

Introduction to Business

- 1) Consumers practice the right to ____ when comparing product information on labels before making a purchase.
- be informed
 - service
 - be heard
 - a remedy

Competency: Consumerism

- 2) More than 150 customers who purchased a home from a local builder now have mold problems due to faulty construction. This situation may result in the use of:
- Mediation
 - small claims court
 - arbitration
 - a class action lawsuit

Competency: Consumerism

- 3) The largest percentage of U.S. businesses employ:
- no employees other than the owner
 - over 100 employees
 - between 5 and 10 employees
 - between 50 and 100 employees

Competency: Characteristics and organization of business

- 4) Money loses its value when it:
- is divisible
 - is durable
 - becomes too plentiful
 - becomes too portable

Competency: Money management, banking, investments

- 5) Two things shared by many companies with highly motivated employees are:
- theory X management and high wages
 - open communications and self-managed teams
 - acceptance of scientific management and centralized decision making
 - clear distinctive management levels and a line and staff organizational structure

Competency: Rights and responsibilities of employees, managers, owners, and government

- 6) A desire to acquire additional education beyond the college degree is an example of:
- focus
 - interests
 - values
 - ambitions

Competency: Career awareness

- 7) _____ is **not** a business strategy for a business risk.
- Ignore the risk
 - Avoid the risk
 - Assume the risk
 - Insure the risk

Competency: Insurance

- 8) _____ is the study of how to employ resources to produce goods and services and distribute them among competing groups and individuals.
- Economics
 - Capitalism
 - Marketing
 - Socialism

Competency: Economic systems

- 9) _____ is the obtaining of private and personal information about a person, such as a

credit card number, and using that information to buy things.

- a. Banking theft
- b. Online theft
- c. Petty theft
- d. Identify theft

Competency: Ethics

10) Which of the following situations represents international business?

- a. A farmer in Nebraska sells soybeans to a company that sells food products to Japan.
- b. A restaurant in California offers Asian menu items.
- c. An automobile dealership in Texas sells Toyotas manufactured in Texas.
- d. A retail store in South Carolina sells crafts from local artists who have moved to the state from all parts of the world.

Competency: Global (international) business

ANSWER KEY

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