



# BUSINESS ADMINISTRATION CORE

## SAMPLE EXAM QUESTIONS

These test questions were developed by the MBA Research Center. Items have been randomly selected from the MBA Research Center's Test-Item Bank and represent a variety of instructional areas. Performance indicators for these test questions are at the prerequisite, career-sustaining, and specialist levels. A descriptive test key, including question sources and answer rationale, has been provided.

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Posted online March 2014 by DECA Inc.

## SAMPLE BUSINESS ADMINISTRATION CORE EXAM

1. Mr. Brown has inherited a small sum of money, and he wants to become a business owner. However, he has a full-time job that he plans to keep and very little time to operate his own business. What type of ownership should he consider?
  - A. Franchise
  - B. Sole proprietorship
  - C. Corporation
  - D. General partnership
  
2. Which of the following is a source of relevant, valid written material:
  - A. Internet chat rooms
  - B. Government publications
  - C. Personal e-mails
  - D. Computer-generated memos
  
3. Jackie's coach is in the middle of explaining a basketball drill, and Jackie interrupts to ask a question. If she had let her coach finish, her question would have been answered. Which of the following steps for following directions did Jackie ignore:
  - A. Eliminate distractions.
  - B. Make eye contact.
  - C. Know when to speak.
  - D. Take notes.
  
4. The purpose of active listening is to
  - A. help make boring lectures more interesting.
  - B. let the speaker know that you agree with the message and plan to act on it.
  - C. give the speaker your opinion.
  - D. let the speaker know that the message has been received and understood.
  
5. "This is an exciting new opportunity for you," says Jane's boss. Which of the following nonverbal cues would appropriately reinforce that message:
  - A. Smiling
  - B. Slouching
  - C. Focusing eyes on the computer
  - D. Looking out the window
  
6. It is appropriate to use slang during conversation, when you are
  - A. being introduced to a new coworker.
  - B. meeting with a new customer.
  - C. interviewing for a job.
  - D. socializing with close friends.
  
7. Ed had an idea for a group project that Tara said would not work. When defending his idea to the group, Ed should focus on presenting the idea's positive attributes in a(n) \_\_\_\_\_ way.
  - A. emotional
  - B. unbiased
  - C. cynical
  - D. understated
  
8. To contribute to a discussion in a useful way, you should avoid
  - A. paying attention when others are speaking.
  - B. stating opinions and stick to the facts.
  - C. talking about what's on your mind.
  - D. blurting out statements without thinking.
  
9. Which of the following visual aids is often used to clearly illustrate company's sales by region:
  - A. Organizational chart
  - B. Geographical map
  - C. Flowchart
  - D. Venn diagram
  
10. A characteristic of effective written communication is that it
  - A. contains a lot of information.
  - B. is quick and easy to prepare.
  - C. accomplishes its intended purpose.
  - D. is open to interpretation.
  
11. While reading the first draft of her report, Rachel changes some of the words and shortens some of the sentences to improve the clarity and conciseness of the document. What step in the writing process is Rachel performing?
  - A. Editing
  - B. Researching
  - C. Organizing
  - D. Formatting

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12. Which of the following is an example of a professional e-mail message that a businessperson might send to a customer or business associate:
- A. Thanx for quick response—u r very efficient.
  - B. The attached document provides you with directions to our facility.
  - C. We look forward two meeting with you on Tuesday at 3:00 p.m.
  - D. WE NEED YOUR RESPONSE NOW!!!!
13. A guideline for writing effective business letters is that each letter should
- A. have a clear purpose.
  - B. entertain the reader.
  - C. contain indirect questions.
  - D. display the writer's vocabulary.
14. A businessperson is writing a letter of inquiry to a vendor asking about the price of a specific piece of office equipment. What does the businessperson need to include in the letter?
- A. Purchase order number, contact information, and shipping address
  - B. Contact information, product model number, and manufacturer
  - C. Product model number, invoice number, and quantity desired
  - D. Shipping address, manufacturer, and purchase order number
15. At work, you have access to confidential information about other employees' salaries. Some employees have asked you about others' salaries. What should you do?
- A. Explain that you can't discuss it.
  - B. Offer to provide salary information.
  - C. Report the employees who ask.
  - D. Answer their questions.
16. Techtron Electronics Store has just received a shipment of a new PlayStation game that has been on order for several weeks. The best way for the store's manager to advise Techtron sales associates that the game is available is by
- A. placing sales circulars in display racks.
  - B. distributing a memo to the store's buyers.
  - C. sending an e-mail to the store's cashiers.
  - D. holding a short sales-staff meeting.
17. Which of the following should business employees avoid doing when participating in staff meetings:
- A. Reviewing
  - B. Talking
  - C. Agreeing
  - D. Arguing
18. An effective technique that businesses can use to foster positive customer/client relations is instructing employees to react to customers/clients with
- A. witty remarks.
  - B. broad knowledge.
  - C. pleasant courtesy.
  - D. immediate service.
19. In order to handle customer inquiries about the location of goods throughout the business, the salesperson should know the location of all
- A. colors.
  - B. departments.
  - C. offices.
  - D. sizes.
20. What are businesspeople who fail to adapt their communication styles to appeal to their international clients likely to do?
- A. Offend the clients
  - B. Earn the clients' trust
  - C. Impress the clients
  - D. Persuade the clients to buy
21. Employees often try to make sure that they understand what a customer is asking about a business policy by \_\_\_\_\_ the customer's question.
- A. restating
  - B. writing down
  - C. ignoring
  - D. refuting
22. The first step in dealing with a customer who has a complaint is to
- A. let the customer explain the problem.
  - B. explain why the customer is wrong.
  - C. call a manager for assistance.
  - D. ignore the customer's comments.

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23. What types of behaviors and traits should employees exhibit to reinforce a company's image and to build repeat business?
- A. Consistent, knowledgeable, and helpful
  - B. Helpful, aggressive, and friendly
  - C. Friendly, consistent, and passive
  - D. Knowledgeable, consistent, and aggressive
24. Desires that can be satisfied without spending money are known as
- A. economic wants.
  - B. tangible objects.
  - C. consumer goods.
  - D. non-economic wants.
25. Resources that enable businesses to operate are also known as
- A. sales.
  - B. revenues.
  - C. inputs.
  - D. outputs.
26. One reason why the supply of certain products has been eliminated is because of
- A. technology.
  - B. buying power.
  - C. production methods.
  - D. elasticity.
27. John, a farmer, learned prior to the planting season that the price of wheat had increased relative to the price of corn. To gain the greatest profit, John should plant
- A. more corn than wheat.
  - B. all corn and no wheat.
  - C. more wheat than corn.
  - D. an equal amount of corn and wheat.
28. Dow Chemical Company is an international company located in Midland, Michigan. It is one of the largest employers in the area and has a strong commitment to giving money and support to local schools. In this situation, Dow is being socially responsible to
- A. itself.
  - B. product users.
  - C. the community.
  - D. its employees.
29. Information management, marketing, and financial analysis are activities in which all \_\_\_\_\_ are involved.
- A. businesses
  - B. governments
  - C. societies
  - D. economies
30. One of the **disadvantages** of private enterprise is
- A. pricing system.
  - B. limited government control.
  - C. unequal distribution of income.
  - D. competition.
31. What type of market structure is most commonly found in a private enterprise economy?
- A. Perfect competition
  - B. Regulated monopoly
  - C. Oligopoly
  - D. Monopolistic competition
32. The goals of government are to protect the rights of individuals and businesses and to provide a stable environment, but the main goal of business is to
- A. provide the best products.
  - B. save the environment.
  - C. make a profit.
  - D. provide a safe working environment.
33. A high level of self-esteem can help individuals to
- A. keep from getting angry.
  - B. avoid disappointments.
  - C. prevent problems.
  - D. cope with criticism.
34. How can observing a role model help you assess your strengths and weaknesses?
- A. You can identify strengths you wish to possess.
  - B. You can ask him/her to identify your strengths.
  - C. You can ask him/her to identify your weaknesses.
  - D. You can identify weaknesses you wish to avoid.

