

1. Nicole's Manicure Salon has operated successfully for the past 15 years. Recently, Nicole decided to expand by offering several people the opportunity to own and operate a Nicole's Manicure Salon in other locations. Which form of business ownership would allow Nicole to attain her goal?
 - A. Business-format franchise
 - B. Product trade name
 - C. General partnership
 - D. Limited partnership
2. Which of the following usually is the first step in applying written directions to achieve tasks:
 - A. Questioning
 - B. Listening
 - C. Speaking
 - D. Reading
3. Which of the following business resources provides information about the company's dress codes and vacation policies, and general rules for appropriate behavior:
 - A. Productivity manual
 - B. Employee handbook
 - C. Customer newsletter
 - D. Personnel record
4. To be able to better understand and follow directions on the job, employees often
 - A. ask questions.
 - B. review notes.
 - C. do research.
 - D. practice tasks.
5. Which of the following usually is a benefit of listening to others and trying to understand what they are saying in order to respond appropriately:
 - A. Respect of coworkers
 - B. Guaranteed promotions
 - C. Access to management
 - D. Fewer assignments
6. Which of the following adds meaning to the words a speaker uses:
 - A. Accuracy
 - B. Tempo
 - C. Tone of voice
 - D. Economy of speech
7. What communication style is most appropriate to use when you are providing a friend with personal advice?
 - A. Formal
 - B. Empathic
 - C. Judgmental
 - D. Businesslike
8. What should employees keep in mind when trying to be objective while defending their ideas?
 - A. It might be difficult to explain the data.
 - B. Managers may be too busy to ask questions.
 - C. The result might be office conflict.
 - D. Others may have different opinions.
9. Which of the following is a true statement about listening skills while handling telephone calls:
 - A. It is easy to listen while carrying on other activities.
 - B. Being a good listener requires active listening skills.
 - C. Listening is a natural skill that doesn't require practice.
 - D. If you listen very carefully, you will not have to ask questions.
10. One computer tool that a businessperson can use to organize online information for a research report is
 - A. online survey services.
 - B. index cards.
 - C. statistical applications.
 - D. mind-mapping programs.
11. After Lana finishes writing the promotional copy for a direct-mail letter, she plans to proofread and edit her work on her computer. What technique will help Lana determine if the text is clear and logical?
 - A. Reading the text aloud
 - B. Reading the text backwards
 - C. Correcting grammatical mistakes
 - D. Correcting punctuation errors

12. Which of the following message closings is the most appropriate to use for a businessperson who is sending formal e-mail correspondence:
- A. Greetings
 - B. THX
 - C. Regards
 - D. Affectionately
13. The opening sentences of an effective business letter should
- A. avoid specific details.
 - B. be completely impersonal.
 - C. always be formal.
 - D. come right to the point.
14. Which of the following is a reason why businesses write informational messages:
- A. To prepare letters
 - B. To sell products
 - C. To develop memos
 - D. To identify customers
15. To make a request of a business associate or customer is one of the reasons why businesspeople write
- A. corporate memorandums.
 - B. persuasive messages.
 - C. sales letters.
 - D. letters of inquiry.□
16. A message from the company president to all employees concerning a change in insurance coverage is a form of _____ communication.
- A. informal
 - B. staff
 - C. upward
 - D. lateral
17. Sam's supervisor has asked him to provide an update about the status of his project during an upcoming meeting. Before Sam attends the meeting, it is important that he
- A. gathers necessary information.
 - B. has plenty of handouts.
 - C. develops minutes for the meeting.
 - D. obtains feedback.
18. The primary reason customers give for not returning to a business is a lack of
- A. courtesy from salespeople.
 - B. available parking.
 - C. advertised merchandise.
 - D. customer-service personnel.
19. What is often a benefit to a business of providing good customer service?
- A. More publicity
 - B. Increased assets
 - C. Longer season
 - D. Greater profits
20. Businesses benefit when employees handle customer inquiries in an effective manner because
- A. customers' confidence in the business increases.
 - B. customers feel free to return products.
 - C. customers feel the need to ask more questions.
 - D. customers' total purchases are reduced.
21. Businesses develop policies to help employees deal with customers the same way in similar situations so that employees will
- A. offer special privileges.
 - B. treat customers differently.
 - C. give personal favors.
 - D. treat customers fairly.
22. How can the salesperson try to reduce the number of customer complaints about the products customers buy?
- A. By identifying the customer's real needs
 - B. By using high-pressure selling techniques
 - C. By approaching customers as soon as possible
 - D. By advising the customer from personal experience
23. One way of reinforcing the company's image through employee performance is by making sure employees have
- A. thorough knowledge of the products.
 - B. comfortable work stations.
 - C. generous pay and benefit plans.
 - D. full access to customer databases.

24. Which of the following groups would be most likely to limit our society's human resources and hinder our leadership in the use of technology:
- A. People, ages 25-55, who lack technological skills
 - B. People, ages 25-55, who have technological skills
 - C. People, ages 50-60, who want some technological training
 - D. People, ages 5-25, who are learning about new technology
25. Resources, goods, and services are more highly valued if they are
- A. inexpensive.
 - B. abundant.
 - C. scarce.
 - D. unlimited.
26. Most businesses strive to supply goods and services in direct proportion to
- A. supply.
 - B. demand.
 - C. cost of production.
 - D. standard of living.
27. Traditional economic systems are found only in _____ countries.
- A. established
 - B. industrial
 - C. undeveloped
 - D. independent
28. Although private enterprise is a productive economic system, a problem it has not been able to eliminate is
- A. profit.
 - B. competition.
 - C. freedom.
 - D. poverty.
29. Which of the following is considered the primary incentive for starting a business:
- A. Private property
 - B. Supply and demand
 - C. Competition
 - D. Profit motive
30. A business that advertises a special sale as well as its delivery service is using a combination of _____ competition.
- A. direct and indirect
 - B. price and nonprice
 - C. perfect and monopolistic
 - D. local and national
31. Which of the following is a public good that is provided by the government:
- A. Interstate highways
 - B. Marketing research
 - C. New automobiles
 - D. Private schools
32. Which of the following is a true statement about productivity:
- A. Most businesses try to increase productivity.
 - B. Productivity is unimportant to businesses.
 - C. Productivity cannot be measured.
 - D. Most businesses reduce productivity to lower prices.
33. Paul is nervous about his sales presentation. But, he doesn't want to admit it to himself. His coworker, Amanda, pointed it out to him while he was practicing what to say. What should she recommend that he do?
- A. Accurately assess his emotions
 - B. Exhibit a positive attitude
 - C. Boost his self-confidence
 - D. Display empathy for another's emotions
34. What is an example of a positive affirmation?
- A. "I do not put off for tomorrow what I can do today."
 - B. "I do not take the initiative until someone asks."
 - C. "I never say "no" to new friends."
 - D. "I cannot disagree with others without feeling guilty."

35. What do individuals often identify when assessing their personal strengths and weaknesses?
- A. Benefits
 - B. Careers
 - C. Interests
 - D. Risks
36. Joyce was told by her supervisor that she should take more initiative, use more tact when dealing with customers, and smile more. How should Joyce go about improving these personal traits?
- A. Joyce should transfer to a different job.
 - B. Joyce should work on one trait at a time.
 - C. Joyce should improve all three traits at once.
 - D. Joyce should ignore her supervisor's comments.
37. Being enthusiastic can increase your
- A. problems.
 - B. happiness.
 - C. skills.
 - D. stress.
38. To be considered a person with initiative, you must
- A. cooperate with those who have initiative.
 - B. practice initiative from time to time.
 - C. demonstrate initiative on a regular basis.
 - D. tell people you have initiative.
39. Which of the following statements depicts responsible behavior on the part of the employee:
- A. "I'm sure I understand my job duties, and I don't have to do that."
 - B. "I'm sorry the job didn't get done, but the other workers left early."
 - C. "I tried to handle that problem, but the customer became angry and walked out."
 - D. "I told my supervisor I would work on Friday nights, so I will be here Friday."
40. Marie uses a lot of gestures when she is communicating with customers. What tool is Marie using?
- A. Patience
 - B. Service attitude
 - C. Body language
 - D. Empathy
41. Businesspeople who want to be successful in a global market should exhibit
- A. local protectionism.
 - B. economic nationalism.
 - C. regional behavior.
 - D. cultural sensitivity.
42. Which of the following is a true statement about assertiveness:
- A. Assertiveness makes most bad situations worse.
 - B. People generally accept their personal rights.
 - C. Some people do not know how to be assertive.
 - D. Behaving assertively usually causes embarrassment.
43. When coworkers disagree about the best way to solve a problem, they are involved in _____ conflict.
- A. intangible
 - B. emotional
 - C. functional
 - D. specific
44. What kind of team would take full responsibility for an entire line of products?
- A. Project team
 - B. Quality circle
 - C. Work team
 - D. Short-term committee
45. Which of the following is a true statement about visions:
- A. They require hard work and determination.
 - B. They are exactly the same as dreams.
 - C. They cannot permanently change the world.
 - D. They are intended for the short-term future.
46. What often increases when a person continually resists change or fails to adapt to new circumstances?
- A. Sense of accomplishment
 - B. Feelings of contentment
 - C. Levels of stress
 - D. Inability to use logic

