

1. When filing a tort against a business, the plaintiff must establish that the defendant
 - A. damaged property intentionally.
 - B. breached the duty of care.
 - C. conspired with a competitor.
 - D. violated the doctrine of sovereign immunity.
2. A debtor-creditor relationship exists when
 - A. interest is charged.
 - B. a sale is paid in full.
 - C. a contract is invalidated.
 - D. stocks are liquidated.
3. Which of the following is an example of a responsibility associated with administrative law:
 - A. A defendant receiving the right to legal counsel
 - B. An appeals-court judge overturning a lower court's ruling
 - C. A government agency approving the distribution of a new medication
 - D. A nation's president signing a trade agreement
4. What question is important to ask when determining if online sources are providing reliable information for a research report?
 - A. Do I need to provide a bibliography?
 - B. Do I agree with the opinions expressed in the article?
 - C. Can the author be quoted?
 - D. What are the author's credentials?
5. Jacob was nervous about making his valedictorian speech, but when he stood up to walk to the podium, the audience cheered and gave him a standing ovation, which helped him relax and enjoy the moment. What was the audience doing?
 - A. Engaging in passive listening
 - B. Mocking the speaker
 - C. Exhibiting unprofessional behavior
 - D. Encouraging the speaker
6. When Amber walked by Ryan's desk, she noticed that Ryan was raking his left hand through his hair, that his face was red, and that he kept hitting the enter button on keyboard with his right hand, while frowning at his computer screen. Based on his nonverbal cues, Amber would probably assume that Ryan was
 - A. frustrated.
 - B. patient.
 - C. bored.
 - D. enthusiastic.
7. Is it a legitimate response to a customer's inquiry for an employee to say that s/he doesn't know the answer to a customer's question?
 - A. No. It is the employee's responsibility to learn every aspect of the business and to be able to answer every question.
 - B. Yes, if the employee doesn't know the answer to the customer's question, then the customer will find another employee to provide the information.
 - C. No. Customers do not respect employees who cannot answer simple questions, so it is better to provide them with an educated guess.
 - D. Yes, if the employee advises the customer that s/he will get the information and will respond to the customer as soon as possible.
8. 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.
9. Businesspeople are more likely to accept a new idea if the idea will
 - A. impact the economy.
 - B. require additional resources.
 - C. improve a situation.
 - D. involve a lot of risk.

10. Brooke is attending a meeting to discuss an upcoming project that she will be working on. To take effective notes during the meeting, Brooke must
- A. answer questions.
 - B. listen carefully.
 - C. express opinions.
 - D. develop a briefing.
11. It is most appropriate to format a section of a document with a numbered list, when you are
- A. including a testimonial in a promotional piece.
 - B. identifying the sequential steps of a process.
 - C. using charts to summarize information.
 - D. providing a detailed example to clarify a concept.
12. 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. Researching
 - B. Editing
 - C. Organizing
 - D. Formatting
13. An e-mail message that is sent to a coworker should contain
- A. essential information.
 - B. an urgent tone.
 - C. a persuasive argument.
 - D. encouraging news.
14. Mitchell is writing an e-mail to a company asking for some information that he needs to complete a research project. What is the most effective way to close the message?
- A. I wish you the best of luck.
 - B. I need this information ASAP.
 - C. I appreciate your help with this issue.
 - D. I apologize for the inconvenience.
15. An effective executive summary should contain the
- A. results of the marketing-research efforts.
 - B. necessary background for making quick decisions.
 - C. most important points from the report.
 - D. list of report elements and appendices.
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 is an example of an employee using nonverbal communication effectively to reinforce his/her service orientation:
- A. Tristan answered his office telephone and said, "Blanton Industries. How can I help you?"
 - B. When Mrs. Jones complained that her steak was not cooked the way she wanted it, Leah rolled her eyes.
 - C. Molly nodded and maintained eye contact as Ms. West explained the problem with her computer.
 - D. Paul crossed his arms and tapped his foot impatiently as Mr. Cook asked about a charge on his bank statement.
18. Oliver is a Canadian businessperson who will be traveling to Scotland to close an important business deal. Does Oliver need to alter his communication style to adapt to the Scottish culture?
- A. Yes. Oliver should do some research on Scottish culture, so he doesn't do or say something offensive.
 - B. Yes. Scottish people tend to dislike Canadians for many reasons, so Oliver needs to make sure he is behaving appropriately.
 - C. No. Scottish people speak English, so Oliver does not need to do anything special to prepare for the trip.
 - D. No. Western cultures tend to have similar cultural attitudes and practices, so Oliver does not need to research Scottish etiquette.

19. What types of behaviors and traits should employees exhibit to reinforce a company's image and to build repeat business?
- A. Helpful, aggressive, and friendly
 - B. Consistent, knowledgeable, and helpful
 - C. Friendly, consistent, and passive
 - D. Knowledgeable, consistent, and aggressive
20. A company places a confidentiality statement at the bottom of its web site's home page that states:
- "This company will not release your information unless you direct us to do so, or unless we are legally obligated to provide certain information to authorized agencies."
- What is the significance of the statement?
- A. It expresses the company's vision for the future.
 - B. It communicates the company's commitment to protect its customers' privacy.
 - C. It describes the company's incentive and loyalty program.
 - D. It outlines the company's policies regarding public information.
21. An apparel company's target market is 18- to 34-year-old females. What form of technology can the company use to communicate on an ongoing basis with its customers at their convenience?
- A. Infomercial
 - B. Telemarketing
 - C. Social media
 - D. Instructional
22. When Angela spent her birthday money on a designer handbag, the opportunity cost was
- A. reading a book.
 - B. hanging out with friends.
 - C. buying concert tickets.
 - D. working out at the gym.
23. The ELG Company is organized by its offerings, which includes a skin-care line, a cosmetics line, a hair-care line, and a line of fragrances or perfumes. This is an example of a _____ organizational structure based on _____.
- A. functional, market
 - B. divisional, product
 - C. matrix, location
 - D. bureaucratic, department
24. The Canadian-based ZRV Company is allowing a Brazilian company to produce and sell products with the ZRV name and logo in exchange for royalties. ZRV is expanding into global markets by
- A. forming a multinational alliance.
 - B. exporting goods and services.
 - C. creating a wholly owned subsidiary.
 - D. selling licensing rights.
25. When a civil war started in an oil-abundant country, fuel prices increased dramatically around the world. As a result, businesses were forced to increase the prices of their products to offset the increases in their transportation costs. This situation illustrates the ways in which
- A. political factors affect the business environment.
 - B. organizational changes affect consumer attitudes.
 - C. technological advancements create unmet needs.
 - D. exclusive agreements are detrimental to society.
26. Which of the following statements is true regarding all types of economic systems:
- A. Bartering is the primary medium of exchange.
 - B. The government controls the natural and human resources.
 - C. Participants include producers, consumers, and government.
 - D. Economic markets consist of more sellers than buyers.
27. What type of tax do businesses collect for items such as books, flowers, and shoes?
- A. Sales
 - B. Income
 - C. Estate
 - D. Property