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35. One way that individuals exhibit self-confidence is by being
- A. reserved.
  - B. creative.
  - C. emotional.
  - D. enthusiastic.
36. Which of the following actions is most likely to indicate to speakers that you want to know more about their topic:
- A. Smiling at the speakers
  - B. Sitting or standing up straight
  - C. Asking questions
  - D. Appearing confident
37. Bill works evenings in a downtown shoe store, but he likes to play basketball after school. After a game, his friends ask him to go with them for pizza. Bill is due at work in an hour. Which of the following is the most responsible course of action for Bill to take:
- A. Go with his friends, then hurry home to change clothes before work
  - B. Go home, shower, change clothes, and get to work before his starting time
  - C. Go with his friends, but leave the restaurant in time to get to work on time
  - D. Go with his friends, go home for a shower and change of clothes, and get to work a few minutes late
38. Kelly doesn't believe that she will get anywhere in life, and she often lashes out at others. Kelly has a \_\_\_\_\_ attitude.
- A. positive
  - B. defeatist
  - C. mature
  - D. superior
39. Enduring life's aggravations and difficulties without getting upset requires you to have
- A. ambition.
  - B. independence.
  - C. empathy.
  - D. patience.
40. Evaluative information about you or your behavior is known as
- A. negative feedback.
  - B. feedback.
  - C. positive feedback.
  - D. internal feedback.
41. Because the world of business is dynamic and rapidly changing, employees must be \_\_\_\_\_ to change.
- A. resistant
  - B. receptive
  - C. immune
  - D. unwilling
42. Which of the following is an example of a business providing information to employees in order to respect their privacy:
- A. Providing cross-cultural communication
  - B. Using easy-to-understand language
  - C. Sending messages through the grapevine
  - D. Explaining that e-mail is monitored
43. Your ability to empathize with someone else is limited by the number/nature of your experiences and by your
- A. physical traits.
  - B. intelligence.
  - C. self-understanding.
  - D. job skills.
44. Not liking conflict of any kind and avoiding it at all costs are \_\_\_\_\_ being assertive.
- A. methods of
  - B. reasons for
  - C. barriers to
  - D. advantages of
45. Which of the following is the most common negative effect of destructive conflict:
- A. Panic
  - B. Depression
  - C. Frustration
  - D. Shame

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46. It is important for individual team members to be \_\_\_\_\_ the team's goals.  
A. undecided about  
B. indifferent to  
C. curious about  
D. committed to
47. One of the benefits of being adaptable is that it enables employees to  
A. take the initiative.  
B. manage their time.  
C. deal with change.  
D. avoid a conflict.
48. If you are going to successfully lead change within your organization, you need to be  
A. subtle.  
B. persuasive.  
C. indifferent.  
D. resistant.
49. Which of the following is a character quality that good coaches display:  
A. Creativity  
B. Aggression  
C. Self-interest  
D. Patience
50. Andrea grew up near the mountains and loves to ski. Her coworker, Stephen, grew up near the beach and enjoys surfing. What difference between the two coworkers is being described?  
A. Age  
B. Race  
C. Language usage  
D. Geographic origin
51. Mikael has a \$20 bill. Although this money is just a piece of paper and not backed up by a reserve, Mikael is still able to buy groceries with it because everyone in his country treats it as currency. This \$20 bill is known as \_\_\_\_\_ currency.  
A. commodity  
B. electronic  
C. fiat  
D. specie
52. Which of the following is one of the functions of money:  
A. Process of accounting  
B. System of cash  
C. Method of investment  
D. Medium of exchange
53. Mary has a full-time job and is planning to buy a new car. She has \$2,000 for a down payment, but the car costs \$10,000. What type of credit account would be appropriate for Mary?  
A. Budget  
B. Revolving  
C. Regular  
D. Installment
54. Why do many people invest in certain types of life insurance policies?  
A. To pay for private health care  
B. To obtain disability income  
C. To meet future financial needs  
D. To name important beneficiaries
55. Valerie is developing a personal budget for the first time. Which of the following is the first step she should take:  
A. Set her financial goals  
B. Know her income  
C. Estimate her fixed expenses  
D. Adjust her debt payments
56. On Samantha's first pay stub, she sees that her gross pay is \$150.00, and her net pay is \$125.00. When she cashes her check, she will have \_\_\_\_\_ that she can deposit into her bank account.  
A. \$25.00  
B. \$150.00  
C. \$275.00  
D. \$125.00
57. Which of the following pieces of information appears on a check:  
A. The payer's credit account number  
B. The payee's name  
C. The name of the payee's bank  
D. The payer's credit score

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58. Rather than receiving his pay in the form of a check, Andre's biweekly income is credited to his account electronically. Which of the following transaction codes should Andre use when entering his pay in his checkbook register:
- A. ATM
  - B. DC
  - C. DEP
  - D. T
59. When reconciling a bank statement, you use checkmarks to do which of the following:
- A. Total the interest you have received
  - B. Correct the deposits you have missed
  - C. Void the checks you have ruined
  - D. Identify the items you have compared
60. One of the best ways to protect yourself against identity theft is to
- A. pay for your purchases with debit cards.
  - B. pay your bills online.
  - C. use the same password for all online financial accounts.
  - D. monitor your credit and bank accounts continuously.
61. While preparing her annual income tax return, Kate determined that she had her employer withhold more tax than necessary. As a result, Kate is eligible for a government
- A. refund.
  - B. deduction.
  - C. due bill.
  - D. reference.
62. What is an important consideration when selecting a financial-services provider?
- A. Fee structure
  - B. Office location
  - C. Tax status
  - D. Gross income
63. Of the following ownership investments, which allows access to an "expert" manager:
- A. Stocks
  - B. Collectibles
  - C. Real estate
  - D. Stock mutual funds
64. Which of the following is a true statement:
- A. Bookkeeping records business transactions.
  - B. Bookkeeping is the same as accounting.
  - C. Bookkeeping does not use computers.
  - D. Bookkeeping is limited to information on sales.
65. The primary role of finance in business involves
- A. paying employees.
  - B. obtaining funds.
  - C. buying supplies.
  - D. preparing expense reports.
66. Which of the following is an employee benefit of effective new-employee orientation:
- A. Labor agreement
  - B. Job satisfaction
  - C. Added competition
  - D. Increased compensation
67. Most automobile salespeople try to get an idea of what price range the potential customer can afford. This is part of which of the following marketing functions:
- A. Marketing-information management
  - B. Pricing
  - C. Distribution
  - D. Selling
68. Why is it important for businesses to store information for future use?
- A. To ensure confidentiality
  - B. To maintain data accuracy
  - C. To establish quality control
  - D. To make it accessible
69. Managing information for business continuity is important in case of
- A. a disaster.
  - B. high employee turnover.
  - C. low sales volume.
  - D. a drop in stock price.

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70. Phil works from his home office on Tuesdays and Thursdays. This is known as
- A. telecommuting.
  - B. information gathering.
  - C. networking.
  - D. collaborating.
71. Monitors, keyboards, and hard drives are examples of computer
- A. servers.
  - B. hardware.
  - C. dashboards.
  - D. standards.
72. Which of the following e-mail options provides a brief statement about the message's content:
- A. To
  - B. Send
  - C. Subject
  - D. Reply
73. An electronic planning device that many employees use to keep track of their activities is an example of a
- A. time-management tool.
  - B. communication system.
  - C. web-based program.
  - D. presentation application.
74. When an employee searches the Web using a keyword and obtains 578 responses, the next logical step would be to
- A. go to another search engine and see if it works better.
  - B. use more words for descriptors or a more precise keyword.
  - C. open all 578 responses looking for the best one.
  - D. start from #578 and work backwards until the best one is found.
75. Which of the following is a capability of a presentation software program:
- A. Combining animation and sound
  - B. Copying and printing documents
  - C. Connecting several computers
  - D. Calculating mathematical data
76. Why do many businesses store information in a computerized database?
- A. To maintain client lists
  - B. To communicate with vendors
  - C. To transmit documents
  - D. To monitor economic trends
77. What type of software would a business use to calculate the effect that charging higher rates would have on profit?
- A. Spreadsheet
  - B. Desktop publishing
  - C. Database
  - D. Presentation
78. To streamline its information systems, the Mason Company wants to purchase a computer program that performs a variety of related functions, such as accounts payable, accounts receivable, and general ledger applications. The Mason Company should purchase a(n) \_\_\_\_\_ computer package.
- A. engineering design
  - B. marketing intelligence
  - C. integrated software
  - D. customer identification
79. Which of the following is an example of employees using groupware computer applications:
- A. Dan, Kara, and Simon review their departments' budgets, which are saved as different computer-spreadsheets files.
  - B. Craig, Tessa, and Lily use presentation software to guide a group discussion about their research project.
  - C. Kelli, Juan, and Phil can access and make changes to the company production schedule from their home computers.
  - D. Michelle, Jeff, and Aubrey use the same desktop-publishing program to create advertisements and brochures for their companies.
80. To reduce the risk of injury in the workplace, the government requires businesses to follow
- A. conservation ordinances.
  - B. privacy laws.
  - C. safety regulations.
  - D. organizational health policies.