47. Achievement-oriented people often want to
- A. do things more efficiently.
 - B. be told what to do.
 - C. keep things the same.
 - D. let others win.
48. What is the final step in the process of leading change?
- A. Celebrate success.
 - B. Communicate the change to everyone involved.
 - C. Put the change into action.
 - D. Address resistance to the change.
49. Which of the following is a **true** statement about coaching:
- A. The coach is the boss.
 - B. Coaching always involves athletics.
 - C. Coaching is enabling others to reach their potential.
 - D. There is only one way to coach.
50. Which of the following is not a benefit of effective human relations at work:
- A. High employee morale
 - B. Low productivity
 - C. Good business image
 - D. Increased cooperation
51. Which of the following would be the most appropriate item to purchase with a credit card:
- A. Airline ticket
 - B. Pack of gum
 - C. Magazine
 - D. Small pizza
52. Lisa charges another sole proprietor to use the extra office in the building she owns. Which of the following is Lisa's source of income:
- A. Dividends
 - B. Salary
 - C. Rent
 - D. Interest
53. Which of the following is the opportunity cost for a person who decides to place \$500 in the bank rather than purchase something s/he really wants but does not need:
- A. Higher discretionary income
 - B. Immediate gratification
 - C. Lower salary or wages
 - D. Long-term dissatisfaction
54. When a business uses credit to purchase goods and services, what benefit does it receive?
- A. Fostering customer loyalty
 - B. Maintaining inventory levels
 - C. Encouraging customers to buy
 - D. Gaining new customers
55. Which of the following statements about retirement is true:
- A. You have plenty of time to start saving for retirement.
 - B. Saving even a little bit each month will help.
 - C. You can depend on Social Security for your basic living expenses.
 - D. You will be in retirement only about 15 years.
56. A good way to prioritize your financial goals is to
- A. rank goals according to what needs to be done first.
 - B. assign each goal to a general category.
 - C. rank every goal in numerical order.
 - D. recognize that all the goals are equally important.
57. Governments pay for public services such as police protection, road repairs, and public education by
- A. mandating donations.
 - B. collecting taxes.
 - C. establishing embargoes.
 - D. regulating the business cycle.

58. In what primary way does a T account benefit an accountant in maintaining financial records?
- A. Heightens the awareness of spending problems
 - B. Reveals the motives behind a purchase
 - C. Increases the accuracy of calculations
 - D. Shows the parts of a business transaction
59. When reconciling a bank statement, you use checkmarks to do which of the following:
- A. Identify the items you have compared
 - B. Correct the deposits you have missed
 - C. Void the checks you have ruined
 - D. Total the interest you have received
60. It is important to protect against identity theft to prevent unauthorized individuals from
- A. trying to sell you a product.
 - B. sending you information online.
 - C. improving your credit rating.
 - D. obtaining credit in your name.
61. Which of the following helps individuals select the type of life insurance to buy and the most appropriate investments:
- A. Trust departments
 - B. Certified public accountants
 - C. Financial planners
 - D. Local bank managers
62. How does insurance benefit a business?
- A. Lowers personal tax obligation
 - B. Reduces security needs
 - C. Protects against financial loss
 - D. Enhances economic utility
63. The price of raw materials used in manufacturing a product was double what had been projected for the year. Which of the following could the business determine by analyzing its financial information:
- A. Variances
 - B. Equipment costs
 - C. Supply and demand
 - D. Errors in forecasting
64. A business has accounts receivable valued at \$12,500. This amount would appear in the business's balance sheet under the category of
- A. liabilities.
 - B. current assets.
 - C. income.
 - D. cash.
65. In business, the financial function monitors and controls the company's
- A. monetary returns and risks.
 - B. product development process.
 - C. supply channel members.
 - D. selling and distribution efforts.
66. A business's human resources department is responsible for coordinating _____ for employees.
- A. equipment requisitions
 - B. sales promotions
 - C. information systems
 - D. performance evaluations
67. The marketing concept recognizes the importance of a _____ -oriented way of doing business.
- A. product
 - B. consumer
 - C. profit
 - D. company
68. Before businesses can effectively use relevant data, they need to determine the type of
- A. report that is required.
 - B. computer system to purchase.
 - C. information that is needed.
 - D. collection process to develop.
69. Which of the following sources is most likely to contain timely information:
- A. A second edition history textbook that contains a 2000 copyright date
 - B. A journal article about a medical breakthrough that was published a decade ago
 - C. A stock table that appeared in a national newspaper on January 14, 2010
 - D. A technical-trends report that was written on February 5, 2011

70. ChemTech International plans to build a new research facility, which is to be completed in two years. As an employee with ChemTech, your supervisor has requested that you produce a detailed document to send to potential vendors and contractors that outlines how they should submit bids to perform work for the new facility. The document is to contain instructions about the type of information the potential vendors should provide in their bids, and the format in which the information should be presented. What type of document are you preparing?
- A. Request for proposal
 - B. Summary of qualifications
 - C. Executive summary
 - D. Business plan
71. Managing information regarding copyrights and trademarks helps a company to preserve its
- A. correspondence.
 - B. inventory.
 - C. identity.
 - D. customers.
72. Which of the following is a basic computer operating system that a business might use:
- A. Adobe
 - B. Excel
 - C. Oracle
 - D. Windows
73. What is one benefit that the Internet provides consumers?
- A. Makes it easier to comparison shop
 - B. Provides a way to promote products
 - C. Lessens the need for intermediaries
 - D. Reduces information overload
74. Which of the following do many businesses include on their web sites in order to obtain feedback from customers:
- A. Computer programming code
 - B. Portable document format
 - C. Electronic file attachment
 - D. E-mail inquiry field
75. A benefit of using an electronic calendar to prepare schedules is that it allows employees to
- A. prioritize a deadline.
 - B. communicate with coworkers.
 - C. delegate tasks.
 - D. manage their time.
76. Many businesses use database software programs to computerize their customer mailing lists in order to instantly
- A. calculate monthly profit.
 - B. prepare sales letters.
 - C. write e-mail messages.
 - D. sort by zip code.
77. Which of the following is an example of an integrated software application:
- A. SMS
 - B. Java
 - C. Point-of-sale
 - D. URL
78. Which of the following is an example of a groupware application:
- A. E-mail filters
 - B. Database sharing
 - C. Job rotation
 - D. Relationship marketing
79. When creating and posting information to a web site, one of the most important considerations is the
- A. home page.
 - B. search engine.
 - C. domain name.
 - D. shopping cart.
80. Running out of inventory can result in
- A. higher productivity.
 - B. higher taxes.
 - C. lost sales.
 - D. more satisfied customers.
81. Health and safety regulations in business usually require businesses to
- A. report workplace accidents.
 - B. inspect office facilities.
 - C. hold regular safety meetings.
 - D. purchase fireproof supplies.

82. Jeff is a stock clerk in a department store, and his friend Eric is a server in a restaurant. Which of the following statements is true about their safety at work:
- A. They are exposed to the same safety hazards.
 - B. They are exposed to different safety hazards.
 - C. Jeff's job has more safety hazards than Eric's.
 - D. Jeff's job has fewer safety hazards than Eric's.
83. When Josh arrived at work this morning, he saw that the company safe was open, the office was in disarray, and his laptop computer was missing. Josh should immediately report the situation to the local
- A. police department.
 - B. fire department.
 - C. health organization.
 - D. insurance provider.
84. Which of the following is a routine security precaution:
- A. Taking cash to the bank at the same time every day
 - B. Making sure customer purchases exceed the floor limit
 - C. Switching price tickets
 - D. Observing customers
85. What is likely to occur if a business's employees do not follow the business's security procedures?
- A. Decreased counterfeiting activity
 - B. Increased accident rates
 - C. Decreased financial losses
 - D. Increased risk of theft
86. After a purchasing specialist has determined that s/he has selected the right supplier for a job, what do s/he and the supplier develop?
- A. Invoice
 - B. Purchase agreement
 - C. Request for bids
 - D. Blanket purchase order
87. Developing efficient production processes is important to businesses because it helps them to be
- A. innovative.
 - B. responsible.
 - C. flexible.
 - D. competitive.
88. Steve is unsure how to dress appropriately for his job interview. Which of the following is a guideline that might help him select the proper attire:
- A. Patterns and textures of clothing should be contrasting.
 - B. Clothing types should follow current trends.
 - C. Business clothing usually should be conservative.
 - D. Articles of clothing should have several points of focus.
89. The overall goal of your efforts to get organized on the job should be to
- A. reduce your workload.
 - B. create a work system appropriate for you.
 - C. impress your supervisor.
 - D. make your work area look attractive.
90. It is important to set goals that are realistic and attainable, which means that they should be
- A. specific rather than vague or general.
 - B. appropriate to you and your abilities.
 - C. challenging to your creativity.
 - D. achievable within a year.
91. Which of the following is an example of acting on a decision:
- A. Evaluating an outcome
 - B. Identifying a problem
 - C. Choosing an option
 - D. Accepting a promotion
92. Becoming a problem solver helps you to
- A. get what you want from other people.
 - B. meet your personal and professional goals.
 - C. make more money.
 - D. stay out of tough situations.