28. As office manager of a small consulting firm, Isabelle is in charge of processing payroll, tracking accounts payables and receivables, negotiating terms with vendors, and preparing a variety of company reports. This is an example of
- A. job enlargement.
 - B. job rotation.
 - C. task specialization.
 - D. specialization by trade.
29. Consumer spending is likely to decrease when
- A. unemployment levels decrease for at least a year.
 - B. interest rates decrease substantially.
 - C. the production of goods and services increases.
 - D. a federal-income tax increase is implemented.
30. Which of the following statements is true about inflation:
- A. It decreases the value of money.
 - B. It has little effect on consumers' ability to save.
 - C. It is usually caused by a supply surplus.
 - D. It increases when the money supply decreases.
31. Avery is a recent college graduate who is not working and is actively looking for a job. This is an example of _____ unemployment.
- A. structural
 - B. frictional
 - C. cyclical
 - D. relational
32. When interest rates are low, businesses tend to
- A. implement selling policies.
 - B. decrease production.
 - C. borrow for expansion.
 - D. charge sales tax.
33. If a country exports more than it imports, the demand for that country's currency will likely
- A. stabilize over time.
 - B. decrease.
 - C. increase.
 - D. remain the same.
34. Although Ed is a dedicated and knowledgeable employee, he is having a problem adjusting to the fact that his new project manager is a woman. Ed is accustomed to seeing women in more passive roles within his native country. This situation is an example of
- A. cultural baggage.
 - B. self actualization.
 - C. self discipline.
 - D. cultural reliance.
35. An effective way for a company to reduce the number of distorted or false rumors that circulate the company grapevine is by
- A. limiting the employees' contact with one another.
 - B. improving its formal communication with employees.
 - C. meeting with employees to review their performance.
 - D. developing ethical policies to guide the employees' behavior.
36. Porter said to the group, "If we agree to proceed with this plan, the company's profitability will increase substantially. Because the company will be saving a lot of money, we are more likely to receive a higher pay increase next year." Porter is persuading the group members by
- A. expressing empathy.
 - B. promoting benefits.
 - C. exerting his authority.
 - D. arguing on minor points.
37. Claire said, "We need to resolve this quantity-discount issue and reach agreement by next Tuesday. If we can't, I will solicit bids from other vendors." What negotiating strategy is Claire using with her vendor?
- A. Good cop/Bad cop
 - B. Deadline driven
 - C. Limited authority
 - D. Compromise

38. Matthew and Miranda are equal partners in a small consulting firm. They have allocated eight percent of last year's profits to make business improvements. Matthew wants to purchase a new copy machine, while Miranda would rather paint the building and make it look more inviting to their clients. What is the reason for Matthew and Miranda's conflict?
- A. Limited resources
 - B. Unclear boundaries
 - C. Inconsistent behavior
 - D. Authority
39. Katie is feeling stressed because she is getting married next month, moving to a new city after the wedding, and starting a new job after she moves. As a result, she is tired because she isn't sleeping well and can't focus at work. What is the source of Katie's stress?
- A. Workplace burnout
 - B. Multiple lifestyle changes
 - C. Long-term financial difficulties
 - D. Serious illness
40. Determine if the following statement is true or false: In effective work teams, every team member takes on a leadership role.
- A. True. Because every team member is expected to set individual team goals, all members are all leaders.
 - B. True. Because every team member contributes unique skills and talents, each person has the potential to lead the team in different ways.
 - C. False. Team members need the direction and guidance of a single person with broad knowledge and insight.
 - D. False. A team leader is necessary because s/he is responsible for establishing the team's goals and monitoring the workload.
41. Determine if the following statement is true or false: Each group member has equal power in reaching a consensus.
- A. False. Consensus requires a few group members who have power.
 - B. True. A majority rule voting process determines the outcome.
 - C. False. Consensus involves rule by a single leader.
 - D. True. Each group member has equal power to say yes or no.
42. The Hilbert Company's employees receive a quarterly bonus for achieving their quotas. The company is motivating employees by
- A. contributing to a retirement fund.
 - B. offering a profit-sharing plan.
 - C. providing stock ownership options.
 - D. linking pay to performance.
43. Connor has the ability to look at situations in different ways, which helps him to resolve many of the business problems that his company encounters. What characteristic of leadership is Connor exhibiting?
- A. Integrity
 - B. Credibility
 - C. Authenticity
 - D. Creativity
44. What is true about personal vision?
- A. Specific goals are necessary to determine your vision.
 - B. Realistic visions are based on mission statements.
 - C. Good visions have permanent results.
 - D. Achievable visions are time bound.
45. To demonstrate adaptability, it is important to recognize that
- A. you can control the way others react.
 - B. it is always okay to stay in your comfort zone.
 - C. circumstances are always changing.
 - D. fear of the unknown induces change.
46. Because Emma wants to excel in her job, she talks with her manager to get suggestions for ways in which she can improve her efficiency and work quality. Emma is exhibiting an achievement orientation by
- A. taking risks.
 - B. soliciting feedback.
 - C. being patient.
 - D. setting goals.

