

INTRODUCTION TO BUSINESS
MGT 211
Fall semester 2007
Mid term paper

Please highlight the correct option from the given choices.

- 1) A Pizza delivery service company generated after tax earnings of Rs. 800,000. With total stockholder investments equaling Rs. 20,00,000. What was the company's return on equity?
- a) 10%
 - b) 15%
 - c) 40%**
 - d) 80%
- 2) Components of Business Plan include all of the following except
- a) Marketing Component
 - b) Administrative Component
 - c) External Component**
 - d) Financial Component
- 3) An agreement between two parties in which one party possess the rights to the other party is
- a) Partnership
 - b) Strategic Alliance
 - c) Joint venture
 - d) Franchising**

4) The shareholders elect the Board of Directors in the

- a) Through special resolution
- b) In annual general meeting**
- c) In Special meeting
- d) In statutory meeting

5) Portion of the undistributed profit transferred to which of the following?

- a) General Reserve
- b) Retained Earning
- c) Appropriation account
- d) All of the given options**

6) Brief history, Auditor's report, shareholders' equity and liabilities, share capital, etc are mention in which of the document?

- a) Charter of Company
- b) Article of Association
- c) Prospectus**
- d) None of the given option

7) A joint stock company may be wound up voluntarily in which of the following way:

a) Expiry of Period

- b) Fails to submit statutory report
- c) Fails to start its business within one year from the date of incorporation
- d) All of the following

8) Capital is required for the purchase of land, machines, wages and raw materials. A businessman can generate its capital from:

- a) Debt
- b) Equity
- c) None of the above
- d) All of the given option**

9) Cooperative Societies are not formed for:

- a) The serving of the orphans and widows
- b) The help of poor people
- c) For the earning of profit**
- d) Social welfare

10) Which of the following is the source of acquiring of redeemable capital?

- a) Mudarbah Certificate
- b) Debentures
- c) Participation Term Certificates**
- d) All of the given option

Q# 11:

Which one of the following statements about marketing is inaccurate?

- a) **The growing number of products in all categories has made it easier for marketers to capture the attention of customers.**

- b) Marketing has to do with persuading customers a product meets their needs.
- c) The mass market has fragmented into many different groups of customers.
- d) Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers.

Q# 12:

The process of tracking the demand and satisfaction of customers in an effort to develop products they will want to buy on an ongoing basis is called _____.

- a) Marketing
- b) Business vision
- c) Product development
- d) **Customer relationship management**

Q# 13:

_____ is the typical sequence of changes in demand for a product that occurs over time.

- a) The business vision statement
- b) **The product life cycle**
- c) Marketing research
- d) A customer-oriented approach

Q# 14:

All of the following except _____ are considered to be correct statements about marketing research.

- a) It is a systematic search for information about customers' needs and how those needs differ
- b) Marketing research is geared to uncover unmet consumer needs
- c) With market research, the chance product development will be able to create a product consumers want to buy increases
- d) **Marketing research provides an inexpensive method for tracking consumer behavior**

Q#15:

When a company targets a particular group of customers because of their need for its product, it can be stated the company has identified its _____.

- a) Market differentiation
- b) Market mission
- c) **Market segment**
- d) Marketing plan

Q#16:

_____ is the combination of a product's qualities and features, its price, the way it is promoted and sold, and the places at which it is sold.

- a) **Marketing mix**
- b) Product mix
- c) Product differentiation
- d) Product positioning

Q# 17:

Which type of product promotion is identified as being direct, face-to-face communication by salespeople with existing and potential customers to promote a company's products?

- a) Sales promotion
- b) Public relations
- c) **Personal selling**
- d) Advertising

Q# 18:

The specific method a company uses to sell and deliver its products to customers is known as its _____.

- a) Retail intermediaries
- b) Direct distribution
- c) Distribution mix
- d) **Distribution channel**

Q#1 9:

Of the following distribution methods, which one is best identified as being that which occurs when a company delivers and sells products straight to the final customer?

- a) Independent wholesalers
- b) **Direct distribution**
- c) Company-owned distributors
- d) Retail distributors

Q# 20:

The combination of channels a company selects to place, promote, sell, and deliver its products to customers is best identified by which one of the following?