93. Employees who arrive at work on time and direct their own work-related activities during the course of the day usually possess positive _____ skills.
- A. self-conceptual
 - B. self-management
 - C. inner-qualitative
 - D. personal-orientation
94. Where could you find up-to-date information about jobs that are available to persons with physical and sensory disabilities?
- A. College offices of disability services
 - B. Nonprofit vocational training programs
 - C. High school special-education department
 - D. State departments of vocational rehabilitation
95. Why should job seekers keep a written record of the jobs they hear of or read about?
- A. To show prospective employers that they are organized
 - B. To avoid paying a fee for job information
 - C. To help them fill out job applications accurately
 - D. To keep track of important job information
96. Some job application forms ask why the applicant left a previous job. Which of the following would be an acceptable answer to this question:
- A. "I was seeking a more responsible job."
 - B. "I was expected to do too much work."
 - C. "I couldn't get along with my supervisor."
 - D. "I wanted to get out of a difficult situation."
97. Matt just received a letter telling him that someone else had been hired for a job for which Matt had been interviewed. Since Matt didn't get the job, does he need to write an interview follow-up letter to the company?
- A. Yes, he should already have sent a follow-up letter.
 - B. No, it's too late to send a follow-up letter.
 - C. Yes, the company will be expecting to hear from him.
 - D. No, since Matt wasn't hired, he doesn't need to write.
98. When hiring new employees, which of the following is an activity that many businesses consider as an equivalent to work experience:
- A. Networking
 - B. Brainstorming
 - C. Volunteering
 - D. Apprenticing
99. What is a factor that many businesses consider when promoting employees?
- A. Seniority
 - B. Compensation
 - C. Favoritism
 - D. Arbitration
100. Which of the following is one of the major responsibilities for top-level managers:
- A. Day-to-day planning
 - B. Short-range planning
 - C. Tactical planning
 - D. Strategic planning

1. A

Business-format franchise. A business-format franchise operates under a trade name and offers the opportunity for many people to become their own bosses while helping companies expand more efficiently. Product trade-name franchises offer an agreement to stock and sell a specific or exclusive line of goods. General partnership agreements are designed to combine capital, experience, and the abilities of two or more people. Limited partnerships are designed for two or more people who want limited liabilities.

SOURCE: BL:003

SOURCE: BL LAP 1—Own It Your Way (Business Ownership)

2. D

Reading. The first step in applying written directions to achieve tasks usually involves reading the directions. Employees need to understand the written directions before they can apply them. Therefore, reading for understanding and meaning is an important step. Employees should listen if the directions are given verbally rather than in writing. If employees do not understand the written directions, they might speak to a manager and ask questions for clarification. However, they should first read the directions.

SOURCE: CO:056

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (pp. 182-183). New York: Glencoe/McGraw-Hill.

3. B

Employee handbook. Businesses often develop employee handbooks that provide information about their general policies and procedures. For example, a business might outline overtime and vacation policies, disciplinary and grievance procedures, pay schedules, dress codes, and behavioral expectations in its employee handbook. Employee handbooks are usually given to new employees when they first start their jobs. Productivity manuals, customer newsletters, and personnel records are not sources that workers use to obtain information about a company's general policies and procedures for employees.

SOURCE: CO:057

SOURCE: Mathis, R.L., & Jackson, J.H. (2003). *Human resource management* (10th ed.) [pp. 529-530]. Mason, OH: South-Western.

4. A

Ask questions. Before employees can follow directions, they must understand them. Therefore, asking questions is important because supervisors do not always give directions in a clear and concise manner. If employees are not sure of what is expected, they should ask. Taking the time to completely understand the directions will help employees to do the work correctly and efficiently. Reviewing notes may not be helpful if employees have written down incorrect directions. Employees are not expected to do the research; researching is the responsibility of supervisors. Before employees can practice tasks, they need accurate directions.

SOURCE: CO:119

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (p. 175). New York: Glencoe/McGraw-Hill.

5. A

Respect of coworkers. Being able to listen effectively is an important skill in the world of work. Employees who listen to others and try to understand what they are saying usually are able to respond appropriately. The benefit is that they earn the respect of coworkers because they take the time to try to truly understand what others are saying. As a result, they are able to answer questions, complete job assignments correctly, and assist coworkers when necessary. Being able to listen effectively might lead to a promotion but does not guarantee it. Being able to listen effectively does not necessarily mean that employees will have access to management. Employees who listen effectively often have more responsibility rather than fewer assignments.

SOURCE: CO:017

SOURCE: Lehman, C. & DuFrene, D. (2005). *Business communication* (14th ed.) [pp. 55, 57]. Mason, OH: South-Western.

6. C

Tone of voice. People can change the meaning of their words by changing their tone of voice. For example, the same words can be a request or a command depending upon the tone used to deliver them. Tempo is the rate of speed or rhythm the speaker uses. Economy of speech is using as few words as possible to express an idea. Accuracy refers to the correctness of the message.

SOURCE: CO:147

SOURCE: Hyden, J.S., Jordan, A.K., Steinauer, M.H., & Jones, M.J. (2006). *Communicating for success* (3rd ed.) [pp. 74-76]. Mason, OH: Thomson South-Western.

7. B

Empathetic. Being empathic is acting according to an intellectual identification with the thoughts, feelings, values, attitudes, and/or actions of another person. It is often helpful to imagine yourself in your friend's place, to try to understand how s/he feels. By doing so, you often gain insight and can better help your friend by providing thoughtful advice. If you are too formal, judgmental, or businesslike with a friend, you may come across as uncaring, and you may offend your friend.

SOURCE: CO:084

SOURCE: Miculka, J. (2007). *Speaking for success* (2nd ed.) [pp. 39-40]. Mason, OH: Thomson South-Western.

8. D

Others may have different opinions. When defending their ideas, employees should keep in mind that others might not agree with the ideas or may have different opinions. If this happens, employees need to remain objective and clearly explain their ideas and provide supporting information. Being calm and logical is often the best way to defend ideas to others who have different opinions. Managers usually ask questions because they want to clarify information and make sure they understand the ideas. Employees' objectively defending their ideas usually does not result in office conflict. If employees understand their ideas, it should not be difficult to explain the data.

SOURCE: CO:061

SOURCE: Lesikar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [pp. 288-289]. Boston: McGraw-Hill/Irwin.

9. B

Being a good listener requires active listening skills. In order to be a good listener while handling telephone calls, you need to learn to shut out distractions, put aside what you are working on, and focus on what the speaker is saying. This is not a natural skill, but it is one that can be learned through practice. There will still be times when, no matter how carefully you listen, you will have to ask questions.

SOURCE: CO:114

SOURCE: Hyden, J.S., Jordan, A.K., Steinauer, M.H., & Jones, M.J. (2006). *Communicating for success* (3rd ed.) [pp. 79, 85-87]. Mason, OH: Thomson South-Western.

10. D

Mind-mapping programs. Mind-mapping computer programs help individuals organize a lot of information in a meaningful way. Some web sites, such as Bubbl.us and Mindmeister, provide mind-mapping programs free of charge. After mapping out the information in a logical order, the writer can then prepare the report in a clear, understandable way. Index cards are manual tools for organizing information.

Statistical applications record numerical data. Online survey services (e.g., SurveyMonkey.com) allow users to prepare, distribute, and analyze online questionnaires.

SOURCE: CO:086

SOURCE: NovaMind. (n.d.). *Mind Mapping Software*. Retrieved September 22, 2011, from <http://www.novamind.com/>

11. A

Reading the text aloud. By reading the text aloud, Lana will not only see the text, she will hear it. By hearing the words, Lana can detect missing words and assess the clarity and sequence of the information. Reading text backwards helps detect misspelled words, punctuation errors, and some grammatical errors, but this activity does not help the editor clarify that content is logical and meaningful.

SOURCE: CO:089

SOURCE: Pantejo, C. (2007, October 4). *Four simple steps to effective editing and proofreading*.

Retrieved September 22, 2011, from <http://www.articlesbase.com/writing-articles/four-simple-steps-to-effective-editing-and-proofreading-226584.html>

12. C

Regards. A closing is the point in which the writer ends a letter with a word of farewell just before signing his/her name. When writing business letters, closings are usually neutral, professional, and friendly.

Closings such as "regards" and "sincerely" are common ways to end business letters. THX is an initialism that represents the word thanks. Initialisms are not appropriate to use to close formal business letters. A writer might use "greetings" to open an informal letter and use "affectionately" to close a letter to a friend, family member or significant other.

SOURCE: CO:090

SOURCE: Lesikar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [p. 93]. Boston: McGraw-Hill/Irwin.

13. D

Come right to the point. The opening paragraph of a business letter should explain the reason for writing and come right to the point. Effective business letters do not waste the reader's time by providing a lot of unnecessary information, but they immediately come to the point and capture the reader's attention. The letter does not need to be formal, but it should contain specific details and have personal appeal for the reader.

SOURCE: CO:133

SOURCE: Hyden, J.S., Jordan, A.K., Steinauer, M.H., & Jones, M.J. (2006). *Communicating for success* (3rd ed.) [p. 313]. Mason, OH: Thomson South-Western.

