks: 1 ) - Please choose one

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

General partnership Limited partnership

Corporation

**Limited liability company**

Question No: 30 ( Marks: 1 ) - Please choose one Which of the following is false?

One reason for failure of businesses is lack of managerial experience

One reason for failure of businesses is that most entrepreneurs are younger than 25 years old

One reason for failure of businesses is to neglect

One reason for failure of businesses is weak control systems

Question No: 31 ( Marks: 5 )

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

Question No: 32 ( Marks: 10 )

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

**INTRODUCTION TO BUSINESS**  
**MGT 211**  
**Fall semester 2007**  
**Mid term paper**

**Please highlight the correct option from the given choices.**

- 1) 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%
- 2) Components of Business Plan include all of the following except
- a) Marketing Component
  - b) Administrative Component
  - c) **External Component**
  - d) Financial Component
- 3) 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**
- 4) 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
- 5) 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**
- 6) 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
- 7) 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
- 8) 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**
- 9) 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
- 10) 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

**Q# 11:**

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.

**Q# 12:**

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**

**Q# 13:**

\_\_\_\_\_ 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 **Q# 14:**

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** **Q#15:**

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

**Q#16:**

\_\_\_\_\_ 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 **Q# 17:**

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

**Q# 18:**

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** **Q#1 9:**

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 **Q# 20:**

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 **Q# 21:**

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

a) Time

b) Form

c) **Loyalty**

d) Ownership **Q# 22:**

The consumer rules! Find a need and fill it was the prevailing attitude during what historical era of marketing?

a) Production

b) Sales

c) **Marketing**

d) Relationship

**Q# 23:**

The marketing concept is:

a) Companywide consumer orientation with the objective of achieving the maximum amount of profits.

b) **Long-run success page.**

c) Largest market share.

d) Highest paid staff.

**Q# 24:**

\_\_\_\_\_ involves long-term, value-added relationships developed over time with customers and suppliers:

a) **Relationship Marketing**

b) Marketing Era Marketing

c) Consumer Marketing

d) Exchange Marketing **Q# 25:**

An activity in which two or more parties give something of value to each other to satisfy perceived needs is called:

a) **Sales process**

b) Exchange process

c) Relationship process

d) Production process

## Solved MCQs mgt211

### Question # 1

Which of the following focuses on job content, environment, and conditions of employment?

Select correct option:

- a. Job description
- b. Human resource inventory report
- c. **Job analysis**
- d. None of the given options

### Question # 2

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

- 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

### Question # 3

In the marketing research process the 1st step is to define the problem followed by:

Select correct option:

- a. **Collection of data**
- b. Develop recommendation
- c. Develop the research design

d. Implement plan

**Question # 4**

Which of the following is the least likely decision to be made by Operations Managers?

Select correct option:

**a. Deciding which market areas to manufacture products for**

b. Designing and improving the jobs of the workforce

c. Selecting the location and layout of a facility

d. How to use quality techniques to reduce waste

**Question # 5**

What kind of sales person are you most likely to find working in the pharmaceutical industry?

Select correct option:

**a. Order taker**

b. Order getter

c. Sales engineer

d. Missionary salesperson

**Question # 6**

\_\_\_\_\_ includes all of the activities involved in the sale of products to final customers.

Select correct option:

a. Wholesaling

**b. Retailing**

c. Marketing

d. Distributing

**Question # 7**

Which of the following are the functions of management?

a. Select correct option:

b. Planning

c. Organizing

d. Coordinating

e. **All of the given options**

**Question # 8**

A major advantage of the corporate form of organization is:

Select correct option:

a. Reduction of double taxation.

b. **Limited owner liability.**

c. Legal restrictions.

d. Ease of organization

**Question # 9**

It is difficult to transfer the rights of ownership in:

Select correct option:

a. Sole proprietorship

b. **Partnership**

c. All the given options

d. None of the given options

**Question # 10**

Statutory meeting must be held not later than \_\_\_\_\_ from the date on which a public company is entitled to commence business. Select correct option:

a. **3 months**

b. 6 months

c. 1 year

d. One month

**Question # 11**

Which of the following is the most important determinant of a firm's value?