47. To effectively lead change, you must first
- A. indicate why the change is necessary.
 - B. point out why others' ideas are unacceptable.
 - C. monitor how others will view the change.
 - D. communicate the urgency of the issue.
48. Effective collaborative partnerships among colleagues require
- A. a sense of urgency.
 - B. absence of conflict.
 - C. authoritarian leadership.
 - D. compatible goals.
49. Mia makes a conscious effort to dress professionally, arrive at work on time, work late when necessary, take on extra assignments, and be respectful of and helpful to influential employees. As a result of Mia's professional dedication, the company has implemented many of her ideas. This is an example of an employee using _____ to achieve organizational goals.
- A. reciprocity
 - B. impression management
 - C. excessive flattery
 - D. codependency
50. Which of the following is a disadvantage of a checking account:
- A. Online transaction options
 - B. Direct payroll deposit
 - C. Overdraft protection
 - D. Account balance requirement
51. The yen, peso, and euro are types of
- A. dollars.
 - B. bonds.
 - C. stock.
 - D. money.
52. When Brandon lost his job due to downsizing, the government sent him an unemployment check to help him cover his living expenses until he found another job. What is Brandon's source of income?
- A. Rebate
 - B. Transfer payment
 - C. Refund
 - D. Wage garnishment
53. Max set a financial goal of saving \$2,000 in the next year. On a whim, Max saw a new video game that he wanted, so instead of putting a portion of his paycheck in his savings account, he used that money to purchase the game. What barrier is preventing Max from reaching his goal?
- A. Overuse of credit
 - B. Impulsive spending
 - C. Unexpected needs
 - D. Loss of income
54. When reconciling your check register, it is important to _____ your balance.
- A. subtract your earned interest from
 - B. add your debit card transactions to
 - C. subtract all applicable fees from
 - D. add ATM withdrawals to
55. It is important to review your credit report on a regular basis to
- A. set your credit limit.
 - B. change your credit score.
 - C. identify discriminatory practices.
 - D. verify its accuracy.
56. Monitoring financial accounts and reading bank statements on a regular basis can help detect activities associated with
- A. personal hijacking.
 - B. property infringement.
 - C. identity theft.
 - D. securities fraud.
57. Individuals are most likely to require the services of a mortgage company when they want to
- A. invest in the stock market.
 - B. acquire liability insurance.
 - C. purchase real estate.
 - D. earn interest on savings.

58. While reviewing financial information, Troy noted that the company earned \$245,956 in January, \$248,122 in February, and \$252,878 in March. Which of the following most likely summarizes the company's financial situation:
- A. Cash flow continues to be tight.
 - B. Sales are steadily increasing.
 - C. Accounts receivable exceed accounts payable.
 - D. Capital assets are depreciating at a slower rate.
59. Accounting software applications facilitate a business's ability to efficiently track income and expenses, manage inventory, and
- A. plan work projects.
 - B. process payroll.
 - C. establish insurance policies.
 - D. organize media transcripts.
60. A primary reason governments regulate business accounting practices is to
- A. balance the business's budget.
 - B. certify aging accounts.
 - C. stabilize tax revenue.
 - D. ensure consistent reporting.
61. Balancing the business's objective to make a profit with the interests of all the business's stakeholders is a primary consideration related to the business's
- A. financial ethics.
 - B. creative processes.
 - C. maintenance activities.
 - D. forecasting methods.
62. Instead of transferring the company's money to the company's bank account, Oscar placed it in an offshore bank account that only he had access to. When the company's officers found out what Oscar had been doing, they filed charges against him, and law enforcement officers arrested Oscar for
- A. embezzlement.
 - B. securities fraud.
 - C. insider trading.
 - D. espionage.
63. What is the advantage of using a rolling or continuous budget?
- A. It eliminates the need for the business to develop a master budget.
 - B. It requires managers to demonstrate the need for every expense at one time.
 - C. It provides managers with the ability to accurately forecast unexpected expenses.
 - D. It encourages managers to assess activities and adjust figures more frequently.
64. Is it unethical for a manager to promote an employee who is also the manager's friend?
- A. Yes, it is appropriate to promote a friend.
 - B. No, if the employee is not the same gender as the manager.
 - C. No, if the appropriate procedures are followed, and the employee is the most qualified candidate.
 - D. Yes, other employees will file discrimination claims, which will damage the company's reputation.
65. A well-prepared new employee orientation program should
- A. verify the new employees' job qualifications.
 - B. outline the employer's specific financial goals.
 - C. communicate the employer's philosophy and expectations.
 - D. set aside time to negotiate the employees' salary requirements.
66. What type of buying behavior involves low customer involvement, significant brand awareness, and a desire for change?
- A. Variety-seeking
 - B. Risk-taking
 - C. Status-oriented
 - D. Brand-insisted
67. Employees can help their employers meet important deadlines by
- A. resolving complaints.
 - B. staying on task.
 - C. improving profitability.
 - D. following trends.

68. The following statement appeared in an online journal article written by Dr. Lydia Garrett:
- “Dr. Sanderson has limited expertise in the area of biophysics, and I do not believe that he has conducted enough research to support his theory.”
- This is an example of
- A. hearsay.
 - B. supporting evidence.
 - C. an opinion.
 - D. a fact.
69. Eric is viewing the results for an online search about the current economic situation in North America. Which of the following is going to provide Eric with the most reliable information:
- A. A six-page report written in 2009 by a Canadore College student for an economics class
 - B. An article written by a Harvard economics professor that was published in a business magazine last month
 - C. An excerpt from a second-edition high-school economics textbook that was published in the fall of 2005
 - D. A two-day-old video clip of a CNN interview with a 16-year-old entrepreneur from Sheboygan, Wisconsin
70. Due to obsolescence, the format in which a business stores its information must often be
- A. archived.
 - B. updated.
 - C. processed.
 - D. summarized.
71. The Lee Company must pay a settlement to Smith Industries because Lee used Smith's logo on its web site and other printed materials without Smith's permission. The Lee Company has violated
- A. trade-secret regulations.
 - B. intellectual property laws.
 - C. patent-registration codes.
 - D. local ordinances.
72. Important functions of a business's information system are to help it to _____ its important facts and data.
- A. organize and store
 - B. mediate and retrieve
 - C. analyze and instruct
 - D. duplicate and renew
73. William is thinking about getting a new smartphone, so he logged on a well known web site to read others' opinions and experiences with different types of smartphones that are currently on the market. William is reading Internet product reviews to
- A. reaffirm his recent purchasing selection.
 - B. compare the prices of smartphones from various online stores.
 - C. determine which company has the best phone plan.
 - D. make an informed buying decision.
74. What types of applications help computer users manage their appointments and work activities through e-mail software programs?
- A. Address book, task, and workbook features
 - B. Calendar, address book, and view mechanisms
 - C. Contact, workbook, and view settings
 - D. Task, calendar, and contact functions
75. A business wants to send a mailing to all customers who have ordered at least \$2,500 in merchandise in the past year. To obtain the appropriate list of customers, the business should set the query by
- A. sales dollars and dates.
 - B. last name and account number.
 - C. product code and zip code.
 - D. credit rating and location.
76. Haley has completed a new page to add to her employer's existing web site. What does she need to do next?
- A. Upload the page to the web server
 - B. Obtain a domain name
 - C. Select an Internet service provider
 - D. Add the page to the internal network