14. B

To sell products. One reason why businesses write informational messages is to sell products to customers. Businesses often develop sales letters that explain their goods and services and send these letters to prospective or current customers. The sales letters include important information about the business and its products and are intended to encourage customers to buy. Letters and memos are types of informational messages. Businesses identify customers before sending them informational messages.

SOURCE: CO:039

SOURCE: Hyden, J.S., Jordan, A.K., Steinauer, M.H., & Jones, M.J. (2006). *Communicating for success* (3rd ed.) [p. 283]. Mason, OH: Thomson South-Western.

15. D

Letters of inquiry. The function of a letter of inquiry usually is to make a request. Businesspeople often write letters of inquiry to request an appointment with a current customer, a potential customer, or a business associate, particularly if those people are located out of town. For example, a businessperson might write several letters requesting appointments with various customers before arranging a sales trip. Persuasive messages are intended to encourage others to take action rather than to make a request. Sales letters are a type of persuasive message. Corporate memorandums are internal forms of communication.

SOURCE: CO:040

SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [p. 604]. Upper Saddle River, NJ: Pearson Prentice Hall.

16. B

Staff. Messages for all employees are considered staff communication. This is a form of downward communication in which information is presented to employees by management. Upward communication occurs when employees present information to management. Informal communication is the unofficial exchange of information among members of an organization. Lateral, or horizontal, communication involves the exchange of information between employees on the same level.

SOURCE: CO:014

SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [p. 5]. Upper Saddle River, NJ: Pearson Prentice Hall.

17. A

Gathers necessary information. Before the meeting takes place, Sam should gather information and prepare notes for the meeting, so that he can provide necessary input or feedback that his supervisor has requested. If Sam attends the meeting and does not have the correct information, he may lose credibility with his supervisor and coworkers in terms of his job performance. Having handouts for meeting participants and obtaining feedback from others may not be necessary for Sam to provide. Minutes are a formal method of note taking that document the discussion, vote taking, and problem resolution that occur during the meeting. A specific person usually writes the minutes during the meeting.

SOURCE: CO:063

SOURCE: Lussier, R.N. (2003). *Management fundamentals: Concepts, applications, skill development* (2nd ed.) [pp. 326-328]. Mason, OH: South-Western.

18. A

Courtesy from salespeople. Many customers don't complain about the treatment they receive, but they don't return to the business to shop. A lack of parking, advertised items, or customer-service personnel could also be detrimental to a business, but they are not likely to have as much impact on the customer as an encounter with a rude or indifferent salesperson.

SOURCE: CR:003

SOURCE: Odgers, P. (2004). *The world of customer service* (p. 21). Mason, OH: South-Western.

19. D

Greater profits. Businesses that provide good customer service usually retain their current customers. Since it is much less costly to retain current customers than to find new ones, greater profits are usually the result. Publicity is any nonpersonal presentation of goods, services, or ideas that is not paid for by the company which benefits from it. Assets are anything of value that the business owns. Season is a certain time of year.

SOURCE: CR:004

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2010). *Marketing dynamics: Teacher's edition* (2nd ed.) [p. 620]. Tinley Park, IL: Goodheart-Willcox Company, Inc.

20. A

Customers' confidence in the business increases. Customers' confidence in a business grows when the business provides accurate answers to their product questions. They feel the sales staff are knowledgeable, which also gives customers more confidence in the products they buy. Customers are less likely to need to return products when their questions about those products have been answered, and their total purchases are more likely to increase than decrease. Customers may need to ask fewer questions when their inquiries are handled in an effective manner.

SOURCE: CR:006

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2010). *Marketing dynamics: Teacher's edition* (2nd ed.) [pp. 588-589]. Tinley Park, IL: Goodheart-Willcox Company, Inc.

21. D

Treat customers fairly. Management establishes policies that help employees to deal with customers in the same way for the same situation in order to be fair. Customers who are not treated fairly may take their business elsewhere. Businesses do not develop policies to treat customers differently, to offer special privileges, or to give personal favors.

SOURCE: CR:007

SOURCE: Wolfe, L. (n.d.). *How to develop outstanding customer service policies*. Retrieved September 22, 2011, from <http://womeninbusiness.about.com/od/businessplans/a/q-customersvc.htm>

22. A

By identifying the customer's real needs. Product-related complaints often occur when customers make improper buying decisions. Salespeople should try to identify the customer's real needs so that s/he can suggest the most appropriate product. High-pressure selling techniques are never recommended and would likely cause complaints. Salespeople may not be able to advise from personal experience in all cases, and their advice may not be appropriate for the particular customer. Approaching customers promptly is a good idea but will not prevent them from having product-related complaints.

SOURCE: CR:010

SOURCE: Odgers, P. (2004). *The world of customer service* (p. 52). Mason, OH: South-Western.

23. A

Thorough knowledge of the products. Employees have the most contact with customers and are the ones who often project the image of the company. Employees can reinforce a positive image by having thorough knowledge of the business's products so they can effectively explain the products to customers. Well-informed employees are able to answer questions correctly and reassure customers that they are making the right buying decision. On the other hand, poorly-informed employees project a negative image because they do not have a thorough knowledge of the products. Employees do not reinforce the company's image by having comfortable work stations, generous pay and benefit plans, or full access to customer databases.

SOURCE: CR:002

SOURCE: Ingram, T.N., LaForge, R.W., Avila, R.A., Schwepker, C.H., & Williams, M.R. (2008). *Professional selling: A trust-based approach* (4th ed.) [p. 42]. Mason, OH: South-Western Cengage Learning.

24. A

People, ages 25-55, who lack technological skills. This group of people is needed to fill jobs in the technology area. Since they are the core of the work force, a lack of skills would create problems. All of the other groups would contribute to our leadership in technology.

SOURCE: EC:003

SOURCE: EC LAP 14—Be Resourceful (Economic Resources)

25. C

Scarce. Resources, goods, and services that are available in limited quantities have more value than those items that are plentiful. A scarcity creates more demand and also a higher price. For example, a small wheat harvest would increase the price of bread. Resources, goods, and services that are abundant, inexpensive, and unlimited are readily available and, therefore, less valued.

SOURCE: EC:001

SOURCE: EC LAP 6—Are You Satisfied? (Economics and Economic Activities)

26. B

Demand. Demand is the quantity of a good or service that buyers are ready to buy at a given price at a particular time. Producers try to balance supply with demand so that neither a surplus nor a shortage will occur. Supply is the quantity of a good or service that sellers are able and willing to offer for sale at a specified price in a given time period. Cost of production is the total expenses associated with producing a product. Standard of living is the quality of life and general conditions to which people are accustomed.

SOURCE: EC:005

SOURCE: EC LAP 11—It's the Law (Supply and Demand)

27. C

Undeveloped. Traditional economic systems are found only in undeveloped countries where there is little or no government involvement in either the production or the allocation of goods and services. In a traditional system, people produce what they can, and everything is consumed. Industrial and established countries have more complicated economic systems that may involve government regulations, competition, or free enterprise. Independent countries include all countries that are self-governed.

SOURCE: EC:007

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (pp. 54-55). Woodland Hills, CA: Glencoe/McGraw-Hill.

28. D

Poverty. Private enterprise is the most productive economic system the world has ever known, but it does have some disadvantages. Property and income are not distributed equally, and poverty has not been eliminated. There are still many people who are not able to afford the basic necessities of life because they hold low-paying jobs or are unemployed. The private enterprise system promotes competition, freedom, and profit.

SOURCE: EC:009

SOURCE: EC LAP 15—People Power (The Private Enterprise System)

29. D

Profit motive. The profit motive is the hope of making a profit that serves as an incentive for individuals to assume risks involved in investing in business. It is a goal toward which an individual or a business can work. Competition is the rivalry among two or more businesses to attract scarce customer dollars. Private property is anything of value that is owned by an individual or a business. Supply and demand work together to determine prices.

SOURCE: EC:010

SOURCE: EC LAP 2—Risk Rewarded

30. B

Price and nonprice. Most businesses use a combination of price and nonprice competition. For example, a business is using price competition when it advertises a special sale. It is using nonprice competition when it advertises its delivery service. When the business uses the two together, it is combining price and nonprice competition. A business advertising a special sale and delivery service is not using a combination of direct and indirect, perfect and monopolistic, or local and national competition.

SOURCE: EC:012

SOURCE: EC LAP 8—Ready, Set, Compete! (Competition)

31. A

Interstate highways. Public goods are goods and services that are used by all people and cannot be withheld from those who don't help to pay for them. Marketing research, automobiles, and private schools are goods and services provided by private businesses.

SOURCE: EC:008

SOURCE: EC LAP 16—Regulate and Protect (Government and Business)

32. A

Most businesses try to increase productivity. Increased productivity provides greater profits for the business and enables it to compete more effectively. Businesses can increase productivity in several ways, such as providing updated equipment, training employees, and paying fair wages. Productivity is important to a business and can be measured in a variety of ways. One way is to measure the monetary value of work produced. Reduced productivity would probably mean higher prices.