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81. The operations manager schedules quarterly reviews of office equipment whether there have been recent problems or not. This is an example of
- A. safety precautions.
  - B. installation.
  - C. preventive maintenance.
  - D. corrective maintenance.
82. Why should employees be concerned about safety in the workplace?
- A. To gain management's approval
  - B. To reduce productivity levels
  - C. To protect themselves and the business
  - D. To increase absenteeism
83. One way that employees can help to prevent accidents is by practicing
- A. security procedures.
  - B. first-aid techniques.
  - C. emergency methods.
  - D. good health habits.
84. Jerry works as a cashier. When Jerry's brother purchased a fishing rod that was marked \$130.00, Jerry charged him \$75.00. Jerry's supervisor told him this was \_\_\_\_\_ fraud.
- A. inventory
  - B. record keeping
  - C. point-of-sale
  - D. price-ticket switching
85. One reason that buyers might decide to use only a few suppliers is to
- A. gain an increased selection.
  - B. encourage vendor competition.
  - C. obtain quantity discounts.
  - D. acquire a greater variety of goods.
86. So that the company can determine when it needs to order more pencils, Kendra subtracts one box of pencils on a tracking sheet after she takes the box from the office supply cabinet. This is an example of
- A. inventory keeping.
  - B. inventory shrinkage.
  - C. physical inventory.
  - D. perpetual inventory.
87. The process of providing a service and/or making a good is called
- A. production.
  - B. marketing.
  - C. business.
  - D. financing.
88. The supervisor's response to an employee's orderly and systematic behavior on the job should be
- A. indifference.
  - B. praise.
  - C. criticism.
  - D. favoritism.
89. Which of the following would be considered a long-term objective:
- A. To read a book each week
  - B. To learn to ride a motor bike
  - C. To buy a new outfit
  - D. To earn a college degree
90. To effectively solve problems in business, employees need to
- A. obtain support for their side.
  - B. respect the opinions of others.
  - C. be aggressive if necessary.
  - D. stand firm in their beliefs.
91. A high degree of self-understanding will help an individual to
- A. ensure success on the job.
  - B. select an appropriate career.
  - C. control others' behavior.
  - D. satisfy unmet needs.
92. Employees have the right to a safe working environment, which includes proper
- A. medical benefits.
  - B. exercise facilities.
  - C. health conditions.
  - D. sick-leave policies.
93. Which of the following is a source of information about careers that are available at state and federal government agencies:
- A. Local trade association
  - B. Civil service office
  - C. National labor union
  - D. Chamber of commerce

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94. An individual who wants to pursue a career in the marketing segment of business might obtain an entry-level position as a(n)
- A. customer service representative.
  - B. junior bookkeeper.
  - C. apprentice plant manager.
  - D. assistant office supervisor.
95. What would be the best response to write on a job application form for the reason that you left your last job if you quit because you felt your supervisor was unfair?
- A. Left for a better job
  - B. Unable to get along with supervisor
  - C. Unfair supervisor
  - D. Unpleasant working environment
96. During an employment interview, a job applicant usually is given the opportunity to
- A. meet coworkers.
  - B. ask questions.
  - C. take a test.
  - D. write a résumé.
97. Is it ever appropriate for an individual looking for a job to send a letter of application to a business that has not advertised a job opening?
- A. No, the business will discard the letter if it has no openings.
  - B. Yes, the worker should write to each business in the industry.
  - C. Yes, the worker can write if s/he has heard about a job opening.
  - D. No, a letter is used only in response to job advertisements.
98. What do many individuals include in the personal information section of their résumé?
- A. Previous employer
  - B. E-mail address
  - C. Marital status
  - D. Volunteer experience
99. Seminars and workshops that are sponsored by trade associations are ways to obtain job training for people who
- A. are getting ready to retire.
  - B. work in a specific industry.
  - C. want to obtain a graduate degree.
  - D. need to improve their management skills.
100. The president of the Acme Company identifies the jobs to be accomplished and assigns responsibility for completing those jobs to specific departments. What management function is the president performing?
- A. Organizing
  - B. Planning
  - C. Staffing
  - D. Controlling

## SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY

1. C  
Corporation. A corporation is owned by stockholders who have purchased stock. By investing in a corporation, Mr. Brown will be one of the owners who will share in the profits of the business but will not be responsible for the day-to-day operations. A general partnership is an agreement in which all partners are liable for a business's losses. A sole proprietorship is a form of business ownership in which the business is owned by one person. A franchise is a contractual agreement between a parent company and a franchisee to distribute goods or services.  
SOURCE: BL:003  
SOURCE: BL LAP 1—Own It Your Way (Types of Business Ownership)
  
2. B  
Government publications. Government agencies and departments collect relevant information concerning many issues and publish the information in a written format. Therefore, government publications are a good source of relevant, valid written material that may be useful to businesses. For example, government agencies publish information about economic and employment trends that businesses use in the planning process. Internet chat rooms are sites on which individuals communicate with each other in real time and are not a source of relevant valid written material. Personal e-mails are messages to friends rather than a source of relevant, valid written material. Computer-generated memos do not necessarily contain relevant, valid written material.  
SOURCE: CO:054  
SOURCE: Farese, L.S., Kimbrell, G., Woloszyk, C.A. (2012). *Marketing essentials* (pp. 682-683). Columbus, OH: Glencoe/McGraw-Hill.
  
3. C  
Know when to speak. By interrupting her coach before s/he was finished giving directions, Jackie was ignoring the step of knowing when to speak. When listening to directions, try not to interrupt the person speaking. Wait until s/he seems finished with a thought before speaking or wait until all the directions have been given before you ask for clarification. In this situation, Jackie is not ignoring the tips to make eye contact, eliminate distractions, or take notes.  
SOURCE: CO:119  
SOURCE: QS LAP 24—Simon Says
  
4. D  
Let the speaker know that the message has been received and understood. Active listening is primarily about understanding a speaker's meaning, not about communicating your agreement or voicing your own opinion. Active listening can help to make boring lectures more interesting, but that is not its purpose.  
SOURCE: CO:017  
SOURCE: QS LAP 1—Listen Up (Active Listening)
  
5. A  
Smiling. A smile conveys a positive message and reinforces good news. Poor posture sends the message that a person doesn't really care about what s/he is saying. Lack of eye contact sends a message that the speaker may not be telling the truth or may wish to be doing something else.  
SOURCE: CO:059  
SOURCE: Lesikar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [pp. 425-427]. Boston: McGraw-Hill/Irwin.

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6. D  
Socializing with close friends. Casual communication is generally used with family and friends and may include the use of slang. Slang is informal language mutually understood within a group. For example, you might refer to your friends as your “buds” (buddies) when speaking with your family. However, people outside your family and circle of friends may not understand what “bud” means. They might associate the word “bud” with a rose (bud) or leaf (bud). Formal communication is appropriate when meeting with a new customer, when interviewing for a job, or when you are being introduced to a new coworker. Formal communication involves using proper grammar and a respectful tone.  
SOURCE: CO:084  
SOURCE: Miculka, J. (2007). *Speaking for success* (2nd ed.) [pp. 39-40]. Mason, OH: Thomson South-Western.
7. B  
Unbiased. Ed believes that his idea is feasible, so he needs to persuade other group members that it is too. To do this effectively, Ed needs to present his reasons and information logically and objectively—without bias. Ed should present his reasons in a direct, unemotional way. If Ed is over-emotional or cynical, the group members may not take him seriously. And, if Ed presents the information in an understated or subtle way, the group members may not understand what Ed is trying to say.  
SOURCE: CO:061  
SOURCE: Leskiar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [pp. 288-289]. Boston: McGraw-Hill/Irwin.
8. D  
Blurting out statements without thinking. To contribute to a discussion in a useful way, you should think about what you want to say before speaking. Make sure that you state accurate information facts and that you don't say something in a way that is offensive to others. You should communicate facts and express opinions when appropriate. You should talk about what's on your mind. And, you should pay attention when others are speaking.  
SOURCE: CO:053  
SOURCE: QS LAP 29—Put In Your Two Cents
9. B  
Geographical map. Graphics typically add interest and make information easier to understand. Maps are often appropriate graphics to use when the topic at hand relates to geographical regions. Each region depicted on the map may be color-coded by the range of sales generated to support and clarify the sales data presented in a report. A flowchart presents a visual depiction of activities or processes in sequential order. An example of a flowchart is an organizational chart, which depicts the hierarchy of positions and departments within an organization. A Venn diagram indicates the overlapping relationships among finite sets of data.  
SOURCE: CO:087  
SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [pp. 378, 380]. Upper Saddle River, NJ: Pearson Prentice Hall.
10. C  
Accomplishes its intended purpose. Written communications serve many purposes, and a test of whether a written communication was effective is whether it accomplished the purpose for which it was intended. Written communications do not need to contain a lot of information in order to be considered effective. Effective written communication takes time and effort and is not usually quick and easy to prepare. It should also be clear and should not require the reader to interpret its meaning or be open to any interpretation that the reader wants to give it.  
SOURCE: CO:016  
SOURCE: Cheesebro, T., O'Connor, L., & Rios, F. (2007). *Communication skills: Preparing for career success* (3<sup>rd</sup> ed.) [p. 2]. Upper Saddle River, NJ: Pearson Prentice Hall.