77. When an existing customer's contact information changes, what should a company do?
- Update the customer's record in the company database
 - Create a new record that contains the customer's changes
 - Add the customer's record in the employee directory
 - Enter the customer's contact information in a new database
78. During the busy tourist season, a coastal surf shop sold 398 beach balls in June, 924 beach balls in July, and 537 beach balls in August. This information reveals that
- the supply of beach balls declined in June by four percent.
 - more tourists purchased beach balls in July than June and August combined.
 - beach-ball production rates increased in August.
 - the demand for beach balls peaked during July.
79. Which of the following is unethical behavior in the operations function of business:
- Using negotiating techniques to encourage a vendor to make concessions
 - Sharing a vendor's competitive bid information with another supplier
 - Developing scorecards to evaluate suppliers' performance levels
 - Setting deadlines for vendors to submit their bids
80. WTZ Manufacturing acquired new equipment that performs production activities that were previously carried out by employees. This is an example of
- ergonomics.
 - customization.
 - outsourcing.
 - automation.
81. Trevor works with dangerous equipment on a busy production line. Several months ago, he noticed that one of the machines was not operating correctly, so he notified his supervisor about the problem. Since then, Trevor has reminded his supervisor about the issue several times and has reported the problem to the vice president of operations. Still, the machine has not been fixed. Should Trevor report the noncompliance to the government?
- No. Trevor's nagging is causing friction with his company's management staff, and he could lose his job for stirring up trouble.
 - Yes. Before he reports the noncompliance, Trevor should tell his supervisor what he plans to do, and use the information as leverage to get a promotion.
 - No. Trevor has done all he can to resolve the issue and it is up to management to schedule the repair.
 - Yes. Management is behaving irresponsibly because the equipment may injure the workers who use it.
82. What is needed to effectively handle situations such as fire, injury, bomb threats, and robbery that might occur on the business's property?
- An emergency plan
 - An operating strategy
 - A surveillance system
 - An evacuation map
83. Lily is the last employee to leave the building today. To reduce the risk of theft, Lily should _____ before she _____.
- turn off the lights, sets the security alarm
 - set the security alarm, locks the doors
 - turn on the surveillance camera, adjusts the thermostat
 - adjust the thermostat, turns on the surveillance camera
84. Why might a business obtain a trademark for its intellectual property?
- To protect the integrity of the business's logo
 - To prevent the publication of the business's written work
 - To keep competitors from using the business's manufacturing processes
 - To stop the unauthorized use of the business's inventions

85. Which of the following is an activity performed during the planning phase of a project:
- A. Schedule implementation (execution)
 - B. Budget development
 - C. Concept identification
 - D. Feasibility analysis
86. Tatiana is a project manager who is ready to close a project, and has scheduled a “lessons learned” meeting with the project team. What will Tatiana most likely include on her meeting agenda?
- A. The definition of the project's purpose
 - B. Discussion of specific challenges encountered
 - C. Explanation of the stakeholders' expectations
 - D. The distribution of project resources allocated
87. As owner of the Zoom Company, Trinda will need to manage the bidding process between possible suppliers. She created the following chart as part of the process. Which factor does Zoom Scooter Co. feel is the most important when evaluating suppliers?

Supplier: Ace Tires, Inc.		
Category	Score (1-5)	Weight
Cost structure	3	0.4
On-time delivery	4	0.2
Product quality	5	0.3
Technological capability	5	0.1

- A. Product quality
 - B. On-time delivery
 - C. Cost structure
 - D. Technological capability
88. What is an important consideration for many large businesses when they are selecting vendors?
- A. Segmentation method
 - B. Technological capabilities
 - C. Compensation policies
 - D. Asset depreciation
89. An automobile company conducted systematic accident simulations by crashing their cars and trucks into cement walls at various speeds. Results of the simulation were used to evaluate how well the vehicles held up and to determine weaknesses in the vehicles' structure. What quality control method is the company using?
- A. Material classification
 - B. Random inspection
 - C. Product testing
 - D. Commodities sampling
90. Which of the following expenses should Charlene categorize as a fixed cost:
- A. Cost of goods sold
 - B. Delivery charges
 - C. Rent
 - D. Commissions
91. Martin had a problem obtaining information that he needed to perform his job. One day, Martin had an idea that he thought would resolve his problem, and discussed the idea with his manager. Martin's manager liked the idea and set up a meeting with the company's IT department staff members to discuss it in further detail. During the meeting, the participants determined that it was feasible to expand and implement this idea over a period of several months in a way that would benefit Martin, as well as other departments, which would increase the company's overall efficiency. In this situation, the source of innovation is
- A. Martin.
 - B. the management team.
 - C. the technology department.
 - D. the employees.
92. You should obtain maximum input from others when you are making decisions that
- A. are routine in nature.
 - B. affect others significantly.
 - C. require logical thinking.
 - D. involve limited consideration.

93. William was having a hard time coming up with ideas to solve a problem that he was having at work. He decided to write down some things that he could do to make the problem worse. He then reviewed each negative statement and thought of ways to improve the situation. What problem-solving technique was William using?
- A. Appreciative inquiry
 - B. Mind mapping
 - C. Reverse brainstorming
 - D. Attribute listing
94. Because Valerie has the ability to look at issues and problems without bias, she often comes up with very innovative ideas and solutions. What trait of creativity does Valerie possess?
- A. Curiosity
 - B. Open-mindedness
 - C. Independence
 - D. Self-awareness
95. Because Alexa enjoys working with children and has a knack for developing fun activities that help them understand puzzles and numerical formulas, she might consider a career as a
- A. math teacher.
 - B. graphic designer.
 - C. computer programmer.
 - D. financial planner.
96. As a new business owner, Thomas is willing to work long hours, watch his spending, and sacrifice his social life to focus on building his clientele. What entrepreneurial trait is Thomas exhibiting?
- A. Objectivity
 - B. Humility
 - C. Organization
 - D. Determination
97. What is the first step in completing a job application?
- A. Listing personal references
 - B. Completing the form's work history section
 - C. Identifying questions that do not apply to the applicant
 - D. Reading the entire form to follow directions
98. An effective way to close a job interview follow-up letter is to
- A. reinforce your interest in the position.
 - B. communicate your minimum salary requirements.
 - C. acknowledge your desire to be promoted.
 - D. ask the interviewer to read your résumé.
99. Last week, Marcus attended a friend's birthday party and talked with Lynnette, a manager with the Trendall and Young accounting firm. Marcus mentioned that he is a technology major and will be looking for a job after he graduates in June. Lynnette gave Marcus her business card, and told him that her firm might be hiring during the summer months. The interaction between Marcus and Lynnette is an example of
- A. informal interviewing.
 - B. social etiquette.
 - C. professional networking.
 - D. community resourcing.
100. Which of the following is an example of career advancement within a company:
- A. Audrey was hired as a sales coordinator, was promoted to salesperson, and is now sales manager of CTK Corporation.
 - B. After RQW Technologies offered Dylan a similar management position and 15% salary increase, he resigned as systems manager with TechFi.com.
 - C. When James reached his 25-year anniversary as production manager of Whitman Manufacturing, he decided to retire.
 - D. Julia accepted a marketing manager position with GZA International because she became bored with her advertising coordinator position with Drexall Publishing.