- a) Missionary selling
- b) Licensed distribution
- c) **Distribution mix**
- d) Distribution channel

Q# 21:

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

- a) Time
- b) Form
- c) **Loyalty**
- d) Ownership

Q# 22:

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

- a) Production
- b) Sales
- c) **Marketing**
- d) Relationship

Q# 23:

The marketing concept is:

- a) Companywide consumer orientation with the objective of achieving the maximum amount of profits.
- b) **Long-run success page.**
- c) Largest market share.
- d) Highest paid staff.

Q# 24:

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

- a) **Relationship Marketing**
- b) Marketing Era Marketing
- c) Consumer Marketing
- d) Exchange Marketing

Q# 25:

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

- a) **Sales process**
- b) Exchange process
- c) Relationship process
- d) Production process

Solved MCQs mgt211

Question # 1

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

Select correct option:

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

Question # 2

All of the following except _____ are considered to be correct statements about marketing research.

Select correct option:

- a. It is a systematic search for information about customers' needs and how those needs differ.
- b. Marketing research is geared to uncover unmet consumer needs
- c. With market research, the chance product development will be able to create a product consumers want to buy increases**
- d. Marketing research provides an inexpensive method for tracking consumer behavior

Question # 3

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

Select correct option:

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

Question # 4

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

Select correct option:

- a. **Deciding which market areas to manufacture products for**
- b. Designing and improving the jobs of the workforce
- c. Selecting the location and layout of a facility
- d. How to use quality techniques to reduce waste

Question # 5

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

Select correct option:

- a. **Order taker**
- b. Order getter
- c. Sales engineer
- d. Missionary salesperson

Question # 6

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

Select correct option:

- a. Wholesaling
- b. **Retailing**
- c. Marketing
- d. Distributing

Question # 7

Which of the following are the functions of management?

- a. Select correct option:
- b. Planning
- c. Organizing
- d. Coordinating

- e. **All of the given options**

Question # 8

A major advantage of the corporate form of organization is:

Select correct option:

- a. Reduction of double taxation.
- b. Limited owner liability.**
- c. Legal restrictions.
- d. Ease of organization

Question # 9

It is difficult to transfer the rights of ownership in:

Select correct option:

- a. Sole proprietorship
- b. Partnership**
- c. All the given options
- d. None of the given options

Question # 10

Statutory meeting must be held not later than _____ from the date on which a public company is entitled to commence business

Select correct option:

- a. 3 months**
- b. 6 months
- c. 1 year
- d. One month

Question # 11

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

Select correct option: **a. Earnings**

- b. Debt
- c. Liabilities
- d. Liquidity

Question # 12

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

Select correct option:

- a. Market penetrating
- b. Target Marketing
- c. Relationship marketing
- d. Market segmentation**

Question # 13

_____ refers to the standards of moral behavior.

Select correct option:

- a. Legality
- b. Loyalty
- c. Integrity

d. Ethics

Question # 14

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

Select correct option:

- a. Current account.
- b. Capital account

c. Balance of trade

d. Balance of payments

Question # 15

The World Trade Organization (WTO):

Select correct option:

- a. Sets tariffs to balance international trade among nations.
- b. Is the successor to NAFTA.
- c. Rules on trade disputes between nations.

d. Sets exchange rates to balance international trade among nations.

Question # 16

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

Select correct option:

- a. Planning

b. Organizing

c. Motivating

d. Leading

Question # 17

In democratic style of leadership there is:

Select correct option:

a. Upward communication

b. Upward and downward communication

c. Occasional communication

d. Downward communication

Question # 18

The following are included in a business plan:

Select correct option:

a. Financial information, production plans, personnel policies

b. Goals of the business and how they will be achieved.

c. Market analysis

d. All of the above.

Question # 19

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

Select correct option:

a. Observation and asking questions

b. Passive and remote observations

c. Through laboratory settings and onsite groups

d. With careful, selected shopper and specialized syndicated services

Question # 20

The major disadvantage of advertising on television is:

Select correct option:

a. Local market focus

b. Long life span

c. Cost.

d. Its inability to target specific audiences.

Question # 21

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

Select correct option:

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

Question # 22

For the individual employee, MBO provides:

Select correct option:

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

Question # 23

Examples of genetic industries include:

Select correct option:

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

Question # 24

Which of the following enjoys limited liability?