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

11. A  
Editing. Editing is the process of assessing the flow and clarity of written materials. Effective editing often involves reorganizing or shortening sentences, changing words, and correcting spelling and grammatical errors to improve the readability of the document. Researching is the process of gathering information for the report, which is done before the writing process begins. Organizing involves planning the order in which to present the information in the document. Formatting involves establishing the “mechanical” structure of the document, such as using as block or indented paragraphs, page-number location, etc.  
SOURCE: CO:089  
SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [p. 161]. Upper Saddle River, NJ: Pearson Prentice Hall.
12. B  
The attached document provides you with directions to our facility. Business-related e-mail messages should reflect a professional tone. A professional e-mail message should contain proper spelling and grammar (e.g., look and two). The writer should avoid using acronyms that reflect an informal or text-messaging style, such as using “u” instead of “you.” Businesspeople should avoid using all capital letters in professional e-mails because the recipients might interpret them as angry messages.  
SOURCE: CO:090  
SOURCE: Bovée, C. L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [pp. 184-185]. Upper Saddle River, NJ: Pearson Prentice Hall.
13. A  
Have a clear purpose. In order to write an effective business letter, the letter writer should first have a specific purpose for sending the letter. That purpose should be made clear in the letter so that the recipient does not have to guess the reason for the communication. A business letter is not intended to be entertaining or to display the writer's vocabulary. Instead, the vocabulary used should be appropriate to the recipient. If the letter contains questions, they should be direct.  
SOURCE: CO:133  
SOURCE: Young, D.J. (2006). *Foundations of business communication: An integrative approach* (pp. 41-44, 125-127). New York: McGraw-Hill/Irwin.
14. B  
Contact information, product model number, and manufacturer. A letter of inquiry is a request for information. The businessperson should provide the manufacturer of the equipment and the product's model number so the letter recipient knows which item to provide a price for. The letter writer should also include his/her contact information—e-mail address, telephone number, mailing address—so the message recipient knows to whom or where to send the requested information. The businessperson is asking for a price but not placing an order, so the business person would not provide a purchase order number. The vendor generates an invoice after the order has been placed. If the vendor provides quantity discounts, the businessperson may need to indicate the quantity desired to provide accurate prices.  
SOURCE: CO:040  
SOURCE: eHow.com. (1999-2013). *How to write an inquiry letter*. Retrieved August 16, 2013, from [http://www.ehow.com/how\\_2048859\\_write-inquiry-letter.html](http://www.ehow.com/how_2048859_write-inquiry-letter.html)
15. A  
Explain that you can't discuss it. In most companies, salary information is confidential and should not be discussed. Disclosing confidential information could cause an employee to be reprimanded or fired. Employees who work with such information should not answer questions about it or offer to provide it to others. It would be overreacting to report those who ask unless the questions are repeated and create problems.  
SOURCE: CO:014  
SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (pp. 185-186). New York: Glencoe/McGraw-Hill.

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

16. D  
Holding a short sales-staff meeting. Short meetings are a common way to communicate information about new products, sales promotions, and inventory issues. Retail employees tend to work in shifts at different times, so a short meeting is an ideal way to communicate store information to several employees at one time. Retail cashiers do not usually have access to a “work” e-mail account. Sending a memo to buyers and placing sales circulars in display racks are not effective ways to communicate up-to-date product information to the store's front-line employees.  
SOURCE: CO:092  
SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [pp. 46-48]. Upper Saddle River, NJ: Pearson Prentice Hall.
17. D  
Arguing. Business employees should never argue with other employees when participating in staff meetings. Arguing is not a productive activity and often causes hard feelings. Even if someone in the meeting tries to start an argument, it is not appropriate for employees to participate. The person leading the meeting should control the situation so arguments do not start or continue. When participating in staff meetings, employees usually talk and they often agree on issues and review important information.  
SOURCE: CO:063  
SOURCE: Leskiar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [pp. 416-417]. Boston: McGraw-Hill/Irwin.
18. C  
Pleasant courtesy. Employees should treat all customers/clients with pleasant courtesy, no matter what the circumstances. This creates good relations with the customers/clients and a good image for the business. Not all customers/clients want immediate service or would appreciate employees' broad knowledge. Witty remarks are also not appropriate in all circumstances.  
SOURCE: CR:003  
SOURCE: Berman, B., & Evans, J.R. (2013). *Retail management: A strategic approach* (12th ed.) [p. 31]. Upper Saddle River, NJ: Pearson Education, Prentice Hall.
19. B  
Departments. A knowledge of the location of various departments will enable the salesperson to assist customers with the greatest amount of efficiency. Products would not be kept in offices. Within a department, they may be stocked by size or color.  
SOURCE: CR:006  
SOURCE: Berman, B., & Evans, J.R. (2013). *Retail management: A strategic approach* (12th ed.) [p. 31]. Upper Saddle River, NJ: Pearson Education, Prentice Hall.
20. A  
Offend the clients. Businesspeople should try to learn as much as they can about a client's culture, customs, and social values. By understanding and being aware of cultural differences, businesspeople can adapt their communication styles to make a positive impression on their clients, earn their clients' trust, and persuade their clients to buy. Businesspeople who adapt their communication styles are aware of actions that a particular client might view as hospitable, as well as behaviors that the client might find offensive. Offensive behaviors can hinder the ability to build long-term relationships with international clients.  
SOURCE: CR:019  
SOURCE: InterNations.org. (2007-2013). *International business communication*. Retrieved August 16, 2013, from <http://www.internations.org/magazine/international-business-issues-15385/international-business-communication-2>

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

21. A  
Restating. Often, it is helpful for the employee to restate the customer's question to make sure that's what the customer actually asked. Writing down the question would only be done when the employee needed to obtain further information in order to answer the question. Employees who are trying to understand what a customer is asking would not refute or ignore the question.  
SOURCE: CR:007  
SOURCE: Farese, L.S., Kimbrell, G., Woloszyk, C.A. (2012). *Marketing essentials* (p. 194). Columbus, OH: Glencoe/McGraw-Hill.
22. A  
Let the customer explain the problem. A complaint is an expression of dissatisfaction about a good, service, or policy. Customers who have complaints should have a chance to explain the problem without interruption. If the complaint is handled poorly, the customer may never return, but handling complaints effectively can build goodwill. The customer's comments should not be ignored, and the customer should not be made to feel that s/he is in the wrong. Handling complaints is the salesperson's responsibility, and a manager would only be called in as a last resort.  
SOURCE: CR:010  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3<sup>rd</sup> ed.) [p. 550]. Tinley Park, IL: The Goodheart-Willcox Co.
23. A  
Consistent, knowledgeable, and helpful. Employees are one of many touch points for the business. Customers often base their impressions of a business—positive and negative—on the interactions they have with the business's employees. Employees who are consistently friendly, helpful, and knowledgeable each time they interact with customers are building favorable relationships. These favorable relationships encourage customer loyalty and repeat sales. Employees who are too aggressive or too passive are more likely to offend customers.  
SOURCE: CR:002  
SOURCE: Kotler, P., & Armstrong, G. (2008). *Principles of marketing* (12th ed.) [pp. 222, 244-245]. Upper Saddle River, NJ: Prentice-Hall.
24. D  
Non-economic wants. We don't have to spend money for everything that we want, e.g., to see a rainbow or talk to a friend. To satisfy economic wants, it is necessary to spend money. Goods are tangible objects. Consumer goods are tangible items that are used by an ultimate consumer to satisfy personal wants.  
SOURCE: EC:002  
SOURCE: EC LAP 10—Get the Goods on Goods and Services (Goods and Services)
25. C  
Inputs. Resources are items used to produce goods and services. Without resources, or inputs, there would be no outputs, or production. Revenues are income, some of which is usually from sales.  
SOURCE: EC:003  
SOURCE: EC LAP 14—Be Resourceful (Economic Resources)
26. A  
Technology. Advances in technology have led to a decrease in the supply of some products and has even eliminated the supply of others. Products such as the mimeograph machine and Commodore 64 are no longer made. Buying power, production methods, and elasticity have not eliminated the supply of certain products.  
SOURCE: EC:005  
SOURCE: EC LAP 11—It's the Law (Supply and Demand)

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

27. C

More wheat than corn. Because John can sell wheat at a higher price relative to corn, it would be a greater incentive for him to plant more wheat than corn because he will earn more profit. Planting an equal or lesser amount of wheat than corn will generate less profit if John can sell wheat at a higher price.

SOURCE: EC:006

SOURCE: EC LAP 12—When More Is Less (Functions of Price)

28. C

The community. By giving money to the schools, Dow is directly benefitting the students and teachers, and indirectly benefitting the students' parents, potential employers, and other community members. Although the students and community members may also be consumers of Dow's products, they are not being benefitted through the use of those products. Dow Chemical's employees, although they may be community members, are not being benefitted through their work. The company is not being socially responsible to itself, although it may benefit from the good publicity its actions generate.

SOURCE: EC:070

SOURCE: EC LAP 20—Business Connections (Business and Society)

29. A

Businesses. Businesses are organized efforts to produce and/or distribute goods and services. All businesses engage in specific activities that are part of the operation of that business. The primary activities in which all businesses are involved are information management, marketing, and financial analysis. Regardless of the type or size of business, those activities are essential. Economies are the systems in which people make and spend their incomes. Governments are each country's arrangement for making and enforcing laws. Societies are groups of individuals who share an environment.

SOURCE: EC:071

SOURCE: EC LAP 19—Strictly Business (Business Activities)

30. C

Unequal distribution of income. One of the disadvantages of private enterprise is that poverty and income are not distributed equally. Limited government control, competition, and pricing system are all advantages of private enterprise.