1. B

Breached the duty of care. The duty of care is the basic principle that expects all individuals and businesses to exhibit socially responsible behavior by using caution to prevent harm and by watching out for one another. A tort is a private wrongdoing that potentially harms another person or entity. If a business or one of its employees breaches the duty of care, the business may be held liable for the tort. However, the plaintiff must have grounds or proof that establishes that the business or its employee (defendant) has committed a wrongful act, thereby breaching the duty of care. Intentional damage and conspiring with a competitor (collusion) are types of torts. The doctrine of sovereign immunity is the universally accepted principle that each nation has the right to manage its own government and develop its own laws.

SOURCE: BL:069

SOURCE: McAdams, T., Neslund, N., & Neslund, K. (2007). *Law, business, and society* (8th ed.) [pp. 259-260]. Boston: McGraw-Hill/Irwin.

2. A

Interest is charged. When an individual or business charges interest on money that another individual or business borrows, a debtor-creditor relationship exists. An invalid contract and a sale that is paid in full at the time of transaction do not establish a debtor-creditor relationship. In some situations, a debtor may liquidate stocks to pay a creditor; however, this does not always occur.

SOURCE: BL:071

SOURCE: Executive's Tax and Management Report. (2003, September 1). *Factors that establish a debtor/creditor relationship*. Retrieved August 17, 2010, from <http://www.accessmylibrary.com/article-1G1-109084099/factors-establish-debtorcreditor-relationship.html>

3. C

A government agency approving the distribution of a new medication. Administrative law is a branch of law that addresses the rules and regulations that have been established by governmental agencies. The legislative branch of the government (i.e., U.S. Congress and Canadian Parliament) establishes governmental agencies, and gives them the authority to enact and enforce regulations for different types of administrative functions, such as approving the distribution of a new medication within a certain jurisdiction. The judicial branch of government has the authority over the appeals process in the court system. Procedural law deals with the activities that ensure due process and protects certain rights, such as an individual's right to legal counsel. In the U.S., the president's duties are part of the executive branch of the government.

SOURCE: BL:074

SOURCE: McAdams, T., Neslund, N., & Neslund, K. (2007). *Law, business, and society* (8th ed.) [pp. 316-318]. Boston: McGraw-Hill/Irwin.

4. D

What are the author's credentials? When identifying sources that provide relevant, valid written material, the researcher evaluates a variety of factors, including the credibility of the author. A credible author would have expertise and knowledge of the topic at hand. For example, an economics professor's article about aggregate demand would tend to be more trustworthy than if the article was written by a construction worker. Research reports should look at a topic from different viewpoints to ensure that it is objective and free of bias. Whether the author can be quoted or if a bibliography is required are not questions that address the reliability of the online information.

SOURCE: CO:054

SOURCE: Ormondroyd, J., Engle, M., & Cosgrove, T. (2011, February 16). *Critically analyzing information sources*. Retrieved February 24, 2011, from <http://onlinuris.library.cornell.edu/ref/research/skill26.htm>

5. D

Encouraging the speaker. In many cultures, a standing ovation is the ultimate show of support for a speaker. It indicates the audience's respect for the speaker, and its desire to hear what the speaker has to say. Because cheering provides positive feedback, the audience was not mocking or insulting the speaker. Some cultures might view the audience's behavior as unruly or disrespectful; however, this situation involves a school event, rather than a business event, so the audience isn't exhibiting unprofessional behavior. Because Jacob has not started speaking, the audience is not actively listening to what he is saying.

SOURCE: CO:082

SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [p. 101]. Upper Saddle River, NJ: Pearson Prentice Hall.

6. A

Frustrated. Nonverbal cues can tell others a lot about your emotions. In this situation, Ryan's nonverbal behavior indicated that he was frustrated because he couldn't get his computer to do what he wanted it to do. If Ryan was patient, he would not continuously hit his keyboard, turn red, or frown. If Ryan was bored, he would be inattentive about his situation or surroundings. He might even yawn or do something other than computer work for a while. Enthusiasm is associated with a positive attitude.

SOURCE: CO:059

SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [pp. 54-57]. Upper Saddle River, NJ: Pearson Prentice Hall.

7. D

Yes, if the employee advises the customer that s/he will get the information and will respond to the customer as soon as possible. If an employee doesn't know the answer to a question, s/he should be honest with the customer. However, it is important for the employee to go a step further. This step might involve letting the customer know where s/he can find the information or for employee to obtain the information and provide the customer with an answer in a timely manner. Customers are more likely to respect an employee who is honest with them and is willing to do what s/he can to help them. Employees should not guess because the information they provide may be incorrect or misleading. Employees do not need to know every aspect of the business; however, they should learn enough about the business to know from where or from whom the customer can obtain the desired information.

SOURCE: CO:060

SOURCE: Lesikar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [pp. 119-121]. Boston: McGraw-Hill/Irwin.

8. 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.

9. C

Improve a situation. To get others to accept your idea, you must indicate how the idea will improve a situation or provide a benefit. Feasible business ideas might include improvements such as increasing profits, efficiency, sales, market share, etc. Feasible ideas may or may not impact the economy, involve a lot of risk, or require additional resources. Businesspeople are more likely to scrutinize and want supporting evidence for ideas that require additional resources or involve high risk taking, which could make acceptance more challenging.