SOURCE: EC:013

SOURCE: EC LAP 18—Make the Most of It (Productivity)

33. A
Accurately assess his emotions. Paul was not evaluating his emotions correctly. He thought he was just fine, but he wasn't. Paul needed to accurately assess his emotions so that he could boost his self-confidence. In this case, he did not need to display empathy for another's emotions or exhibit a positive attitude. Empathy is part of social awareness, and a positive attitude is part of self-management. Paul was at the self-awareness step.
SOURCE: EI:001
SOURCE: EI LAP 6—EQ and You (Emotional Intelligence)
34. A
"I do not put off for tomorrow what I can do today." This is a positive affirmation because it incorporates an avenue to complete things on time. Affirmations are positive statements about present or desired strengths. The other examples are negative statements.
SOURCE: EI:016
SOURCE: Sasson, R. (2011). *The power of affirmations*. Retrieved September 22, 2011, from http://www.successconsciousness.com/index_00000a.htm
35. C
Interests. Interests are the things that a person is curious about, concerned for, or involved with. When assessing their personal strengths and weaknesses, people often identify their interests because interests are strong points that might lead to appropriate occupations. For example, an individual works on the school newspaper, likes to create posters for upcoming events, and belongs to the English club. These interests are this person's strengths. After assessing personal strengths and weaknesses, individuals might select suitable careers. Assessing personal strengths and weaknesses does not involve identifying benefits or risks.
SOURCE: EI:002
SOURCE: EI LAP 17—Assess for Success (Assessing Personal Strengths)
36. B
Joyce should work on one trait at a time. If she tries to work on improving all three traits at the same time, she probably will not follow through on any of them. It would be a mistake for Joyce to ignore her supervisor's comments as these are meant to help Joyce. Asking for a transfer will simply postpone any efforts to improve.
SOURCE: EI:018
SOURCE: EI LAP 9—You've Got Personality (Personality Traits in Business)
37. B
Happiness. An enthusiastic attitude increases your personal happiness and satisfaction and will help you to enjoy life more. It should serve to reduce the amount of stress that you experience. Your enthusiasm may prompt your supervisor to increase your responsibilities, thereby improving the overall importance and quality of your work experience. Being enthusiastic will not increase your problems or your skills.
SOURCE: EI:020
SOURCE: Wallace, H.R., & Masters, L.A. (2006). *Personal development for life & work* (9th ed.) [pp. 187, 236-237]. Mason, OH: South-Western Cengage Learning.
38. C
Demonstrate initiative on a regular basis. Initiative is a personal trait expressed by a consistent pattern of behavior. To be viewed as a person with initiative, you must demonstrate that trait regularly over a period of time. Telling people that you have initiative, practicing initiative from time to time, or cooperating with those who have initiative would not be sufficient.
SOURCE: EI:024
SOURCE: EI LAP 2—Hustle! (Taking Initiative at Work)

39. D

"I told my supervisor I would work on Friday nights, so I will be here Friday." Employees who do what they say they will do are demonstrating responsible behavior. Making excuses is not acceptable, and employees should assist each other. Supervisors should be consulted when there are problems with difficult customers. Employees should be willing to perform extra job duties in addition to their regular duties.

SOURCE: EI:021

SOURCE: PD LAP 7—Make the Honor Role (Acting Responsibly)

40. C

Body language. Body language is gestures, facial expressions, posture, eye contact, or any other form of communicating without words. The body language you use reveals as much about what you are thinking as the words you use. A service attitude is the salesperson's commitment to the client's needs as expressed through professional behavior. Patience is the ability to endure life's aggravations and difficulties calmly. Empathy is the ability to put yourself in another person's place.

SOURCE: EI:025

SOURCE: EI LAP 14—Control Yourself! (Demonstrating Self-Control)

41. D

Cultural sensitivity. Cultural sensitivity involves being aware of, and accommodating to, the differences in the customs, habits, and traditions of a particular group of people. Workers who are employed by international businesses must deal with people throughout the world, and they need to be sensitive to their differences in order to be successful. For example, businesspeople in some countries greet each other with a bow rather a handshake, while others may hug when they meet. Being sensitive to such differences enables businesspeople to succeed in a global market. Economic nationalism is a type of protectionism that discourages imports. International businesses should not exhibit regional behavior, which may be limiting, in order to be successful in a global market.

SOURCE: EI:033

SOURCE: EI LAP 11—Getting to Know You (Cultural Sensitivity)

42. C

Some people do not know how to be assertive. Some individuals have simply never learned how to behave assertively. They may confuse assertiveness with aggressiveness and fear it will cause conflict or embarrassment. Assertiveness can improve bad situations because assertive people speak openly which may "clear the air." People sometimes fail to assert themselves because they cannot accept their personal rights.

SOURCE: EI:008

SOURCE: EI LAP 18—Assert Yourself (Assertiveness)

43. C

Functional. Functional conflict exists when people disagree about something tangible or concrete. Often, the people involved agree on a goal but have different approaches to the situation. Coworkers disagreeing about the best way to solve a problem are involved in functional conflict. They agree that the problem must be solved, but they disagree about the best way to do this. Emotional conflict arises when people have different personal beliefs, values, or experiences. Intangible and specific are not types of conflict.

SOURCE: EI:015

SOURCE: EI LAP 7—Stop the Madness (Conflict Resolution in Business)

44. C

Work team. A work team is a group of employees which is responsible for carrying out an entire work process. This might include all the steps in producing a product, performing a service, or running a section of the business. A quality circle is a problem-solving group of coworkers who are given work situations or problems to study and discuss in order to recommend solutions to management. A project team is a team of employees from different parts of the company who are assigned to work together on a specific project. A short-term committee has an immediate goal, such as obtaining speakers for a conference.

SOURCE: EI:045

SOURCE: Gido, J., & Clements, J.P. (2003). *Successful project management* (2nd ed.) [p. 324]. Mason, OH: South-Western.

45. A

They require hard work and determination. Visions require hard work and determination if you want to make them into reality. You will most likely encounter many setbacks along the way, and your vision will keep you on track. Visions are not exactly the same as dreams. You might dream of becoming a billionaire by the end of the year, but that isn't a vision because visions are realistically attainable. Many visions can and have permanently changed the world. Visions are not intended for the short-term future; rather, most visions will be turned into reality over a long period of time.

SOURCE: EI:063

SOURCE: QS LAP 11—Picture This

46. C

Levels of stress. Stress is a mental, physical, or emotional feeling of pressure or tension. Adaptability is the ability to adjust or modify attitudes and/or behavior to new situations or circumstances. When people are not willing to adapt to new situations, they often feel higher levels of stress. Fighting or ignoring new circumstances can increase stress, which can harm a person's health and well-being. Resisting change does not necessarily affect an individual's ability to reason or use logic. When a person learns how to adapt to change, s/he may feel content or a sense of accomplishment by accepting the change. Being adaptable often helps a person to relax, which can facilitate creative thinking and learning.

SOURCE: EI:006

SOURCE: QS LAP 15—Stuff Happens (Adaptability)

47. A

Do things more efficiently. Achievement-oriented people often want to do things better or more efficiently than they have ever been done before. They are driven to achieve their goals and meet or exceed a high standard of success. They do not like to be told what to do or to let others win. They are not satisfied with the status quo—the way things are. They are constantly seeking to improve.

SOURCE: EI:027

SOURCE: EI LAP 10—High Hopes (Developing an Achievement Orientation)

48. A

Celebrate success. The final step in the process of leading change is celebrating success. The change process can be a long one, full of hard work for everyone involved. A good change leader shows gratitude and appreciation to everyone once the change has been completed and also remembers to celebrate the smaller successes along the way to completion. Communicating the change, addressing resistance, and putting the change into action all come before success.

SOURCE: EI:005

SOURCE: QS LAP 23—20/20 Foresight

49. C

Coaching is enabling others to reach their potential. Coaching is enabling others to reach their true potential by helping them to overcome the barriers that are keeping them from doing so. Coaching doesn't always involve athletics. You don't have to be involved with sports to be a coach; you just have to be involved with other people. A coach isn't necessarily a boss. Coaching others is a lot more than just telling them what to do. There isn't just one way to coach. You can coach others in a variety of different ways.

SOURCE: EI:041

SOURCE: QS LAP 7—Bring Out the Best

50. B

Low productivity. Low productivity is not a benefit of effective human relations at work; rather, it is a disadvantage that can occur if human relations are poor. High employee morale, good business image, and increased cooperation are all benefits of effective human relations at work.

SOURCE: EI:037

SOURCE: EI LAP 5—Can You Relate? (Positive Working Relationships)

51. A

Airline ticket. Many lending institutions and retailers offer credit cards, which allow individuals or businesses to purchase now and pay later. Because credit-card holders often pay high interest rates and other fees, they must be careful when using their credit cards so they don't charge more than they can pay off in a reasonable timeframe. Using credit cards to make large-dollar purchases often makes it easier to change or cancel transactions such as airfare. In fact, many businesses prefer credit cards as a payment method. Using a credit card to purchase a pack of gum, a magazine, or a small pizza is not a good idea, especially if the transaction fee is higher than the price of the good or service.

SOURCE: FI:058

SOURCE: Kapoor, J.R., Dlabay, L.R., Hughes, R.J., & Hoyt, W.B. (2005). *Business and personal finance* (pp. 154-155). New York: Glencoe/McGraw-Hill.