SOURCE: EC:009

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

31. D

Monopolistic competition. This is a type of market structure in which a lot of businesses sell similar products that have only a few differences. It is most commonly found in a private enterprise economy. Perfect competition rarely exists on a large scale. A regulated monopoly is a monopoly that government allows to exist legally under controlled conditions. An oligopoly is a market structure in which there are relatively few sellers, and industry leaders usually determine prices.

SOURCE: EC:012

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

32. C

Make a profit. Making a profit is the *main* goal of business. Profit is the monetary reward a business owner receives for taking the risk involved in investing in business. By providing the best products possible, business owners increase the likelihood of making a profit. Businesses also need to be socially responsible by helping to save the environment and by providing a safe working environment.

SOURCE: EC:008

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

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

33. D  
Cope with criticism. When self-esteem is well maintained, individuals can handle problems more easily, overcome the disappointments that are part of life, and cope with any criticism they may receive. Self-esteem cannot prevent feelings of anger from arising occasionally.  
SOURCE: EI:016  
SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (p. 197). New York: Glencoe/McGraw-Hill.
34. A  
You can identify strengths you wish to possess. Observing a role model can help you assess strengths and weaknesses by identifying strengths you wish to possess. A role model isn't perfect, but s/he would not be an example of weaknesses. Assessing strengths and weaknesses is something you must do on your own. Sometimes it is helpful to ask a trusted friend to help you, but a role model's job isn't to tell you your strengths and weaknesses.  
SOURCE: EI:002  
SOURCE: EI LAP 17—Assess for Success (Assessing Personal Strengths and Weaknesses)
35. D  
Enthusiastic. Self-confidence is a positive belief in your own talents, skills, and objectives. When people are positive and believe in themselves, they usually are enthusiastic and display great interest or excitement in what they do. Confident people have a good attitude and display that attitude by being enthusiastic. Individuals do not necessarily exhibit self-confidence by being creative, emotional, or reserved.  
SOURCE: EI:023  
SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (pp. 194-198). New York: Glencoe/McGraw-Hill.
36. C  
Asking questions. Few things are more indicative of genuine interest than asking relevant, appropriate questions. This lets speakers know that you have listened well and that you want to know more. Smiling, sitting or standing up straight, and appearing confident let speakers know that you are interested in what is being said, but these actions do not tell speakers that you want more information about their topic.  
SOURCE: EI:020  
SOURCE: Leskiar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [pp. 423-424]. Boston: McGraw-Hill/Irwin.
37. B  
Go home, shower, change clothes, and get to work before his starting time. Bill's first responsibility is to his employer, and he should be properly prepared and punctual for work. If he does not go home, or doesn't allow enough time to shower and change, he may be offensive to customers and coworkers and/or be late for work.  
SOURCE: EI:021  
SOURCE: EI LAP 21—Make the Honor Role (Acting Responsibly)
38. B  
Defeatist. Defeatists have very low opinions of, and lack confidence in, themselves and others. This general dissatisfaction tends to make them feel very frustrated and alienated. Consequently, they often behave in a rather hostile and immature manner. People who believe they are better than everyone else have a superior attitude. People with a positive attitude focus on the good side of things.  
SOURCE: EI:019  
SOURCE: EI LAP 3—Opt for Optimism

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

39. D  
Patience. Patience is the ability to endure calmly, and it is an important part of self-control. None of the other alternatives would help you to endure life's aggravations and difficulties without getting upset. Independence is the ability to manage your own life. Ambition is the desire for success. Empathy is the ability to put yourself in another's place.  
SOURCE: EI:025  
SOURCE: EI LAP 14—Control Yourself! (Demonstrating Self-Control)
40. B  
Feedback. Feedback can come in several different forms. Internal feedback is self-evaluation; it can be negative or positive. Negative feedback involves criticism, indicating a needed change in behavior. Positive feedback involves praise, tending to reinforce present behavior.  
SOURCE: EI:003  
SOURCE: EI LAP 15—Grin and Bear It (Using Feedback for Personal Growth)
41. B  
Receptive. Employees must welcome and accept change rather than resisting it. An employee who is unwilling to change will not grow and develop into his/her full potential. Since many changes are beneficial, it is not necessary to try to be immune or protected from change.  
SOURCE: EI:026  
SOURCE: QS LAP 15—Stuff Happens! (Adapting to Change)
42. D  
Explaining that e-mail is monitored. Modern technology has created a variety of issues concerning employees' right to privacy in the workplace. One of these issues concerns a business's ability to monitor an employee's use of a computer which includes e-mail. A business that respects its employees' privacy will make sure that the employees know that their e-mail is monitored. By providing this information, the business is allowing employees to decide if they want to send or receive personal messages because someone in the business might read the mail. The employees can protect their privacy simply by not using company e-mail. Using easy-to-understand language, sending messages through the grapevine, or providing cross-cultural communication are not examples of providing information to employees in order to respect their privacy.  
SOURCE: EI:029  
SOURCE: Anderson, A. (n.d.). *The pros and cons of workplace surveillance*. Retrieved August 16, 2013, from <http://smallbusiness.chron.com/pros-cons-workplace-surveillance-10658.html>
43. C  
Self-understanding. You must be able to comprehend your own thoughts, attitudes, and actions before you can identify similar qualities in others and empathize with them. The alternatives would not necessarily limit self-understanding or perception of others.  
SOURCE: EI:030  
SOURCE: EI LAP 12—Have a Heart (Empathy)
44. C  
Barriers to. There are barriers to being assertive even though being assertive is the way to go. For one, some people do not like conflict of any kind and avoid it at all costs. They are afraid that being assertive will ruin relationships. They do not want to appear to be aggressive so they do not stand up for themselves. Not liking conflict of any kind and avoiding it at all costs are not reasons for being assertive, methods of being assertive, or advantages of being assertive.  
SOURCE: EI:008  
SOURCE: EI LAP 18—Assert Yourself (Assertiveness)

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

45. C  
Frustration. A conflict is a disagreement. When people do not handle conflict appropriately, it can have negative (destructive) effects. Destructive conflict can cause frustration. In some situations, individuals may experience panic, shame, and depression, often over time, but frustration is the most common negative effect or response to conflict.  
SOURCE: EI:015  
SOURCE: EI LAP 7—Stop the Madness (Conflict Resolution in Business)
46. D  
Committed to. Team members must believe in the team's goals and be committed to working toward achieving them. They may even have to set aside their personal goals temporarily in order to focus on the team's goals. Team members should not be curious about the team's goals but thoroughly familiar with them. They should not be indifferent to or undecided about the goals.  
SOURCE: EI:045  
SOURCE: QS LAP 6—Lean On Me (Teamwork)
47. C  
Deal with change. Adaptability is the ability to adjust or modify attitudes and/or behavior to new situations or circumstances. Changes and new situations are common in the workplace. When employees are adaptable, they are able to deal with change and even learn from new situations. This is a benefit because employees who are not adaptable may experience stress or not be able to be productive when faced with new situations. Being adaptable does not necessarily enable employees to manage their time, take the initiative, or avoid a conflict.  
SOURCE: EI:006  
SOURCE: EI LAP 23—Go With the Flow (Demonstrating Adaptability)
48. B  
Persuasive. Change doesn't just happen on its own. To lead change, change leaders need to be persuasive—they must be able to get others within their organizations to see things their way, do things their way, or agree with them. Subtle and indifferent (uncaring) attitudes don't usually prompt resistant people to embrace change.  
SOURCE: EI:005  
SOURCE: QS LAP 23—20/20 Foresight
49. D  
Patience. Patience is the ability to endure life's aggravations and difficulties calmly. A good coach is patient and persistent because the person being coached may not "catch on" quickly to the concepts that will help improve his/her performance. An effective coach understands this and doesn't get frustrated or give up. Aggression is feelings of anger and disrespect for others that may lead to aggressive behavior. Self-interest is giving priority to what benefits oneself. Creativity is the ability to generate unique ideas, goods, or services.  
SOURCE: EI:041  
SOURCE: QS LAP 7—Bring Out the Best
50. D  
Geographic origin. Andrea and Stephen differ in their geographic origins. This refers to the part of the world and the type of area from which a person comes, and it influences who they are. The two coworkers do not necessarily differ in race, language usage, or age.  
SOURCE: EI:036  
SOURCE: EI LAP 20—Fair and Square (Treat Others Fairly at Work)

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

51. C

Fiat. Fiat currency is money that doesn't have intrinsic value and is not backed by reserves. Fiat currency is only valuable as long as people have faith that it will continue to be used in the future. Electronic currency is money that exists only in electronic format. Commodity money is currency that has value other than its value as money (for example, gold or silver). Mikael's \$20 bill is just made of paper, which is essentially worthless on its own, so it is not commodity money. Specie is a term used for coins, and Mikael is using paper money.

SOURCE: FI:059

SOURCE: Spaulding, W.C. (2005-2013). *Money*. Retrieved August 16, 2013, from <http://thismatter.com/money/banking/money.htm>

52. D

Medium of exchange. A medium of exchange is something of value that can be used to obtain goods and services. The most common form is money. Money is what individuals, businesses, and governments use to buy what they need and pay expenses. Money is the thing of value. It is not a system of cash, a method of investment, or a process of accounting.

