

Competency-Based
Competitive Events
Written Exam
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Test Number 1061
Booklet Number _____

Business Administration

Core Exam

INSTRUCTIONS: This is a timed, comprehensive exam for the occupational area identified above. Do not open this booklet until instructed to do so by the testing monitor. You will have _____ minutes to complete all questions.

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

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

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

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

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

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

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

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

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