52. C

Rent. Income is money resource owners receive for supplying goods and services. As a resource owner, Lisa is supplying office space and receiving rent payments from the sole proprietor, so she is receiving income. A salary is a form of income that is money payments for labor. A dividend is the sum of money paid to an investor or stockholder as earnings on an investment. Interest is the money payments for the use of borrowed money.

SOURCE: FI:061

SOURCE: Kapoor, J.R., Dlabay, L.R., & Hughes, R.J. (2005). *Personal finance* (pp. 66-67). New York: Glencoe/McGraw-Hill.

53. B

Immediate gratification. Opportunity cost is the benefit that is lost when a person decides to use scarce resources for one purpose rather than another. When a person places \$500 in the bank, the opportunity (benefit) is having money available for the future. The cost of placing money in the bank means that the person does not have the money to purchase a desired item. When a person purchases something that s/he doesn't need but really wants, the benefit to the person is immediate gratification or a sense of instant satisfaction that s/he has acquired the desired product. The opportunity cost (benefit lost) is not a higher discretionary income, lower salary or wages, or long-term dissatisfaction.

SOURCE: FI:062

SOURCE: Kapoor, J.R., Dlabay, L.R., & Hughes, R.J. (2005). *Personal finance* (pp. 20-23). New York: Glencoe/McGraw-Hill.

54. B

Maintaining inventory levels. Maintaining inventory levels that will meet customers' needs is essential to the success of a business. If the business finds itself short of stock at a time when it is also short of cash, it may use credit to buy more. The other alternatives are benefits to businesses of extending credit to customers.

SOURCE: FI:002

SOURCE: FI LAP 2—Give Credit Where Credit Is Due (Credit and Its Importance)

55. B

Saving even a little bit each month will help. Even a small amount of money, invested from an early age over a long period of time, can make a significant contribution to retirement savings. People do not have plenty of time to save for retirement; beginning early allows more time for savings to grow. Social Security benefits are not likely to cover basic living expenses. Due to longer life spans, many people are in retirement longer than 15 years.

SOURCE: FI:064

SOURCE: Kapoor, J., Dlabay, L., Hughes, R., & Hoyt, W. (2005). *Business and personal finance* (pp. 477-481). New York: Glencoe/McGraw-Hill.

56. B

Assign each goal to a general category. A good way to prioritize your financial goals is to assign each goal to a general category, such as "must do," "important but not critical," or "not so important." Ranking according to what needs to be done first and ranking every goal in numerical order are two common pitfalls. Another pitfall is ranking everything as very important or thinking that all the goals are equally important.

SOURCE: FI:065

SOURCE: QS LAP 31—Set Yourself Up

57. B

Collecting taxes. All levels of government collect taxes from individuals and businesses. The taxes are used to pay for different types of public services such as police protection, road repairs, and public education. Donations are given rather than mandated. Embargoes are actions that suspend trade with another country and are used for political reasons or during hostilities. Government policies are one of many factors that influence the ebb and flow of the business cycle; however, there are aspects of the business cycle that cannot be regulated.

SOURCE: FI:067

SOURCE: Lowe, R.E., Malouf, C.A., & Jacobson, A.R. (2003). *Consumer education & economics* (5th ed.) [pp. 141, 146]. New York: Glencoe/McGraw-Hill.

58. D

Shows the parts of a business transaction. As a way to apply the double-entry accounting system when maintaining financial records, a T account shows the parts of a business transaction. It does not reveal motives, increase accuracy, or heighten awareness—though analysis of the parts of a business transaction may result in any of the three.

SOURCE: FI:069

SOURCE: Guerrieri, D.J., Haber, F.B., Hoyt, W.B., & Turner, R.E. (2004). *Accounting: Real-world applications & connections* (pp. 73-74). New York: Glencoe/McGraw-Hill.

59. A

Identify the items you have compared. When reconciling a bank statement, you use checkmarks to identify the items you have compared. Compared items include amounts on the bank statement, check stubs, canceled checks, deposit slips, and the check register. Checkmarks are not used to correct missed deposits, void ruined checks, or total the interest received.

SOURCE: FI:070

SOURCE: Guerrieri, D.J., Haber, F.B., Hoyt, W.B., & Turner, R.E. (2004). *Accounting: Real-world applications & connections* (pp. 267-269). New York: Glencoe/McGraw-Hill.

60. D

Obtaining credit in your name. Identity theft occurs when someone illegally obtains another person's information and uses that information to assume the other person's identity. It is important to protect against identity theft to prevent unauthorized individuals from using your information to obtain credit in your name. In most cases, the unauthorized person has no intention of paying for the credit, so the debt will be listed on your credit report, which may have a negative effect on your credit rating. It is not important to protect against identity theft to prevent unauthorized individuals from sending you information online or trying to sell you a product.

SOURCE: FI:073

SOURCE: Kapoor, J.R., Dlabay, L.R., Hughes, R.J., & Hoyt, W.B. (2005). *Business and personal finance* (p. 181). New York: Glencoe/McGraw-Hill.

61. C

Financial planners. There are many types of financial planners who help clients develop investment plans and prepare for the future. These planners provide financial services such as recommending and selling life insurance, mutual funds, stocks and bonds, etc. Part of what they do is provide advice on how their clients can achieve their financial goals. Certified public accountants, trust departments, and local bank managers usually do not help individuals select the type of life insurance to buy and the most appropriate investments.

SOURCE: FI:075

SOURCE: Kapoor, J.R., Dlabay, L.R., Hughes, R.J., & Hoyt, W.B. (2005). *Business and personal finance* (pp. 259-260). New York: Glencoe/McGraw-Hill.

62. C

Protects against financial loss. Insurance is a contractual agreement in which one company (insurer) will pay for specified losses incurred by the other company (insured) in return for installment payments (premium). For example, a company that loses its inventory and equipment in a fire can file a claim with its property insurance carrier to obtain money to purchase new inventory and equipment if the policy premiums are up-to-date and the policy covers such losses. Insurance does not necessarily reduce a business's security needs, lower personal tax obligation, or enhance economic utility.

SOURCE: FI:081

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2006). *Marketing dynamics* (p. 403). Tinley Park, IL: Goodheart-Willcox.

63. A

Variances. Businesses analyze their financial information to determine the differences between what they had forecast and what actually happened. By doing this, they can account for those differences and improve future forecasts. In this scenario, equipment costs were not a factor. The business could not determine from its financial information whether the supply of raw materials decreased or demand increased. Forecasts are estimates based on information known at the time the forecast was made and will not be exactly what actually happens. In this scenario, therefore, the variances would not be considered forecasting errors.

SOURCE: FI:579

SOURCE: Consoli, A. (2006, June 23). *Entrepreneurs know how to use financial information*. Retrieved September 22, 2011, from <http://ezinearticles.com/?Entrepreneurs-Know-How-to-Use-Financial-Information&id=228042>

64. B

Current assets. Assets are anything of value that the business owns. Assets are classified as either current assets or fixed assets. Current assets are items such as accounts receivable, the monies owed to a business by its customers, that change throughout the year. Liabilities are debts that the business owes. Accounts receivable are a source of income. Cash is currency and coins.

SOURCE: FI:085

SOURCE: FI LAP 5—Show Me the Money (Nature of Accounting)

65. A

Monetary returns and risks. The finance function obtains, monitors, and controls funds so the business can achieve its objectives. Finance involves monitoring monetary returns (e.g., sales revenues, investment profits) and analyzing risks (possibilities of loss) associated with expenses and investments. The financial function does not directly monitor or control the business's product-development process, supply channel members, or selling and distribution efforts.

SOURCE: FI:354

SOURCE: Gaspar, J., Bierman, L., Kolari, J., Hise, R., Smith, L., & Arreola-Risa, A. (2006). *Introduction to business* (p. 443). Boston, Houghton Mifflin.

66. D

Performance evaluations. Human resources management is the process of planning, staffing, leading, and organizing the employees of a business. An important aspect of human resources management is coordinating performance evaluations with employees and their supervisors. A performance evaluation is a formal assessment by the supervisor of an employee's job performance that lets the employee know how s/he is doing on the job. The human resources department keeps the performance assessment form in the employee's personnel file. Sales promotions are coordinated by the business's promotion function. Information systems are usually computer-based and maintained by technical personnel. Equipment requisitions are order requests that are placed and tracked by the purchasing department.

SOURCE: HR:410

SOURCE: Gitman, L.J., & McDaniel C. (2008). *The future of business: The essentials* (3rd ed.) [p. 297]. Mason, OH: Thomson Higher Education.

67. B

Consumer. The marketing concept is based on the belief that all business activities should be aimed toward satisfying consumer wants and needs while achieving company goals. A company should be able to achieve its goals by giving customers quality products at fair and reasonable prices. For most businesses, the primary goal will be to make a profit.

SOURCE: MK:001

SOURCE: MK LAP 4—Have It Your Way! (Nature of Marketing)

68. C

Information that is needed. Information is a collection of facts, statistics, or data. Before businesses can use the information, they must determine the type of information that is needed. For example, does a business need economic data because it wants to expand, or does it need marketing data because it wants to attract new customers? The business must decide the type of information it needs before it can obtain and use that data. Businesses do not need to determine the type of computer system to purchase, the type of report that is required, or the type of collection process to develop before using relevant data.