Select correct option: a. **Earnings**

b. Debt

c. Liabilities

d. Liquidity

**Question # 12**

The marketing activity of dividing market into smaller units with similar needs and characteristics is known as: Select correct option:

a. Market penetrating

b. Target Marketing

c. Relationship marketing

d. **Market segmentation**

**Question # 13**

\_\_\_\_\_ refers to the standards of moral behavior.

Select correct option:

a. Legality

b. Loyalty

c. Integrity

d. **Ethics**

**Question # 14**

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

Select correct option:

a. Current account.

b. Capital account

c. **Balance of trade**

d. Balance of payments

**Question # 15**

The World Trade Organization (WTO):

Select correct option:

a. Sets tariffs to balance international trade among nations.

- b. Is the successor to NAFTA.
- c. Rules on trade disputes between nations.
- d. **Sets exchange rates to balance international trade among nations.**

**Question # 16**

Which of the following is NOT a core function of management?

Select correct option:

- a. Planning
- b. Organizing
- c. **Motivating**
- d. Leading

**Question # 17**

In democratic style of leadership there is:

Select correct option:

- a. Upward communication
- b. Upward and downward communication
- c. **Occasional communication**
- d. Downward communication

**Question # 18**

The following are included in a business plan:

Select correct option:

- a. Financial information, production plans, personnel policies
- b. Goals of the business and how they will be achieved.
- c. Market analysis
- d. **All of the above.**

**Question # 19**

There are really only two ways to collect primary data for a marketing study:

Select correct option:

**a. Observation and asking questions**

- b. Passive and remote observations
- c. Through laboratory settings and onsite groups
- d. With careful, selected shopper and specialized syndicated services

**Question # 20**

The major disadvantage of advertising on television is:

Select correct option:

- a. Local market focus
- b. Long life span
- c. **Cost.**
- d. Its inability to target specific audiences.

**Question # 21**

\_\_\_\_\_ may be used to analyze how well a company is managing its assets.

Select correct option:

- a. Profitability Ratio
- b. Debt Ratio
- c. **Activity Ratio**
- d. Liquidity Ratio

**Question # 22**

For the individual employee, MBO provides:

Select correct option:

- a. A way to keep the company accountable
- b. Specific personal performance objectives
- c. Increased monetary compensation
- d. **Communication between co-workers.**

**Question # 23**

Examples of genetic industries include:



Select correct option:

- a. **Poultry**
- b. Sugar mill
- c. Plant nurseries
- d. Canals

**Question # 24**

Which of the following enjoys limited liability?

Select correct option:

- a. A general partnership.
- b. **A corporation.**
- c. A sole proprietorship.
- d. None of the above

**Question # 25**

JIT aims at:-

Select correct option:

- a. Avoid delays
- b. Favorable cash flow of the organization
- c. Reduction in non-value added activities
- d. **All of the given options**

**Question # 26**

Consumer goods are purchased by:

Select correct option: a. Business users.

- b. **Ultimate consumers.**
- c. Governments.
- d. Families.

**Question # 27**

The last step involved in designing an advertising campaign is \_\_\_\_\_.

Select correct option:

- a. Allocation of Budget
- b. Advertising Objectives
- c. Advertising Evaluation**
- d. Message Creation

**Question # 28**

In which of the following do two or more organizations collaborate on a project for mutual gain? Select correct option:

- a. Limited partnership
- b. Joint venture**
- c. Public corporation
- d. Strategic alliance

**Question # 29**

Air crafts are used for transportation of products when speed is Select correct option:

**More important**

Less important

**Question # 30**

An item consumed in one or a few uses is called a:

Select correct option:

- a. Consumer good
- b. Commodity**
- c. Durable good
- d. Nondurable good

**Question # 31**

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? Select correct option:

- a. Sales promotion**
- b. Public relations
- c. Personal selling

d. Advertising

**Question # 32**

A written statement of what a jobholder does, how a job is done, and why a job is done is a \_\_\_\_\_:

Select correct option:

a. Job description.

b. Human resource inventory report.

c. **Job analysis.**

d. Job specification.