SOURCE: CO:061

SOURCE: Baumgartner, J. (2008, May 18). *How to evaluate ideas*. Retrieved February 25, 2011, from <http://www.innovationtools.com/Articles/EnterpriseDetails.asp?a=316>

10. B

Listen carefully. Brooke must listen to the speaker so she can identify the key points that she wants to write down. By noting the key points, Brooke will be able to refer the most important information when she needs it later. Effective note-taking does not involve answering questions or expressing opinions. Brooke might need her notes to develop a briefing, which is a summary of important information or instructions.

SOURCE: CO:085

SOURCE: Student Planning Center. (n.d.). *Effective note-taking*. Retrieved January 21, 2011, from <http://slc.berkeley.edu/studystrategies/calren/notetaking1.html>

11. B

Identifying the sequential steps of a process. When describing activities that need to be done in a specific order, the writer might want to number the steps to set the process apart from the text and to clarify the process. One testimonial or a single piece of information does not require a numerical designation to reinforce the order of content. Charts are graphics that summarize numerical data. A narrative writing format is usually most appropriate when providing an example to clarify a concept.

SOURCE: CO:088

SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [p.155]. Upper Saddle River, NJ: Pearson Prentice Hall.

12. B

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 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.

13. A

Essential information. E-mail is a quick, efficient way to communicate with customers and coworkers. The primary reason for writing the e-mail message is to inform others about various business activities; therefore, it should be written in a friendly, professional manner that contains essential information. Businesspeople tend to receive a lot of e-mail messages, so it is important to get to the point quickly. The message should be concise, free of typographical errors, and grammatically correct. The e-mail message may or may not be urgent, persuasive, or encouraging in nature—these factors depend on the purpose of the message.

SOURCE: CO:090

SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [pp. 183-186]. Upper Saddle River, NJ: Pearson Prentice Hall.

14. C

I appreciate your help with this issue. An inquiry is a request for information. Letters of inquiry are requests for information such as product specifications, prices, job openings, proposals, expertise or consultation, etc. Letting the message recipient know that you appreciate his/her time and effort is a cordial way to close the message. The message sender might state a time when s/he plans to follow-up with the recipient. Closing the message by saying the information is needed ASAP is rude and unprofessional. Wishing the message recipient luck and extending an apology are inappropriate closings for the situation at hand.

SOURCE: CO:040

SOURCE: WriteExpress Corporation. (n.d.). *Write inquiries*. Retrieved March 1, 2011, from <http://www.writeexpress.com/inquiry.htm>

15. C

Most important points from the report. The executive summary is usually placed at the beginning of a long or complex report (e.g., business plan). The purpose of the executive summary is to provide the reader with an overview of the entire document. The audience tends to read the executive summary first to decide whether it is worthwhile to read any further. The document is usually one to three pages long, so it should be concise and contain the most important points or facts of the overall report. The report's introduction often includes necessary background information that the reader needs; however, the reader should not make quick decisions by considering only this information. Businesspeople write many types of reports; therefore, the report may or may not contain marketing-research results, depending on the report's purpose. The list of report elements is called the table of contents, which often advises readers where in the report they can find any appendices that the report includes.

SOURCE: CO:091

SOURCE: Leskiar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [p. 348]. Boston: McGraw-Hill/Irwin.

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. C

Molly nodded and maintained eye contact as Ms. West explained the problem with her computer. Having a service orientation involves expressing a positive, helpful attitude with the business's customers. Employees' gestures and facial expressions convey their attitudes, which customers often believe is a reflection of the business's attitudes. Because Molly nodded and maintained eye contact with Ms. West while she was explaining a computer problem, Molly was indicating that she was listening and willing to help her customer. Employees are not exhibiting a service orientation by behaving rudely, which may include rolling their eyes, crossing their arms, and being impatient with customers. Tristan was demonstrating a service orientation through his verbal rather than his nonverbal communication.

SOURCE: CR:005

SOURCE: Odgers, P. (2004). *The world of customer service* (pp. 97-100). Mason, OH: South-Western.

18. A

Yes. Oliver should do some research on Scottish culture, so he doesn't do or say something offensive. The Western culture may share some similar beliefs and customs, but countries within the culture do vary in terms of time, space, language, dining habits, gestures, etc. Oliver should do some research to learn about how Scottish culture differs from his own. By doing so, he can adapt his verbal and nonverbal communication to reduce the risk of doing or saying something that may offend the Scottish businesspeople and jeopardize the deal. Canadians may speak French and/or English. Scottish people speak English and/or Gaelic. The meanings of English words can vary among the English-speaking countries. Not all Scottish people dislike all Canadians.

SOURCE: CR:019

SOURCE: Culture Crossing. (n.d.). *Scotland-the facts*. Retrieved February 24, 2011, from http://www.culturecrossing.net/basics_business_student.php?id=242

19. B
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.
20. B
It communicates the company's commitment to protect its customers' privacy. An ethical company implements strategies to protect its customers' privacy. Communicating how the company will protect its customers' privacy helps to build the customers' trust. If customers feel that the company respects their privacy, they are more likely to trust the company and become loyal customers. Loyal customers provide the company with repeat sales and long-term relationships. A company's vision statement expresses its desire for the future. The statement on the company's web site does not describe public information policies or specific details about its incentive and loyalty program.
SOURCE: CR:017
SOURCE: Vanguard. (1995-2011). *Confidentiality statement*. Retrieved February 21, 2011, from <https://institutional.vanguard.com/VGApp/iip/site/institutional/confidentialitystatement>
21. C
Social media. Businesses have the ability to up set accounts with social networking web sites such as Facebook, Twitter, and Myspace, which help them stay in contact with customers (fans) on an ongoing basis. The social networking sites can provide insight about customers' lifestyles and preferences, and then businesses can use the information to customize customer appeals and promotions. Telemarketing practices and television infomercials are not communication vehicles that businesses use for ongoing two-way communication at the customers' convenience. Instructional software applications are used to support students' learning and academic development.
SOURCE: CR:018
SOURCE: Herrmann, K. (2009). *Social CRM solution: The integration of social media and traditional CRM*. Retrieved March 2, 2011, from <http://www.scribd.com/doc/15858916/Social-CRM-Solution-The-integration-of-social-media-traditional-CRM>
22. C
Buying concert tickets. Opportunity cost is the benefit that is lost when you decide to use scarce resources for one purpose rather than another. In Angela's situation, her scarce resource was money. Because she decided to purchase a handbag, she didn't have enough money to buy concert tickets. Hanging out with friends, reading a book, and working out at the gym are activities that involve time rather than money.
SOURCE: EC:001
SOURCE: EC LAP 6—Are You Satisfied? (Concept of Economics)

23. B

Divisional, product. A company that segments its operations by the type of item it sells is using a divisional organizational structure based on product. Large companies may also use a divisional structure based on the markets they serve. For example, motels, hotels, and resorts attract different types of people or markets. Another form of divisional organization involves segmenting the business by geographic location. A functional organizational structure is organized by a particular area of expertise or business function or department. For example, the finance function of a business might segment its activities in the areas of credit, accounting, and investing. Matrix organizational structures tend to share resources. Frequently, employees with certain skills will be assigned different types of projects based on the organization's needs. Large, inflexible organizations may use a bureaucratic structure, which is a structure that is often associated with the way governments operate.