Select correct option:

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

Question # 25

JIT aims at:-

Select correct option:

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

Question # 26

Consumer goods are purchased by:

Select correct option: a. Business users.

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

Question # 27

The last step involved in designing an advertising campaign is _____.

Select correct option:

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

Question # 28

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

Select correct option:

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

Question # 29

Air crafts are used for transportation of products when speed is

Select correct option:

More important

Less important

Question # 30

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

Select correct option:

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

Question # 31

Which type of product promotion is identified as being direct, face-to-face communication by salespeople with existing and potential customers to promote a company's products?

Select correct option:

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

Question # 32

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

Select correct option:

- a. Job description.
- b. Human resource inventory report.
- c. Job analysis.**
- d. Job specification.

Question # 33

Aggregating prospective buyers into groups is called:

Select correct option:

- a. Market categorization
- b. Market segmentation**
- c. BCG matrix analysis
- d. Grouping

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

Question #34

Franchisors like franchising because:

Select correct option:

- a. They get a huge amount of money from franchisee without doing much
- b. Failure rate of franchise business is lower than other businesses.

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

d. All of the given

Question # 35

Auditors are generally appointed and their remuneration, fixed at the _____

Select correct option:

Extraordinary Meeting

Statutory Meeting

Director's Meeting

Annual General Meeting

Question #36

Which of the following is included in economic factors?

Select correct option:

Religion

Value system

Norms

Exchange rate

Question # 37

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

Select correct option:

Accounting plan Production strategy

Business plan

Information systems

Question # 38

_____ refers to the standards of moral behavior.

Select correct option:

Legality

Loyalty

Integrity

Ethics

Question # 39

Skyscrapers, pop-ups, and banners are all types of _____ advertising.

Select correct option:

Television

Radio

Outdoor

Internet

Question # 40

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

Select correct option:

- a. **Medical tests**
 - b. Background investigations.
 - c. Aptitude tests
 - d. Application forms.
-
- 1) Which of the following business type has longest life time?
 1. Sole proprietorship
 2. Partnership
 3. **Joint stock company**
 4. All of the given options
 - 2) Election of the Board of Directors is done by Shareholders.
 1. Through special resolution
 2. **In annual general meeting**
 3. In Special meeting
 4. In statutory meeting
 - 3) Which of the following business type, has to pay double taxes to the government?
 1. Sole proprietorship
 2. Partnership
 3. **Joint stock company**
 4. Cooperative Societies
 - 4) _____ includes the rules and regulations, necessary to manage the internal affairs of the company.
 1. Memorandum of Association
 2. **Article of Association**
 3. Prospectus
 4. All of the given option

- 5) General information like Appointment, election and powers of directors, voting rights and transfer of shares mention in _____.
1. Charter of Company
 2. Article of Association
 - 3. Prospectus**
 4. None of the given option
- 6) To call the extraordinary meeting, how many days' notice is required?
- 1. 21 days**
 2. 15 days
 3. 07 days
 4. 30 days
- 7) According to Section 305 of Companies Ordinance, a company may wound up **by court** under which of the following circumstances:
1. Statutory Declaration
 - 2. Fails to submit statutory report**
 3. Expiry of Period
 4. Appointment of Liquidators
- 8) Which of the following is the source of acquiring of redeemable capital?
1. Modarba Certificate
 2. Debentures
 - 3. Participation Term Certificates**
 4. All of the given option
- 9) Normally some part of Capital is kept for the payment of debts at the time of winding up, is called as:
- 1. Reserve capital**
 2. Un-Issued Capital
 3. Un-Called up Capital
 4. All of the given option
- 10) The following person cannot make a petition to the court to get an order for winding up of a company.
- 1. Petition by debtor**
 2. Petition by creditor
 3. Petition by contributory
 4. All of the above

- 1) Which of the following is the disadvantage of modified schedules and alternative workplace?
 - a. Freedom in professional and personal life
 - b. More Job satisfaction
 - c. Complicated coordination**
 - d. Suitable for self starter who require little direct supervision

- 2) Among different managerial styles, which of the following allows most rapid decision making?
 - a. Autocratic styles**
 - b. Democratic styles
 - c. Free rein style
 - d. None of the given option