**Question # 33**

Aggregating prospective buyers into groups is called:

Select correct option:

a. Market categorization

**b. Market segmentation**

c. BCG matrix analysis

d. Grouping

**a. Sets exchange rates to balance international trade among nations.**

**Question #34**

Franchisors like franchising because:

Select correct option:

a. They get a huge amount of money from franchisee without doing much

b. Failure rate of franchise business is lower than other businesses.

c. **Franchisees invest their own money and take responsibility for the management of the businesses they own.**

d. All of the given

**Question # 35**

Auditors are generally appointed and their remuneration, fixed at the \_\_\_\_\_

Select correct option:

Extraordinary Meeting

Statutory Meeting

**Director's Meeting**

Annual General Meeting

**Question #36**

Which of the following is included in economic factors?

Select correct option:

Religion

Value system

Norms

**Exchange rate Question # 37**

Management, marketing and finance are key parts of a/ an:

Select correct option:

Accounting plan Production strategy

Business plan

Information systems

**Question # 38**

\_\_\_\_\_ refers to the standards of moral behavior.

Select correct option:

Legality

**Loyalty**

Integrity

Ethics

**Question # 39**

Skyscrapers, pop-ups, and banners are all types of \_\_\_\_\_ advertising. Select correct option:

Television

Radio

Outdoor

**Internet Question # 40**

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

Select correct option:

**a. Medical tests**

b. Background investigations.

c. Aptitude tests

d. Application forms.

- 1) Which of the following business type has longest life time?
  1. Sole proprietorship
  2. Partnership
  3. **Joint stock company**
  4. All of the given options
  
- 2) Election of the Board of Directors is done by Shareholders.
  1. Through special resolution
  2. **In annual general meeting**
  3. In Special meeting
  4. In statutory meeting
  
- 3) Which of the following business type, has to pay double taxes to the government?
  1. Sole proprietorship
  2. Partnership
  3. **Joint stock company**
  4. Cooperative Societies
  
- 4) \_\_\_\_\_ includes the rules and regulations, necessary to manage the internal affairs of the company.
  1. Memorandum of Association
  2. **Article of Association**
  3. Prospectus
  4. All of the given option
  
- 5) General information like Appointment, election and powers of directors, voting rights and transfer of shares mention in \_\_\_\_\_.
  1. Charter of Company
  2. Article of Association
  3. **Prospectus**
  4. None of the given option
  
- 6) To call the extraordinary meeting, how many days' notice is required?
  1. **21 days**
  2. 15 days
  3. 07 days
  4. 30 days

- 7) According to Section 305 of Companies Ordinance, a company may wound up **by court** under which of the following circumstances:
1. Statutory Declaration
  2. **Fails to submit statutory report**
  3. Expiry of Period
  4. Appointment of Liquidators
- 8) Which of the following is the source of acquiring of redeemable capital?
1. Modarba Certificate
  2. Debentures
  3. **Participation Term Certificates**
  4. All of the given option
- 9) Normally some part of Capital is kept for the payment of debts at the time of winding up, is called as:
1. **Reserve capital**
  2. Un-Issued Capital
  3. Un-Called up Capital
  4. All of the given option
- 10) The following person cannot make a petition to the court to get an order for winding up of a company.
1. **Petition by debtor**
  2. Petition by creditor
  3. Petition by contributory
  4. All of the above
- 1) Which of the following is the disadvantage of modified schedules and alternative workplace?
- a. Freedom in professional and personal life
  - b. More Job satisfaction
  - c. **Complicated coordination**
  - d. Suitable for self starter who require little direct supervision
- 2) Among different managerial styles, which of the following allows most rapid decision making?

- a. **Autocratic styles**
  - b. Democratic styles
  - c. Free rein style
  - d. None of the given option
- 3) \_\_\_\_\_ is the process of motivating others to work to meet specific objectives.
- a. **Leadership**
  - b. Motivation
  - c. Free rein style
  - d. Democratic style
- 4) Which of the following represents the set of procedures involving both managers and subordinates in setting goals and evaluating progress?
- a. Participative Management and Empowerment
  - b. **Management by Objectives (MBO)**
  - c. Reinforcement/Behavior Modification Theory
  - d. None of the given option
- 5) The internal environment consists of the insides forces that influence marketing strategy and decision making is/are as follows:
- a. Organization Policies
  - b. Product Policies
  - c. Management Structure
  - d. **All of the given option**
- 6) A specific communication task to be accomplished with a specific target audience during a specific period of time is called as:
- a. Marketing Mix
  - b. **Advertising objective**
  - c. Market segmentation
  - d. Marketing process