SOURCE: NF:077

SOURCE: Zikmund, W.G., & Babin, B.J. (2010). *Exploring marketing research* (10th ed.) [p. 26]. Mason, OH: South-Western Cengage Learning.

69. D

A technical-trends report that was written on February 5, 2011. An important factor to consider when evaluating information is its timelines. If an article or report was published a long time ago, the information may not be relevant or accurate anymore, particularly if the topic involves technology. Because the technical-trends report was written recently, the information is likely to be up-to-date. Due to technology, the world is constantly experiencing medical breakthroughs and changes; therefore, a journal article that was published a decade (10 years) ago is less likely to contain up-to-date information. Stock values change rapidly, so a stock table that appeared in a newspaper on January 14, 2010 would not contain the most current information about stock values. Because the world's history has dramatically changed since 2000, the history textbook is outdated.

SOURCE: NF:079

SOURCE: Southern Illinois University: School of Law Library. (n.d.). *Evaluating web sites and other information resources*. Retrieved September 22, 2011, from <http://www.law.siu.edu/lawlib/guides/eval.htm>

70. A

Request for proposal. Complex projects often require the expertise of external resources. Building a new facility requires skills from architects, construction companies, electricians, etc. And because these types of projects are expensive, companies want to obtain bids from the potential vendors or contractors to determine which one is best suited to perform the work. A request for proposal (RFP) is an invitation for potential vendors to present bids to obtain a contract and perform the work. Because the work is complex, the RFP must include specific information and provide detailed instructions about the way the proposal should be written. Often, an RFP will require potential vendors to provide a summary of qualifications as a section of the proposal. A business plan is a company's blueprint for success—its business model. An executive summary is an element of a business plan and provides an overview of the most important information.

SOURCE: NF:080

SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [pp. 413-414]. Upper Saddle River, NJ: Pearson Prentice Hall.

71. C

Identity. Managing information regarding copyrights and trademarks helps a company to preserve its identity. If a competitor tries to infringe upon this protected material, the company will be ready to stake its claim quickly. Copyrights and trademarks do not necessarily relate to inventory, correspondence, or customers.

SOURCE: NF:110

SOURCE: NF LAP 3—In the Know (Nature of Information Management)

72. D

Windows. Microsoft Windows is one of the most popular operating systems. The operating system manages the hardware and software and makes the computer work. The system connects the software to the hardware and controls the overall operation of the computer. Excel, Oracle, and Adobe are software programs rather than operating systems.

SOURCE: NF:085

SOURCE: Wikipedia. (2011, September 20). *Operating system*. Retrieved September 23, 2011, from http://en.wikipedia.org/wiki/Operating_system

73. A

Makes it easier to comparison shop. The continuing growth of the Internet (e-commerce) allows consumers to log onto their computers and visit several web sites to compare products and prices. This makes comparison shopping easier because consumers do not need to telephone or drive to multiple businesses to obtain the desired product information. The Internet benefits businesses because it allows them to promote their products on their web sites. Another way that the Internet affects businesses is that it often reduces the need to use intermediaries to get the products to the end users. Because there is so much information available through the Internet, people may suffer from information overload, which is a disadvantage of the Internet.

SOURCE: NF:086

SOURCE: Pakhare, J. (n.d.). *Advantages and disadvantages of the Internet*. Retrieved September 23, 2011, from <http://www.buzzle.com/articles/advantages-disadvantages-internet.html>

74. D

E-mail inquiry field. Many businesses provide a feedback option on their web sites that enables customers to e-mail the business concerning problems or to ask questions. The e-mail inquiry field is an effective method of providing customer service as long as the business responds in an appropriate amount of time. A portable document format allows users to view files created by another operating system. An electronic file attachment allows a user to send an attachment with an e-mail message. Computer programming code is used to create software, web pages, etc.

SOURCE: NF:004

SOURCE: CT-CLIC.com. (2007-2011). *Online inquiry form*. Retrieved September 23, 2011, from <http://www.ct-clic.com/ContactForm/default.asp>

75. D

Manage their time. Many employees use electronic calendars to keep track of their activities and prepare schedules. The benefit of using these devices is that it allows employees to manage their time because they can keep a schedule of their activities. They know what they have to do at a certain time on a certain date, such as attend a meeting. They can also list deadlines for projects. This enables them to plan the use of free time in order to accomplish their assigned responsibilities. Employees do not use an electronic calendar to communicate with coworkers or delegate tasks. Employees use electronic calendars to keep track of deadlines; however, managers usually determine the deadline based on the priority of the project.

SOURCE: NF:005

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (pp. 359-361). New York: Glencoe/McGraw-Hill.

76. D

Sort by zip code. Database software programs allow businesses to arrange customer information according to various criteria. Once the names, addresses, and other information are entered in the computer, the business can sort the data alphabetically, or by zip code, or by any other criteria. For example, a business might sort the list by birthday in order to send each customer a personalized card. A business might use a spreadsheet program to calculate monthly profit, a word-processing program to prepare sales letters, and a communications program to write e-mail messages.

SOURCE: NF:009

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (p. 199). Woodland Hills, CA: Glencoe/McGraw-Hill.

77. C

Point-of-sale. There are many point-of-sale software applications that enable businesses to perform a variety of functions beyond the point of sale. Some of these functions include placing orders, controlling inventory, placing special orders, etc. SMS is an abbreviation for short messaging service and is used to send text messages on a variety of cell phones. Java is a computer-programming language. URL or uniform resource locator is the web site's web address.

SOURCE: NF:088

SOURCE: *Appliance stores point of sale software*. (n.d.). Retrieved September 23, 2011, from http://wws5.com/au_pdf/appliancestores-au.pdf

78. B

Database sharing. Groupware applications refer to the modes that employees who work in different locations use to work together or collaborate so they can accomplish a common goal. One mode of collaboration is sharing a database that links or networks several people via computer. For example, when both a sales representative and a warehouse manager have the ability to turn on their computers and access the same inventory status information to see if a product is in stock for a customer, they are using a groupware application. E-mail filters are computer programs that block out unwanted information. Job rotation is an instructional method in which trainees are rotated periodically from one job to another in order to broaden the trainees' perspective of the business. Relationship marketing is a strategy in which businesses spend time with current and prospective clients outside the office setting to enhance the partnership.

SOURCE: NF:011

SOURCE: Groupware Technology. (2011). *Technical services*. Retrieved September 23, 2011, from <http://www.groupwaretechnology.com/TechnicalServices>

79. A

Home page. The design and content of the home page is extremely important because many visitors do not go beyond that page. Therefore, it is important to create an home page that provides an overview of the web site and links to other pages on the site. If the goal is to have visitors follow links to access additional information or make a purchase, the home page must generate interest and encourage visitors to continue. A search engine is a software program that automatically crawls the Web looking for information pertaining to specified search terms and displays a list of results. A domain name is a business's web address. A shopping cart is a computer program designed to act as an online catalog and order-processing center.

SOURCE: NF:042

SOURCE: Miles, J.E., & Dolce, C. (2006). *E-Commerce* (p. 192). New York: Glencoe/McGraw-Hill.

80. C

Lost sales. Running out of inventory can result in lost sales, lowered productivity, unhappy customers, and a decrease in profits. These are known as stockout costs, and businesses try to avoid them as much as possible. Running out of inventory should not increase a business's taxes.

SOURCE: OP:189

SOURCE: OP LAP 3—Smooth Operations (Nature of Operations)

81. A

Report workplace accidents. Certain governmental agencies have developed health and safety regulations that businesses are expected to follow in order to provide employees with a safe work environment. These regulations usually require businesses to report workplace accidents to the appropriate agency. The purpose of this requirement is to identify and correct unsafe working conditions, and to compensate workers who have been injured on the job. Health and safety regulations usually do not require businesses to inspect office facilities, hold regular safety meetings, or purchase fireproof supplies. However, safety-conscious businesses usually inspect their facilities to identify potential safety hazards. Also, businesses often hold regular safety meetings to keep employees informed.

SOURCE: OP:004

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2010). *Marketing dynamics: Teacher's edition* (2nd ed.) [pp. 407-408]. Tinley Park, IL: Goodheart-Willcox Company, Inc.

82. B

They are exposed to different safety hazards. The types of safety hazards employees encounter depends upon where people work and the type of work that they do. The number of hazards each faces depends upon many factors, such as employees' observance of safety rules, management's attention to unsafe conditions, and the business's enforcement of safety regulations.

SOURCE: OP:007

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2010). *Marketing dynamics: Teacher's edition* (2nd ed.) [pp. 406-410]. Tinley Park, IL: Goodheart-Willcox Company, Inc.

83. A

Police department. To take appropriate action during an emergency, an employee must determine what the problem is. Because the safe was open, the office was in disarray, and a computer was missing, the business was probably robbed. In case the robber is still in the building, Josh should leave the business immediately and seek a safe environment. Then, following company procedures, Josh should notify his supervisor or the local law enforcement authorities (police). Josh should call the fire department if a fire occurs. The local health department handles issues associated with health risks. The owner should file a claim with the business's insurance company after the robbery has been reported to the appropriate law-enforcement authorities.

SOURCE: OP:010

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2006). *Marketing dynamics* (pp. 406-410). Tinley Park, IL: Goodheart-Willcox.