SOURCE: FI:060

SOURCE: McConnell, C.R., & Brue, S.L. (2005). *Economics: Principles, problems, and policies* (16th ed.) [pp. 232-233]. Boston: McGraw-Hill/Irwin.

53. D

Installment. Installment credit is commonly used to purchase large, expensive items such as cars. An installment credit account is set up to handle one total amount of credit that is to be paid off in regular installments. Also, it usually requires a down payment. Revolving credit accounts limit the total amount of money that may be owed and charge interest on outstanding balances. Regular credit accounts allow credit users to buy at any time during a set period. Budget accounts are a form of short-term credit often set up for 60- or 90-day periods.

SOURCE: FI:002

SOURCE: Farese, L.S., Kimbrell, G., Woloszyk, C.A. (2012). *Marketing essentials* (pp. 764-765). Columbus, OH: Glencoe/McGraw-Hill.

54. C

To meet future financial needs. There are many types of life insurance available to meet an individual's future financial needs. Some types of life insurance have cash value and can be redeemed at the end of the payment period. Other types are intended to make a lump sum payment to beneficiaries upon an individual's death. Many people decide what their financial needs or goals are in the future, and then invest in the types of life insurance policies that will meet those needs. Disability insurance, rather than life insurance, provides income to those who become disabled. Certain types of health insurance will pay for private health care. Individuals name their beneficiaries when purchasing life insurance policies, but that is not why they invest in those policies.

SOURCE: FI:064

SOURCE: Kapoor, J.R., Dlabay, L.R., Hughes, R.J., & Hoyt, W.B. (2005). *Business and personal finance* (pp. 466-469). New York: Glencoe/McGraw-Hill.

55. A

Set her financial goals. Valerie should first figure out what amount she would like to have at her disposal in the short-term, say next year, and then in the long-term, or about five years from now. Then she should look at her income, expenses, and debt payments to figure out where she can afford to decrease her spending in order to reach her financial goals.

SOURCE: FI:066

SOURCE: Bard, E.M., McKinney, C., Hudson, N., & Johnson, D. (2009) *Manage your money; Lesson 5: Develop your budget*. Retrieved August 16, 2013, from [http://ohioline.osu.edu/mym/MYM\\_Lesson5.pdf](http://ohioline.osu.edu/mym/MYM_Lesson5.pdf)

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

56. D

\$125.00. Her net pay is what she actually receives after withholdings for federal, state and local income taxes and government programs. Her gross pay is \$150.00, which is not the amount she will receive. \$275.00 could be found by adding the gross pay to the net pay, but this number is meaningless. \$25.00 could be found by subtracting her net pay from her gross pay, and would be the amount of her withholdings.

SOURCE: FI:068

SOURCE: Lazarony, L. (n.d.) *Understanding your pay stub*. Retrieved August 16, 2013, from [http://www.credit.com/credit\\_information/money\\_management/Understanding-your-Pay-Stub.jsp](http://www.credit.com/credit_information/money_management/Understanding-your-Pay-Stub.jsp)

57. B

The payee's name. The payee is the party to whom the check is made payable. That information, along with the date, check amount, and payer's signature, has to be filled out on checks. The payer can choose to record the purpose for which the check is being written. The check itself is imprinted with the name of the payer's bank, the payer's bank account number, the check number, and the bank's routing number. The payer's credit account number would only be needed if the payer wrote a check to his/her credit-card company. The payee's bank name does not appear on a payer's check. The payer's credit score is irrelevant to check writing.

SOURCE: FI:560

SOURCE: Pritchard, J. (n.d.). *A visual example of how to write a check*. Retrieved August 16, 2013, from <http://banking.about.com/od/checkingaccounts/ig/How-to-Write-a-Check/>

58. C

DEP. When entering a transaction in your checkbook register, you should describe the transaction, record the transaction date, indicate the amount of the debit or credit, and use a code or number to identify the transaction type. Deposits to your account (such as biweekly pay) are marked with a "D" or "DEP." Debit card transactions are coded "DC." Transfers between your accounts are marked "T." ATM withdrawals, of course, are coded "ATM." When entering a check that you have written, you should record the check number.

SOURCE: FI:069

SOURCE: TheMint.org. (2013). *Tracking your checking account*. Retrieved August 16, 2013, from <http://www.themint.org/kids/tracking-your-checking-account.html>

59. D

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: Kapoor, J.R., Dlabay, L.R., Hughes, R.J., & Hoyt, W.B. (2005). *Business and personal finance* (pp. 146-147). New York: Glencoe/McGraw-Hill.

60. D

Monitor your credit and bank accounts continuously. By reviewing your credit-card statements and your bank accounts on a regular basis, you are more likely to detect credit purchases or bank withdrawals that you did not make. If unauthorized transactions have occurred, you can quickly close accounts to stop identity thieves from accessing your accounts. Other things you can do to protect yourself from identity theft is to use different passwords for each of your online accounts, and use secure websites when paying bills and shopping online. Not all online sites are secure. You should use the same caution with your debit card as you do with your credit accounts and other bank accounts.

SOURCE: FI:073

SOURCE: Federal Trade Commission. (n.d.). *Consumer information: Identity theft*. Retrieved August 16, 2013, from <http://www.consumer.ftc.gov/features/feature-0014-identity-theft>

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

61. A  
Refund. Because Kate had too much income tax taken out of her wages, she is eligible for a tax refund check, which is issued by the government upon receipt of Kate's completed tax return. The government does not issue a deduction, due bill, or reference when income tax is overpaid.  
SOURCE: FI:074  
SOURCE: Kapoor, J.R., Dlabay, L.R., & Hughes, R.J. (2005). *Personal finance* (pp. 390-391, 393). Woodland Hills, CA: Glencoe/McGraw-Hill.
62. A  
Fee structure. Financial-services providers are compensated in different ways. Therefore, it is important to consider the fee structure when selecting a financial-services provider to make sure the fee is affordable. Some providers may charge a flat fee while others may charge based on number and size of transactions. Some may charge for consulting time or for gathering information. Office location, tax status, and gross income are not important considerations when selecting a financial-services provider.  
SOURCE: FI:076  
SOURCE: Kapoor, J.R., Dlabay, L.R., Hughes, R.J., & Hoyt, W.B. (2005). *Business and personal finance* (pp. 260-261). New York: Glencoe/McGraw-Hill.
63. D  
Stock mutual funds. Stock mutual funds are ownership investments that allow access to an "expert" manager—called a fund manager. Collecting popular items may or may not involve a manager. You can collect on your own, if you want to. The same with purchasing real estate: You are not given access to any "expert," in particular. And, stock purchases do not provide an "expert" to help you.  
SOURCE: FI:077  
SOURCE: QS LAP 32—Risky Business
64. A  
Bookkeeping records business transactions. Bookkeeping records the financial information from such business activities as sales, purchases, or returns. It involves analyzing financial transactions, journalizing transactions, posting to ledgers, and balancing the books. Much of bookkeeping today is done on computers.  
SOURCE: FI:085  
SOURCE: FI LAP 5—Show Me the Money (Nature of Accounting)
65. B  
Obtaining funds. Finance is the process of obtaining funds and using them to achieve the goals of the business. All businesses need funds to operate, so decisions about obtaining funds are very important. Businesses decide if it is necessary to borrow money, increase prices to generate more income, or take other actions to obtain funds. The role of finance in business does not involve paying employees, buying supplies, or monitoring expenses. However, finance is involved in obtaining the funds necessary to pay employees and buy supplies. Accounting activities involve gathering data (e.g., expenses) and preparing financial reports. The finance function analyzes financial reports to make financial decisions about the business.  
SOURCE: FI:354  
SOURCE: FI LAP 7—Money Matters (Role of Finance)

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

66. B

Job satisfaction. Employees who go through orientation programs usually have greater job satisfaction because they are comfortable with their work environment and understand what is expected of them. Many businesses have extensive orientation programs designed to familiarize new employees with their jobs, coworkers, and aspects of the business. Orienting new employees helps them to better understand the business and to more effectively perform their assignments. Labor agreements are the result of negotiations between labor and management. Employee orientation does not increase competition. Increased compensation is an employee benefit but not a direct result of orientation.

SOURCE: HR:360

SOURCE: Noe, R.A., Hollenbeck, J.R., Gerhart, B., & Wright, P.M. (2010). *Human resource management: Gaining a competitive advantage* (7th ed.) [pp. 335-336]. New York: McGraw-Hill/Irwin.

67. D

Selling. This is a marketing function which involves determining client needs and wants and responding through planned, personalized communication that influences purchase decisions and enhances future business opportunities. Determining an appropriate price range of products to show customers is part of the selling function. Pricing is a marketing function which involves determining and adjusting prices to maximize return and meet customers' perceptions of value. Distribution is a marketing function which is responsible for the moving, storing, locating, and/or transferring ownership of goods or services. Marketing-information management involves gathering, accessing, synthesizing, evaluating, and disseminating information for use in making business decisions.