- 7) Dividing a market into distinct groups of buyers who have distinct needs, characteristics, or behavior and who might require separate products or marketing mixes.
- Market segmentation**
  - Marketing Mix
  - Marketing Penetration
  - Marketing control
- 8) The actors and forces outside marketing that affect marketing management's ability to build and maintain successful relationship with target customers are called as:
- Marketing Environment**
  - Market segmentation
  - Marketing Mix
  - Marketing Penetration
- 9) The set of controllable tactical marketing tools-product, price, place and promotion that the firm blends to produce the response it wants in the target market.
- Market segmentation
  - Marketing Mix**
  - Marketing Penetration
  - Marketing Environment
- 10) Motor cycle and car are very different from one another, but both fulfill the need for transport is an example of:
- Substitute product competition**
  - Brand competition
  - International competition:
  - Market competition
- 11) Physical distribution is a channel to make availability of \_\_\_\_\_ from producer to consumer.
- Finished goods**
  - Work in process
  - Raw material
  - All of the given option



- 12) Advertising strategies often depend on the product life cycle stage. Example in case of introductory stage, which of the following advertising strategy is used:
- Persuasive advertising
  - Comparative advertising
  - Informative advertising**
  - Reminder advertising
  - None of the given options
- 13) A \_\_\_\_\_ is a promotional approach that encourages consumer demand, which then exerts pressure on wholesalers and retailers to carry a product.
- Pull strategy**
  - Push strategy
  - Persuasive advertising
  - Sales Promotion
- 14) \_\_\_\_\_ includes rental or mortgage payments, insurance, and wages. Other cost includes material handling and inventory control.
- Warehousing cost**
  - Transportation cost
  - Distribution cost
  - Manufacturing cost
- 15) Personal selling task in which salespeople try to persuade buyers to purchase products by providing information about their benefits is:
- Order Processing
  - Creative Selling**
  - Missionary Selling
  - None of the given option
- 16) Consumer promotion aimed at the \_\_\_\_\_ and Trade promotion aimed at wholesalers and retailers.
- Final consumer**
  - Retailer
  - Wholesalers
  - All of the given options
- 17) In which of the following, Companies rent booths to display and demonstrate products to customers who have a special interest or are ready to buy.
- Trade Shows**
  - Contests
  - Cross-promotion
  - Special-event sponsorship
- 18) \_\_\_\_\_ is the planning, organizing, directing, and controlling of all the activities needed to get high-quality goods and services into the marketplace.

- a. **Total quality management (TQM)**
- b. Promotion strategy
- c. Sales promotion
- d. Management by objective (MBO)

19) A promotional tool in which information about a company or product is transmitted by general mass media, which is free, but you have little or no control of the content and delivery.

- a. Public relation
- b. Trade Promotion
- c. **Publicity**
- d. Consumer Promotion

20) Advertising strategy that tries to keep a product's name in the consumer's mind.

- a. Persuasive advertising
- b. Comparative advertising
- c. Informative advertising
- d. **Reminder advertising**

Q 1.

1. A major disadvantage of corporate organization is

- Double Taxation of dividend
- **Inability of the firm to large sum of additional capital**
- Limited liability of share holders
- Limited life of Cooperate firm

2. It is difficult to transfer to right of ownership is

- Sole proprietor ship
- **Partner ship**
- All of given options
- None of given options

3. Wages are paid for

- Long term
- **Short term**
- All of given options
- None of given options

4. Pakistan is exporting

- Sports Item
- Agriculture Product

- Textile Product
  - **All of given options**
5. Managers have \_\_\_\_\_ type of skills
- 2 • 3
  - 4 • 5
6. The process of attracting the people for job
- **Recruitment**
  - Special skills
  - Supervision
  - Job Specification
7. What is the method of on job training?
- Lectures
  - Vestibule
  - Videos
  - **None of given options**
8. The liability of a sole trader is \_\_\_\_\_
- limited Only to his investment in the business
  - Limited to the total resources of the business
  - **Unlimited**
  - Not defined
9. Genetic industry means
- Canal
  - Sugar mill
  - **Poultry**
  - Agriculture
10. The first stage Evolution business is?
- **Industry revolution**
  - Globalization
  - Entrepreneurship
  - Marketing era