SOURCE: EC:103

SOURCE: Bushman, M. (2007, January 18). *Functional, divisional, and matrix organizational structures*. Retrieved February 22, 2011, from http://www.associatedcontent.com/article/120970/functional_divisional_and_matrix_organizational.html?cat=3

24. D

Selling licensing rights. Licensing occurs when one company allows another to produce and market its products in exchange for royalties. Exporting involves selling goods and services to governments or businesses in foreign countries. A wholly owned subsidiary involves establishing or purchasing a facility in a foreign country. A multinational firm is a company that operates on a worldwide scale, though it is organized under the laws of its home nation.

SOURCE: EC:104

SOURCE: EC LAP 22—Stretch Your Boundaries (Global Environment's Impact on Business)

25. A

Political factors affect the business environment. Uncertainty due to changes in a country's government or political environment can affect the way businesses operate—particularly when the country has scarce natural resources that are in high demand, such as oil. Organizational changes, such as mergers, executive resignations, and product-line changes are internal factors that affect the business environment. The situation does not refer to technology or exclusive (selling) agreements.

SOURCE: EC:105

SOURCE: NetMBA Knowledge Center. (2002-2010). *SWOT analysis*. Retrieved March 1, 2011, from <http://www.netmba.com/strategy/swot/>

26. C

Participants include producers, consumers, and government. Certain elements are found in all types of economic systems. Every economic system has participants—producers, consumers, and government. Producers make or provide products, consumers purchase products, and the government makes and enforces the country's laws. The level of government control varies by the type of economic system. Markets are arrangements for the buying and selling of goods and services. Economic markets are made up of both buyers and sellers. The number of buyers and sellers differs and fluctuates among the different types of economic systems. Bartering involves trading or exchanging one item for another. Money is the most common medium of exchange in economic systems.

SOURCE: EC:007

SOURCE: EC LAP 17—Who's the Boss? (Economic Systems)

27. A

Sales. Governments levy taxes to raise money to pay for various programs and initiatives. Sales tax is typically charged on nonessential goods such as books, flowers, and shoes. Businesses (e.g., retailers) that sell the goods collect the sales tax from their customers and give the money to the government at set intervals. Governments levy income taxes, which are based on earnings (e.g., wages). Inherited items are subject to estate taxes. Governments levy property taxes on land and property.

SOURCE: EC:072

SOURCE: Lowe, R.E., Malouf, C.A., & Jacobson, A.R. (2003). *Consumer education & economics* (5th ed.) [p. 148]. New York: Glencoe/McGraw-Hill.

28. A

Job enlargement. Job enlargement involves combining different tasks into one position. Employees may perform different types of tasks during the course of one day. Because Isabelle is not performing one very specialized task day in and day out, she is less likely to become bored with her job. Job rotation involves moving from one job to another job within an organization. Job rotation helps employees learn new tasks and understand how a variety of tasks relate to others in the organization. Task specialization involves becoming highly skilled in one, very small portion of a job. Specialization by trade is the type of work that a person performs in order to earn a living, such as engineering, public-relations, or accounting.

SOURCE: EC:014

SOURCE: EC LAP 7—Divide and Conquer (Specialization and the Division of Labor)

29. D

A federal-income tax increase is implemented. Consumer spending is one factor that indicates well-being of the economy. If the government increases taxes, consumers have less money to spend on other things. Spending also tends to decrease as unemployment increases because consumers are not working and do not have income to spend. Low interest rates and increased business activity are factors that indicate that the economy is growing and that consumers are spending their money.

SOURCE: EC:081

SOURCE: Tutor2u.net. (n.d.) *Consumer spending and saving*. Retrieved February 23, 2011, from <http://tutor2u.net/economics/revision-notes/as-macro-consumer-spending-and-saving.html>

30. A

It decreases the value of money. Inflation is a rise in prices. When there is a rapid rise in prices, it takes more money to buy the same item. When this occurs, individuals and businesses buy less with the same amount of money—the value of money decreases. Inflation can occur when there is an increase in the money supply or when the availability of an item drops, but the demand remains the same or increases. When prices increase, individuals and businesses often have less money to save and invest.

SOURCE: EC:083

SOURCE: Tahir, M. (2010, March 8). *What causes inflation?* Retrieved February 23, 2011, from <http://ezinearticles.com/?What-Causes-Inflation?&id=3888578>

31. B

Frictional. Frictional unemployment is always present in the economy and occurs because there are always workers who are in transition. Transitions occur for a variety of reasons. Avery is transitioning from being a college student to being a member of the workforce. Other transitions might include reentering the workforce after raising children or a change of career path. Structural unemployment occurs when the demand for certain types of workers declines and is often due to technology advancements and the need for new skills. Cyclical employment is the result of changes in the economic and business cycles. For example, if the GDP declines, unemployment tends to increase. Relational is not a type of unemployment.

SOURCE: EC:082

SOURCE: Moffatt, M. (n.d.). *What are the three types of unemployment?* Retrieved February 23, 2011, from http://economics.about.com/od/typesofunemployment/p/three_types_of_unemployment.htm

32. C

Borrow for expansion. The interest rate is the percentage figure used to calculate interest. Many factors affect interest rates, including government policies and the business cycle. Businesses often expand when interest rates are low because it is less expensive to borrow money. Production is likely to increase when interest rates are low because consumers tend to make larger purchases (e.g., homes, cars) because it is less expensive to borrow money. When interest rates decrease, businesses may adjust their credit policies rather than their selling policies. Governments levy sales taxes.