- 3) _____ is the process of motivating others to work to meet specific objectives.
 - a. Leadership**
 - b. Motivation
 - c. Free rein style
 - d. Democratic style

- 4) Which of the following represents the set of procedures involving both managers and subordinates in setting goals and evaluating progress?
 - a. Participative Management and Empowerment
 - b. Management by Objectives (MBO)**
 - c. Reinforcement/Behavior Modification Theory
 - d. None of the given option

- 5) The internal environment consists of the insides forces that influence marketing strategy and decision making is/are as follows:
 - a. Organization Policies
 - b. Product Policies
 - c. Management Structure
 - d. All of the given option**

- 6) A specific communication task to be accomplished with a specific target audience during a specific period of time is called as:
- Marketing Mix
 - Advertising objective**
 - Market segmentation
 - Marketing process
- 7) Dividing a market into distance groups of buyers who have distinct needs, characteristics, or behavior and who might require separate products or marketing mixes.
- Market segmentation**
 - Marketing Mix
 - Marketing Penetration
 - Marketing control
- 8) The actors and forces outside marketing that affect marketing management's ability to build and maintain successful relationship with target customers are called as:
- Marketing Environment**
 - Market segmentation
 - Marketing Mix
 - Marketing Penetration
- 9) The set of controllable tactical marketing tools-product, price, place and promotion that the firm blends to produce the response it wants in the target market.
- Market segmentation
 - Marketing Mix**
 - Marketing Penetration
 - Marketing Environment
- 10) Motor cycle and car are very different from one another, but both fulfill the need for transport is an example of:
- Substitute product competition**
 - Brand competition
 - International competition:
 - Market competition

- 11) Physical distribution is a channel to make availability of _____ from producer to consumer.
- a. **Finished goods**
 - b. Work in process
 - c. Raw material
 - d. All of the given option
- 12) Advertising strategies often depend on the product life cycle stage. Example in case of introductory stage, which of the following advertising strategy is used:
- a. Persuasive advertising
 - b. Comparative advertising
 - c. **Informative advertising**
 - d. Reminder advertising
 - e. None of the given options
- 13) A _____ is a promotional approach that encourages consumer demand, which then exerts pressure on wholesalers and retailers to carry a product.
- a. **Pull strategy**
 - b. Push strategy
 - c. Persuasive advertising
 - d. Sales Promotion
- 14) _____ includes rental or mortgage payments, insurance, and wages. Other cost includes material handling and inventory control.
- a. **Warehousing cost**
 - b. Transportation cost
 - c. Distribution cost
 - d. Manufacturing cost
- 15) Personal selling task in which salespeople try to persuade buyers to purchase products by providing information about their benefits is:
- a. Order Processing
 - b. **Creative Selling**
 - c. Missionary Selling
 - d. None of the given option
- 16) Consumer promotion aimed at the _____ and Trade promotion aimed at wholesalers and retailers.
- a. **Final consumer**
 - b. Retailer
 - c. Wholesalers
 - d. All of the given options
- 17) In which of the following, Companies rent booths to display and demonstrate products to customers who have a special interest or are ready to buy.

- a. **Trade Shows**
- b. Contests
- c. Cross-promotion
- d. Special-event sponsorship

18) _____ is the planning, organizing, directing, and controlling of all the activities needed to get high-quality goods and services into the marketplace.

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

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

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

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

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

Q 1.

1. A major disadvantage of corporate organization is

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

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

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

3. Wages are paid for

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

4. Pakistan is exporting

- Sports Item
- Agriculture Product
- Textile Product
- **All of given options**

5. Managers have _____ type of skills

- 2
- **3**
- 4
- 5

6. The process of attracting the people for job

- **Recruitment**
- Special skills
- Supervision
- Job Specification

7. What is the method of on job training?

- Lectures
- Vestibule
- Videos
- **None of given options**

8. The liability of a sole trader is _____

- limited Only to his investment in the business
- Limited to the total resources of the business
- **Unlimited**
- Not defined

9. Genetic industry means

- Canal
- Sugar mill
- **Poultry**
- Agriculture

10. The first stage Evolution business is?

- **Industry revolution**
- Globalization
- Entrepreneurship
- Marketing era