**MGT211-Quizz-**

**Question # 1 of 15**

In studying consumer behavior, it is often useful to categorize people on the basis of some similarity. Descriptions such as age, gender, income, or occupation are called:

### **Demographics**

Psychographics  
Personal profile  
Personality

---

#### **Question # 2 of 15**

The method of interview where questions can be changed or adapted to meet the respondent's intelligence and understanding is called

**Unstructured interview**

Structured interview  
All of the given options  
None of the given options

---

#### **Question # 3 of 15**

Examples of generic industries include

**Poultry**

Sugar mill  
Plant nurseries  
Canals

---

#### **Question # 4 of 15**

----- refers to standard of moral behavior

Loyalty  
Integrity  
**Ethics**

---

#### **Question # 5 of 15**

The buying and selling of goods by way of electronic media, such as telephone is called

Digital age  
E commerce  
Enterprise resource planning  
None of the above

---

#### **Question # 6 of 15**

Which one of the following is NOT a benefit of partnership?

Distribution of work

**Unlimited liability** Tax  
facility  
Minority protection

---

**Question # 7 of 15**

The World Trade Organization (WTO):

**Sets tariffs to balance international trade among nations** Is  
the successor to NAFTA?

Rules on trade disputes between nations.

**Sets exchange rates to balance international trade among nations**

---

**Question # 8 of 15**

The liability of a sole trader is

Limited only to his investment in the business

Limited to the total resources of the business

**Unlimited**

Not defined

---

**Question # 9 of 15**

**Which of the following statements about Franchising is true?**

Franchising is a type of corporate system

Franchising is used to achieve coordination at successive stages of production

Franchising is a type of administered vertical marketing system

Franchising is the most visible variation of contractual systems

---

**Question # 10 of 15**

Which one of the following business type can avail some concessions from  
Government?

Sole proprietorship

Partnership

JS Company

**Cooperative society**

---

**Question # 11 of 15**

Wages are paid for Short  
term periods

Long term periods

All of the given options  
None of the given options

---

**Question # 12 of 15**

A good, service, or idea consisting of a bundle of Tangible and intangible attributes that can satisfy consumer is called a:

Durable good  
**Product**  
Commodity

---

**Question # 13 of 15**

A \_\_\_\_\_ is an assessment of the kinds of skills, knowledge and abilities needed to successfully perform each job in an organization

Job description  
Human resource inventory report  
**Job specification**  
Job analysis

---

**Question # 14 of 15**

The interviewer asks the respondents same questions using a predetermined series of questions interview questions in:

**Structured interview**  
Unstructured interview  
Telephonic interview  
None of the given options

---

**Question # 15 of 15**

Which one of the following business has shortest life span?

**Sole proprietorship**  
Partnership  
JS Company Co-operative  
society

---

**Semester Spring 2008**

## Quiz 1 solution

### MGT211 (Introduction to Business)

#### Questions Correct answer

1) Which of the following is excluded from factors that can affect the business? a)  
Demographic Factors b)  
Economic factors c)  
Act of God d)  
None of the above

Correct answer **D**

2) The function of business in which business man tries to find new techniques of production is a)  
Accounting b)  
Management Function  
c)  
Innovation d)  
Quality improvement

Correct answer **C**

3) If Trade Receipts are greater than Trade Payments then Balance of Payments is \_\_\_\_\_  
a)  
Favorable b)  
Unfavorable  
c) Deficit  
d) None of the above

Correct answer **A**

4) Which of the following is excluded from the advantages of Sole Proprietorship? a)  
Direct relationship with customers b)  
Unlimited Liability c)

Easy transfer of Ownership  
d) Entire Profit

**Correct answer B**

5) Which of the following is an advantage of sole proprietorship?  
a) Longest life b)  
Availability of sufficient Capital c)  
Direct contact with customer and workers d)  
Separate Legal Entity

**Correct answer C**

6) Which of the following is not among the benefits of Partnership Firm? a)  
Satisfaction of Partners b)  
Lack of Secrecy c)  
Moral Promotion d)  
Minority Protection

**Correct answer B**

7) In partnership deed the profit & loss is distributed among the partners by the following ratio. a)  
50:50 b)  
As per percentage of Capital invested c)  
As per agreed ratio in Partnership deed d)  
25:75