SOURCE: MK:002

SOURCE: MK LAP 1—Work the Big Six (Marketing Functions)

68. D

To make it accessible. Businesses obtain a wide variety of information that often can be used for many purposes. Therefore, it is important to store the information for future use so it will be accessible when needed. For example, information about current customers might be used to develop procedures for attracting new customers in the future. If the information has not been stored so it is accessible, the business will need to obtain other types of information. Businesses do not need to store information to establish quality control. Storing information does not ensure that data is accurate nor does it ensure that the information remains confidential.

SOURCE: NF:081

SOURCE: Encyclopedia of Small Business. (2013). *Record retention*. Retrieved August 16, 2013, from <http://www.enotes.com/small-business-encyclopedia/record-retention>

69. A

A disaster. Managing information for business continuity is important in case of a disaster. A disaster might be manmade, such as a building fire, or it might be an act of nature, such as a tornado or a flood. No matter what, though, companies must ensure that business can still run smoothly and that employees can still access the information they need. High employee turnover, low sales volume, and a drop in stock price are not occurrences that would disrupt information management.

SOURCE: NF:110

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

70. A

Telecommuting. When Phil works from home or any remote location, he is telecommuting. Technology makes this possible. Information gathering refers to finding data for decision making or communication. Networking refers to connecting a group of computers to one main server. Collaborating means working together in cooperation with others.

SOURCE: NF:003

SOURCE: NF LAP 4—TECH-tastic (Technology's Impact on Business)

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

71. B

Hardware. These are the physical components of a computer system that are necessary for the system to function. They include the central processing unit, hard drive, modem, monitor, keyboard, etc. Monitors, keyboards, and hard drives are not examples of computer networks, language, or standards. Servers involve the use of software programs to link multiple computers to other programs. A dashboard allows computer users to view various types of information (widgets) in a single computer window or screen.

SOURCE: NF:084

SOURCE: Simpson, A. (n.d.). *What is hardware?* Retrieved August 16, 2013, from <http://www.coolnerds.com/Newbies/Hardware/hardware.htm>

72. C

Subject. When an employee composes an e-mail message, s/he places information in several fields of the message template before it goes to the message receiver. The "subject" field is an area in which the sender describes the topic of the e-mail message. The "subject" field immediately advises the message receiver about the type of information that the message contains. The message sender clicks the "send" button when s/he wants to transmit the e-mail message to the intended receiver. The message sender places the message receiver's e-mail address in the "to" field. When the receiver wants to respond to the e-mail sender's message, s/he clicks on the "reply" button.

SOURCE: NF:004

SOURCE: Hyden, J.S., Jordan, A.K., & Steinauer, M.H. (2006). *Communicating for success* (3rd ed.) [pp. 301-302]. Mason: Thomson South-Western.

73. A

Time-management tool. Many employees keep track of their activities and organize their daily schedules by using an electronic planning device. This device is a time-management tool because it allows employees to plan their activities to be the most productive. Employees can enter information about future projects, deadlines, meetings, etc., and plan the best use of remaining time. An electronic planning device is not an example of a communication system, a web-based program, or a presentation application.

SOURCE: NF:005

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

74. B

Use more words for descriptors or a more precise keyword. Unless the search engine will only allow one word to be used, it is better to use exact wording to get to the site that has the needed information. For example, using "retail" as a keyword would very likely net several hundred or thousand sites, but if "grocery AND retailing AND Texas" is used, the search will be narrowed down tremendously. Opening all 578 responses is not practical. Starting at #578 is not effective because many search engines list the most popular sites related to the keyword first. Going to another search engine will probably net about the same number of results.

SOURCE: NF:006

SOURCE: Google. (n.d.). *Basic search help*. Retrieved August 16, 2013, from <https://support.google.com/websearch/answer/134479>

75. A

Combining animation and sound. Presentation software programs give the user the capability of presenting information by combining graphics, text, animation, photographs, and sound. Presentation software can be used to create slide programs, overhead transparencies, multimedia presentations, etc. This software enables users to develop visual presentations that are lively, colorful, and appealing to viewers. Presentation software programs are not used to connect several computers, copy and print documents, or calculate mathematical data.

SOURCE: NF:008

SOURCE: Lehman, C. & DuFrene, D. (2005). *Business communication* (14th ed.) [p. 32]. Mason, OH: South-Western.

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

76. A

To maintain client lists. One use of a computer database is to store information about the business's customers. A database allows a business to add and update information and to organize it in many different ways. For example, a business might organize its client list according to the amount of money each customer spends, by zip code, or by location. The business can rearrange this information at any time by a simple click on a computer key. Databases are not used to transmit documents, communicate with vendors, or to monitor economic trends.

SOURCE: NF:009

SOURCE: Goodwill Community Foundation (2013). *Access 2007: Why do I need a database-Lesson 1*. Retrieved August 16, 2013, from <http://www.gcflearnfree.org/computer/lesson.aspx?id=1476&p=3>

77. A

Spreadsheet. Businesses use spreadsheet software to perform mathematical calculations quickly and accurately. One of the advantages of using spreadsheet software is that it is possible to do "what if" calculations. For example, a business might enter different rates to determine the effect that those rates would have on profit. The business can experiment with different rates before deciding which rate will be most appealing to customers and still generate the desired profit. Database software is used to arrange and sort information. Desktop publishing and presentation software are used for visual presentations.

SOURCE: NF:010

SOURCE: Farese, L.S., Kimbrell, G., Woloszyk, C.A. (2012). *Marketing essentials* (pp. 214-215). Columbus, OH: Glencoe/McGraw-Hill.

78. C

Integrated software. Integrated software applications consist of two or more related computer programs that work together to record information or perform specific business tasks or functions. Accounting involves keeping and interpreting financial records. Because accounts payable, accounts receivable, and general ledger applications are related or interdependent accounting activities, the company should purchase an integrated accounting software package. Marketing intelligence involves obtaining and analyzing information about the target market. Engineers use engineering design software to develop various products and structures. Customer identification and preferences are often elements of customer-relationship management integrated software.

SOURCE: NF:088

SOURCE: Choon Kow, K. (2008, May 22). *Integrated accounting software with source code*. Retrieved August 29, 2013, from <http://ezinearticles.com/?Integrated-Accounting-Software-With-Source-Code&id=1194327>

79. C

Kelli, Juan, and Phil can access and make changes to the company production schedule from their home computers. Groupware applications allow employees to access the same information from different locations. Because Kelli, Juan, and Phil can access the company's production schedule from their home computers, they are using groupware. There is not enough information provided to determine if the other groups can access presentation software programs, spreadsheet reports, and desktop publishing software through groupware applications, such as company intranets.

SOURCE: NF:011

SOURCE: White, D., & Foster, N. (n.d.). *What is groupware?* Retrieved August 16, 2013, from <http://www.wisegEEK.com/what-is-groupware.htm>

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

80. C

Safety regulations. Employees have the right to work in a safe environment. To ensure that businesses protect this right, the government regulates certain business activities. For example, the government might require businesses to inspect dangerous equipment at certain intervals to ensure that they are operating correctly. Equipment that is not maintained properly is more likely to break and cause injuries to the employees who operate it. Privacy laws address consumers' right to privacy. Conservation ordinances are local regulations that address environmental issues. An organization's health policies are internal rules and guidelines, which may or may not be influenced by government regulations.

SOURCE: OP:004

SOURCE: Bovée, C.L., Thill, J.V., & Mescon, M.H. (2007). *Excellence in business* (3<sup>rd</sup> ed.) [p. 86]. Upper Saddle River, NJ: Pearson Prentice Hall.

81. C

Preventive maintenance. Preventive maintenance keeps equipment working and potentially expands the life of the equipment. It “prevents” breakdowns. Installation puts equipment into use. Safety precautions are methods of using equipment to ensure the safety of workers. Corrective maintenance is done to repair a specific problem.

SOURCE: OP:006

SOURCE: Uptime Magazine. (2008, September 10). *Why preventative maintenance is important*. Retrieved August 16, 2013, from <http://articles.uptimemagazine.com/uptime/2008/09/why-preventive.html>

82. C

To protect themselves and the business. Maintaining safety in the workplace is a way employees can help manage risk for the business and for themselves. A safe workplace reduces the possibility of financial loss to the business and bodily injury to workers. Maintaining safety can help to increase productivity and reduce absenteeism because fewer workers are likely to be off the job due to injuries. Workers who are safety conscious should receive the approval of management, but that is not the main purpose of being concerned about safety.

SOURCE: OP:007

SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3<sup>rd</sup> ed.) [pp. 565-566]. Tinley Park, IL: The Goodheart-Willcox Co.

83. D

Good health habits. Practicing good health habits helps reduce the risk of carelessness, which commonly causes workers to make errors that result in accidents. People who eat a balanced diet, get plenty of sleep, and exercise regularly are more rested, alert, and able to concentrate on their work. Practicing first-aid techniques, emergency methods, and security procedures will not help employees to prevent accidents, but they should be trained in those areas in order to properly deal with accidents once they have occurred.

SOURCE: OP:009

SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3<sup>rd</sup> ed.) [pp. 564-566]. Tinley Park, IL: The Goodheart-Willcox Co.