84. D

Observing customers. Employees can provide regular, routine security for a business by being attentive to customers, letting customers know employees are aware of their presence, and observing what customers are doing. Both the route taken and the time of trips to the bank should be varied to prevent robberies. Salespeople should check the floor limit on customers' credit to make sure customers do not exceed it. Switching price tickets in order to buy an item at a lower price is a form of fraud.

SOURCE: OP:013

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2010). *Marketing dynamics: Teacher's edition* (2nd ed.) [p. 405]. Tinley Park, IL: Goodheart-Willcox Company, Inc.

85. D

Increased risk of theft. Businesses establish different types of security procedures to protect their assets—equipment, inventory, facilities, money, information, and employees. Businesses need to communicate these security procedures to employees so the employees know what they need to do to maintain a secure work environment. If employees do not follow security procedures, the risk of security breaches occurring increases. For example, an employee who does not properly lock the cash drawer increases the risk of robbery. If employees fail to lock the warehouse doors at the end of business hours, the risk of theft increases. If a security breach occurs, the business may experience financial losses (e.g., stolen money, goods, and equipment). Employees follow safety procedures to reduce the risk of accidents in the workplace. Financial losses may decrease if businesses train their employees about ways in which they can identify counterfeit paper money at the point of sale.

SOURCE: OP:152

SOURCE: Kimiecik, R.C., & Thomas, C. (2006). *Loss prevention in the retail business* (p. 1528). Hoboken, NJ: John Wiley & Sons.

86. B

Purchase agreement. After a purchasing specialist has determined that s/he has selected the right supplier for a job, s/he and the supplier develop a purchase agreement which states all of the terms of the purchase. An invoice is a formal, printed record of a sale that is usually delivered with the goods or services purchased or mailed after delivery. A request for bids is sent out during the competitive bidding process. A blanket purchase order is a special kind of purchase order normally used only for fairly inexpensive goods or services that the business uses on a regular basis.

SOURCE: OP:015

SOURCE: OP LAP 2—Buy Right (Purchasing)

87. D

Competitive. Business is very competitive, and companies are always looking for more efficient production processes in order to reduce their costs. Businesses that can produce goods more inexpensively and, therefore, sell them at lower prices than other companies are able to be competitive and attract a larger share of the market. Developing efficient production processes does not necessarily make businesses responsible, flexible, or innovative. However, these are characteristics of most successful businesses.

SOURCE: OP:017

SOURCE: OP LAP 4—Can You Make It? (Nature of Production)

88. C

Business clothing usually should be conservative. Steve should try to create a positive first impression of himself by following certain guidelines for proper dress. Dressing conservatively, especially for an interview, is one of these guidelines. Steve does not want his appearance to distract the interviewer; he wants the interviewer to focus the discussion about Steve's qualifications for the job. Other guidelines include wearing an outfit that has one focal point, wearing styles that are fashionable rather than faddish, and choosing coordinating patterns and textures.

SOURCE: PD:002

SOURCE: PD LAP 5—Brand ME! (Personal Appearance)

89. B

Create a work system appropriate for you. Arrange the items you need on a regular basis in a manner that is convenient for you. This will not reduce your workload, but it will make your work go more smoothly. Your efforts may make your work area more attractive or impress your supervisor, but those are not overall goals for getting organized.

SOURCE: PD:009

SOURCE: Wallace, H.R., & Masters, L.A. (2006). *Personal development for life & work* (9th ed.) [p. 300]. Mason, OH: South-Western Cengage Learning.

90. B

Appropriate to you and your abilities. You must set goals that you are capable of reaching. Setting inappropriate goals results in frustration. Specific and challenging goals are other characteristics of good goals. Goals may be short-term (less than a year to achieve) or long-term (more than a year to achieve).

SOURCE: PD:018

SOURCE: PD LAP 16—Go For the Goal (Goal Setting)

91. D

Accepting a promotion. Once individuals make decisions and select alternatives, they must act on them. By accepting a promotion, a person is acting on a decision. Just deciding what to do doesn't complete the decision-making process. It is necessary for an individual to carry out the decision. Identifying a problem and choosing an option are steps in the decision-making process that occur before action is taken. Evaluating an outcome occurs after the action is taken.

SOURCE: PD:017

SOURCE: PD LAP 10—Weigh Your Options (Decision Making)

92. B

Meet your personal and professional goals. Becoming a problem solver helps you as you strive to accomplish your personal and professional goals. There will always be some obstacles in the pathway to success. It will be up to you to figure out how to overcome them. Becoming a problem solver won't always help you get what you want from other people, but it might help you work out conflicts in your relationships. Becoming a problem solver will help you as you pursue a career, but it won't necessarily make you more money. Becoming a problem solver won't keep you out of tough situations—those are an inevitable fact of life. But it can help you learn what to do when you're in those situations.

SOURCE: PD:077

SOURCE: PD LAP 17—No Problem (Demonstrating Problem-Solving Skills)

93. B

Self-management. The ability to control one's own activities, behaviors, and attitudes in the workplace is often referred to as self-management. Employees who make a conscious effort to get to work on time each day are engaging in positive self-management skills. Other activities that employees can control in the workplace might include their ability to perform and produce quality work in a given time, willingness to learn new activities, level of flexibility, and degree of workplace socializing. Self-concept refers to how one views him/herself. Inner-qualitative and personal-orientation are not terms frequently used to describe self-control issues as they relate to the workplace.

SOURCE: PD:020

SOURCE: Ludden, L. (2003). *Job savvy: How to be a success at work* (3rd ed.) [pp. 97-98]. Indianapolis, IN: JIST Publishing, Inc.

94. D

State departments of vocational rehabilitation. These departments provide current information about the physical requirements of many jobs and suggestions about other agencies to contact. College and high school services for persons with disabilities focus on access to education rather than on career planning. Nonprofit vocational training programs offer limited types of training to persons with disabilities and usually have relatively few job openings.

SOURCE: PD:022

SOURCE: Bureau of Labor Statistics. (2010-2011). *Occupational outlook handbook 2010-2011*. Retrieved September 23, 2011, from <http://www.bls.gov/oco/>

95. D

To keep track of important job information. Job seekers must often follow up numerous job leads before they find the job that is right for them. Keeping a notebook or card file of information about each available job helps job seekers to keep all the information straight. The file could include information about the business, the job, the contact person, date and time of the job interview, and results of the interview. Job seekers would not show prospective employers a record of the different jobs they are investigating. A job-lead file would not help job seekers to fill out job applications or keep them from paying a fee for information if a fee is customarily charged.

SOURCE: PD:026

SOURCE: Bailey, L.J. (2003). *Working: Career success for the 21st century* (3rd ed.) [pp. 36-37]. Mason, OH: South-Western.

96. A

"I was seeking a more responsible job." This is a positive response which indicates that the applicant is interested in getting ahead and is willing to accept additional responsibility. A job applicant should not make negative remarks about his/her previous employer(s) or coworkers. Even though all of the other alternatives could be true statements, they are negative and will reflect poorly on the job applicant.

SOURCE: PD:027

SOURCE: Bailey, L.J. (2003). *Working: Career success for the 21st century* (3rd ed.) [p. 47]. Mason, OH: South-Western.

97. A

Yes, he should already have sent a follow-up letter. A follow-up letter should be sent as soon as possible after a job interview. Since the company has had time to make a hiring decision and notify Matt of its choice, we can assume that he did not write immediately following the interview. However, it is never too late to send a follow-up letter. Businesses do not generally expect to hear from job applicants after an interview, but they receive a positive impression of those who do write.

SOURCE: PD:029

SOURCE: Bailey, L.J. (2003). *Working: Career success for the 21st century* (3rd ed.) [pp. 71-72]. Mason, OH: South-Western.

98. C

Volunteering. People entering the labor market for the first time often do not have previous work experience. In such cases, businesses often consider any volunteer work that the applicants may have done as an equivalent to work experience. Many people gain valuable work-related experience by volunteering in hospitals, nursing homes, schools, and with community-service organizations. Brainstorming is a creative thinking technique involving the identification of as many different ideas as possible during a certain time frame. Networking is the process of sharing and exchanging job information. Apprenticing involves beginning in an occupation and learning the trade while employed.

SOURCE: PD:032

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (p. 200). New York: Glencoe/McGraw-Hill.

99. A

Seniority. Seniority involves the length of time that a person has been employed by one company. The longer people have been employed, the more seniority they have. Businesses often consider seniority when selecting employees to promote. Often, they try to promote the more senior employees because they have more experience on the job and have demonstrated long-term loyalty to the business. Compensation is pay and benefits. Favoritism involves granting special favors to certain people. Arbitration is a method of settling a labor dispute.

SOURCE: PD:034

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (p. 487). New York: Glencoe/McGraw-Hill.

100. D

Strategic planning. Strategic planning is long-range planning (three to five years) for the company as a whole. Strategic planning is one of the major responsibilities for top-level managers. Tactical planning is short-range planning (one year) and is usually the responsibility of middle management. Day-to-day planning is the responsibility of first-line, or supervisory, management.

SOURCE: SM:001

SOURCE: SM LAP 3—Manage This! (Nature of Management)