**Correct answer C**

8) The company may raise its capital through which of the following sources: a)  
By Issuing Shares b)  
By Issuing Debentures c)  
By Savings d)  
All of the given options

**Correct answer D**

9) Advantages of cooperative societies does not include



- a) Equal distribution of wealth
- b) Interference of Government
- c) No Monopoly
- d) Open Membership

Correct answer **B**

10) WTO was organized on \_\_\_\_\_

- a) July 15, 1998
- b) January 01, 1990
- c) August 25, 1995
- d) January 01, 1995

Correct answer **D**

## INTRODUCTION TO BUSINESS (MGT 211) (QUIZ)

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**Please highlight the correct option from given choices.**

1. An enterprise that provides products or services that customers desire is a/an:
  - a. institution
  - b. market
  - c. agency
  - d. **business**
  
2. The different types of stakeholders involved in a business include all of the following except:
  - a. owners
  - b. creditors
  - c. **couriers**
  - d. employees

3. A certificate of ownership of a business is a:
  - a. bond
  - b. **stock**
  - c. mutual fund
  - d. contract
  
4. The following are possible forms of business ownership except:
  - a. proprietorship
  - b. partnership
  - c. **bureaucracy**
  - d. corporation
  
5. Partners have unlimited liability in a:
  - a. **general partnership**
  - b. corporation
  - c. limited partnership
  - d. cooperative
  
6. An arrangement whereby business owners allow others to use their trademark, trade name, or copyright under specified conditions is a : **a.**  
**franchise**
  - b. joint venture
  - c. distribution
  - d. cartel
  
7. A firm's \_\_\_\_\_ is measured by its stock price, which can be negatively affected by unethical business practices:
  - a. bond rating
  - b. risk
  - c. **value**
  - d. return on investment
  
8. \_\_\_\_\_ conditions reflect the overall performance of the nation's economy.
  - a. microeconomic
  - b. multieconomic
  - c. **macroeconomic**

- d. all of the given options
9. The primary purpose of an industry business environmental assessment is to determine the: a. economic growth  
b. degree of competition  
c. inflation rate  
d. population growth
10. The function of business responsible for the efficient use of employees and other resources (such as machinery) is: a. finance  
b. marketing  
c. production  
d. management
- 11)** All of the following are considered crucial ingredients that are needed in order for a business to be able to make a profit except -----.  
a) Land  
b) Capital  
c) Labor  
d) Financial Counselors
- 12)** Jahanzaib's restaurant was sued when a customer suffered a severe allergic reaction. As sole proprietor of the establishment, Jahanzaib's will be personally liable for any judgment against the restaurant due to -----.  
a) Charter Laws  
b) Unlimited Liability  
c) Terms of his property insurance  
d) Limited Liability
- 13)** ----- comprise partners whose liability is limited to the cash or property they contributed to the partnership.  
a) Limited partnerships  
b) Limited Liability Companies  
c) Sole Corporations

- d) General Partnership
- 14)** ----- is considered a primary advantage to forming a business partnership.
- a) Shared Profit
  - b) **Increase Specialization**
  - c) Shared Control
  - d) Unlimited Liability
- 15)** Disadvantages associated with being an entrepreneur include all of the following except -----.
- a) Ensuring the business functions properly
  - b) Possibly incurring large losses
  - c) Possibly losing source of income
  - d) **Having an increased amount of control**
- 16)** All of the following except ----- are considered to be barriers to free trade
- a) Tariffs
  - b) Quotas
  - c) **Subsidies**
  - d) Taxes
- 17)** A ----- is an economic system in which the production of goods and services is left in the hands of private enterprise.
- a) Totalitarian government
  - b) Representative democracy
  - c) Mixed Economy
  - d) **Free Market Economy**
- 18)** ----- are those persons who guarantee the company, to buy the remaining shares if minimum requirement is not met.
- a) Promoters

- b) Brokers
- c) Underwriters
- d) Directors

**19)** The function of business responsible for the efficient use of employees and other resources (such as machinery) is:

- a) Finance
- b) Marketing
- c) Production
- d) Management

**20)** The different types of stakeholders involved in a business include all of the following except:

- a) Owners
- b) Creditors
- c) Couriers
- d) Employees