84. C

Point-of-sale. Point-of-sale fraud attempts to cheat a business out of money at the time of purchase. It may involve cash, checks, or credit cards. In this situation, Jerry has cheated the business out of \$55 (\$130 - \$75 = \$55) and reduced its profits on this sale. Price-ticket switching is a type of fraud in which a higher priced ticket is removed from merchandise and replaced by a lower priced ticket. Record-keeping fraud is carried out by employees who alter financial records, divert money, or commit other types of fraud. Inventory fraud involves activities such as altering the information on inventory lists.

SOURCE: OP:013

SOURCE: Kimiecik, R. C., & Thomas, C. (2006). *Loss prevention in the retail business* (p. 111). Hoboken, NJ: John Wiley & Sons.

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

85. C  
Obtain quantity discounts. Buyers can use several types of buying strategies. A concentrated strategy utilizes only a few suppliers in the hope of gaining quantity discounts, lower transportation costs, and improved vendor relationships. A buyer has a better chance of negotiating a discount with a vendor if the buyer purchases large quantities of goods at one time. Using only a few suppliers means that a buyer will purchase more from each one than if the buyer purchased goods from many suppliers. A buyer who uses many suppliers encourages vendor competition and may be able to acquire a greater variety of goods and gain an increased selection.  
SOURCE: OP:015  
SOURCE: OP LAP 2—Buy Right (Purchasing)
86. D  
Perpetual inventory. Perpetual inventory is a record of inventory information that is continuously updated. Updates can be done manually or by computer. Businesses often track their office supplies to make sure that they have enough items on hand to run smoothly. Inventory shrinkage is a loss of inventory due to shoplifting, employee theft, breakage, misplacement, or poor recordkeeping. Physical inventory is the process of counting each item that is available for use. Inventory keeping is a fictitious term.  
SOURCE: OP:031  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3<sup>rd</sup> ed.) [pp. 429-430]. Tinley Park, IL: The Goodheart-Willcox Co.
87. A  
Production. Production is the creation of a good or service. Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. Any organization that produces or is involved in the distribution of products from the producer to the consumer is a business. Financing determines the need for and availability of financial resources to aid in marketing activities.  
SOURCE: OP:017  
SOURCE: OP LAP 4—Can You Make It? (Nature of Production)
88. B  
Praise. When you work in an efficient, effective manner, you are more likely to receive such rewards as praise, raises, and promotions. A response to orderly behavior that is critical or indifferent may damage employee morale. Favoritism should be avoided since it gives an employee an unfair advantage over other employees.  
SOURCE: PD:009  
SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2006). *Marketing dynamics* (pp. 722-733). Tinley Park, IL: Goodheart-Willcox.
89. D  
To earn a college degree. An objective is a goal, and a long-term goal is one that will take a year or more to reach. Most college degrees require at least two years of study. Learning to ride a motor bike, reading a book a week, and buying a new outfit would be short-term goals.  
SOURCE: PD:018  
SOURCE: PD LAP 16—Go for the Goal (Goal Setting)
90. B  
Respect the opinions of others. Because of the diverse nature of the workplace, people from many different backgrounds and cultures often work together. These people frequently have different beliefs and opinions. Consequently, employees need to recognize that different people have different opinions and that those opinions should be respected. Employees will be better able to solve problems if they respect the opinions of others and try to find acceptable compromises. Taking sides in a conflict often divides the work force and creates additional problems. The nature of problem solving involves compromise rather than standing firm. Aggression is never the way to solve a problem.  
SOURCE: PD:077  
SOURCE: PD LAP 17—No Problem (Problem Solving)

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

91. B  
Select an appropriate career. Self-understanding is comprehending one's personal abilities, interests, values, attitudes, and personality traits, and recognizing their effects on one's behavior. Since selecting a career involves determining how much satisfaction can be obtained in an occupation and comparing that information to individual needs, self-understanding is a major advantage in making this important decision. It is a trait that effectively controls one's own behavior, not the lives of others. Success is not ensured through self-understanding, but it may be assisted. Self-understanding helps to identify unmet needs which could lead to satisfying them.  
SOURCE: PD:013  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [pp. 608-609]. Tinley Park, IL: The Goodheart-Willcox Co.
92. C  
Health conditions. A safe working environment includes safe health conditions. Workers have a right to expect that the physical facility in which they work will be healthy and not contribute to illness. The work area should be well ventilated and have sufficient light. Proper health conditions also include allowing rest breaks and time for meals. A safe working environment does not include medical benefits and sick-leave policies. Some larger businesses have on-site exercise facilities, but employees cannot expect all businesses to provide such facilities.  
SOURCE: PD:021  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [pp. 687-688]. Tinley Park, IL: The Goodheart-Willcox Co.
93. B  
Civil service office. Information about careers with government agencies is available at civil service offices, which are responsible for hiring people for many of the positions in government. Civil service offices maintain lists of current jobs available, provide information about the job requirements, and administer tests to applicants. For example, a state civil service office would have information about all jobs currently available within all state agencies. National labor unions, local trade associations, and chambers of commerce do not have information about careers in government.  
SOURCE: PD:022  
SOURCE: USA.gov. (2013, August 12). *Government jobs*. Retrieved August 16, 2013, from <http://www.usa.gov/Citizen/Topics/Government-Jobs.shtml>
94. A  
Customer service representative. There are many employment opportunities in the marketing segment of business. Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers, and for managing customer relationships in ways that benefit the organization and its stakeholders. As a result, customer service is an important part of marketing. Individuals who want to pursue a career in marketing often obtain entry-level positions as customer service representatives. This position gives them experience in working with customers and learning the business's product. Then, they often have the opportunity to move up in the marketing department. Junior bookkeeper, apprentice plant manager, and assistant office supervisor are not entry-level positions in marketing.  
SOURCE: PD:025  
SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (p. 51). New York: Glencoe/McGraw-Hill.
95. A  
Left for a better job. When providing information about previous jobs, you should present a positive picture of yourself and your former employers. Avoid saying anything that puts you or a former employer in a negative light. Therefore, comments such as "unable to get along with supervisor," "unfair supervisor," and "unpleasant working environment" should be avoided. Telling a potential employer that you left to find a better job says nothing negative about your abilities or those of former employers.  
SOURCE: PD:027  
SOURCE: Bailey, L.J. (2007). *Working* (4th ed) [p. 47]. Mason, OH: South-Western Cengage Learning.

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

96. B

Ask questions. Asking questions is an important part of the interview process. The interviewer will ask questions of the applicant, but the applicant also is usually given the opportunity to ask questions. Interviewees should be prepared to ask questions that indicate their interest in the business and in the job. Possible questions include asking about advancement opportunities, if additional training is provided, or when a decision will be made about filling the job. Some businesses require applicants to take tests before they are invited to interview. In most cases, applicants will not meet coworkers during the employment interview. Résumés are prepared and submitted in order to apply for a position and obtain a job interview.

SOURCE: PD:028

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (p. 140). New York: Glencoe/McGraw-Hill.

97. C

Yes, the worker can write if s/he has heard about a job opening. In some cases, a worker looking for a job will hear about a job opening from some other source than a job advertisement. It is acceptable for the worker to write a letter stating that s/he has heard of an opening and asking to be considered for the position. In some cases, this results in an interview and a job. Most companies do not discard such letters but keep them on file in case of future need. It would not be appropriate or practical to send letters to all businesses in the industry.

SOURCE: PD:030

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (pp. 493-494). New York: Glencoe/McGraw-Hill.

98. B

E-mail address. Today, many job applications are completed online and résumés are sent electronically. Also, many businesses communicate electronically with potential employees. Therefore, if individuals have an e-mail address, they include the address in the personal information section of their résumé to make it easy for the business to contact them. Information about a previous employer appears in the references section. It is not appropriate to include information about marital status. Information about volunteer experience appears in the work experience section.

SOURCE: PD:031

SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [pp. 641, 645]. Tinley Park, IL: The Goodheart-Willcox Co.

99. B

Work in a specific industry. Trade associations often provide continuing educational options for workers who want or need to expand their skills and knowledge in a specific industry, such as plumbing or building. As technology evolves, workers often need to attend classes, seminars, and workshops to keep up with the changes in their industry. Some trade associations offer management training classes, but not all workers need or want these types of skills. Workers who want to obtain a graduate degree need to attend a college or university that offers graduate-level programs. People who are near retirement are unlikely to attend continuing education classes or professional development seminars and workshops.

SOURCE: PD:033

SOURCE: OHBA. (2008). *Continuing education requirements to affect contractors*. Retrieved August 16, 2013, from <http://www.umpquavalleyhba.org/membership-information/ccb-continuing-education-requirements.html>

**SAMPLE BUSINESS ADMINISTRATION CORE EXAM—KEY**

100. A

Organizing. Organizing is the management function of setting up the way the business's work will be done. It includes identifying the jobs to be performed, assigning responsibility for them, establishing departments to handle the jobs, and determining how many and which employees managers will supervise. Planning involves deciding what will be done and how it will be accomplished. Staffing involves finding workers for the business. Controlling is the management function that monitors the work effort.

SOURCE: SM:001

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