SOURCE: EC:084

SOURCE: Financial Web. (n.d.). *Factors that affect interest rates*. Retrieved March 1, 2010, from <http://www.finweb.com/banking-credit/factors-influencing-interest-rates.html>

33. C

Increase. Balance of trade is one of many factors that affect the value of a country's currency. Because it is difficult to achieve an equal balance of trade, currencies always fluctuate to some degree. When a country exports more items than it imports over a period of time, the country's currency value increases. This is because exporters are exchanging foreign currency for their domestic currency, driving up the value of the domestic currency. When a country imports more than it exports, its currency value tends to decline, the opposite tends to occur. Importers are exchanging their domestic currency for foreign currencies to purchase foreign goods, which lowers the value of the domestic currency.

SOURCE: EC:100

SOURCE: Finweb.com. (n.d.). *What factors determine currency exchange rates?* Retrieved February 23, 2011, from <http://www.finweb.com/investing/what-factors-determine-currency-exchange-rates.html>

34. A

Cultural baggage. Culture is the customs, habits, and traditions of a particular group. Each nation has its own culture, which influences how their members view or experience other cultures. When people bring those views and experiences to other cultures and feel conflicted about them, they are said to have cultural baggage. Oftentimes, individuals do not realize that their cultural backgrounds impact their feelings about and behavior toward members of other cultures. For example, Ed may be an individual who has worked in another country (culture) for a long time. He may have adapted to different aspects of that culture, and he may consider himself part of the culture's subculture. However, due to his upbringing or long-term exposure to his native country's culture, he may carry cultural "baggage" into the subculture, which is the country in which he works. Self actualization is maximizing or reaching your full potential. Self discipline is the ability to train yourself to act in ways that will further your goals. Cultural reliance is a fictitious term.

SOURCE: EC:045

SOURCE: Culture Crossing. (n.d.). *Explore your cultural baggage.* Retrieved February 25, 2010, from <http://www.culturecrossing.net/explore.php>

35. B

Improving its formal communication with employees. The grapevine is an informal method of communication. It often provides accurate, positive information, but it can also communicate negative, distorted, or incorrect information or rumors. For example, employees who hear and spread rumors about layoffs or salary cuts may not have sent or received accurate or complete information. If management does not address the rumors, they can cause friction and anxiety in the workplace. To combat rumors, management can take steps by communicating regularly with its employees through e-mail, newsletters, memos, and meetings. By addressing rumors and responding honestly before the rumors get out of hand, employees are more likely to trust and respect management, and listen less to the negative communication that travels through the grapevine. In some situations, managers may not legally be able to talk about issues, but it is important that they acknowledge the situation and explain why they cannot comment. Successful businesses depend on employees who collaborate, so limiting their contact is a detrimental and unrealistic option. The purpose of conducting employee performance reviews is to evaluate an employee's work. Conducting performance reviews will not eliminate grapevine communication. Developing ethics policies is important; however, unless the policies are communicated to employees, the policies are pointless.

SOURCE: EI:038

SOURCE: DuBrin, A. (2009). *Essentials of management: Instructor's edition* (8th ed.) [pp. 416-417]. Mason, OH: South-Western Cengage Learning.

36. B

Promoting benefits. Persuasion is the ability to get people to see things your way, to do things your way, and to agree with you. Persuasion often involves appealing to others' wants and needs, and presenting information in such a way that it encourages them to support the idea or action. In the example, Porter discussed the benefit of a pay raise. Empathy is the ability to identify with another person's thoughts, feelings, values, and actions. There is no indication that Porter holds a position of authority or that he is arguing with someone on minor points.

SOURCE: EI:012

SOURCE: QS LAP 10—Win Them Over (Persuade Others)

37. B

Deadline driven. The deadline-driven strategy involves one party giving the other party a time limit to take action. In the example, Claire gave her vendor a deadline—next Tuesday—to resolve a particular point. Good cop/Bad cop is a negotiating strategy that involves at least two people on one side of the negotiation; of the two people, one person is reasonable and agrees with the opposing party, while the other is unreasonable and disagrees with the opposing party. Limited authority is a negotiating strategy in which one person claims that s/he does not have the authority to make a decision and must consult another person who is not present during the negotiation process. Bargaining is a negotiating technique that involves giving one person something s/he wants, and receiving something desired in return, which involves compromising.

SOURCE: EI:062

SOURCE: EI LAP 8—Make It a Win-Win (Negotiation in Business)

38. A

Limited resources. In this situation, Matthew and Miranda were disagreeing about how to spend a set amount of money, which is a limited resource. Matthew and Miranda are equal partners in the firm, so the disagreement did not involve questioning or wanting authority. There is no indication that Matthew or Miranda was behaving inconsistently or were unclear about any boundaries.

SOURCE: EI:015

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

39. B

Multiple lifestyle changes. Stress is a mental, physical, or emotional feeling of pressure or tension and can be influenced by many factors. In Katie's situation, she is experiencing several life-changing events all at once—getting married, moving, and starting a new job. When stress increases or continues for a long period of time, it may negatively affect a person's physical health. Because Katie isn't sleeping well, she is tired and unable to focus on her work. When an employee is unable to focus on work, s/he is more likely to make mistakes. There is no indication that Katie is experiencing workplace burnout, long-term financial difficulties, or a serious illness.

SOURCE: EI:028

SOURCE: Wallace, H.R., & Masters, L.A. (2006). *Personal development for life & work* (9th ed.) [pp. 308-310]. Mason, OH: South-Western Cengage Learning.

40. B

True. Because every team member contributes unique skills and talents, each person has the potential to lead the team in different ways. Teams differ from groups in a variety of ways. In teams, each member possesses different skills and knowledge to achieve goals that team members set together. Each team member takes on a leadership role in relation to his/her expertise and strengths to guide others and to complete various tasks to achieve the team's goals. In effective teams, every member shares accountability, collaborates with one another, and encourages objectivity and creativity. In groups, group members follow one leader who establishes the goals. Members work individually and are personally held accountable for their actions.

SOURCE: EI:045

SOURCE: QS LAP 6—Lean on Me (Teamwork)

41. D

True. Each group member has equal power to say yes or no. Consensus is a decision-making outcome that requires the substantial agreement of each group member. To reach consensus, the option doesn't have to be each group member's first choice, but the option must be agreed upon as an acceptable option by all members of the group. Minority rule means that a few people in the group make the decision. Consensus is not minority rule, is not rule by a single leader, and is not reached by a majority rule vote in which all options are not acceptable to the group members.

SOURCE: EI:011

SOURCE: EI LAP 19—It's a Group Thing (Consensus Building)

42. D
Linking pay to performance. A financial incentive such as a bonus is a common way to reward employees and motivate them to continue working hard. If they continue to work hard, they may receive another bonus. In this way, the company is linking pay to employee performance. The bonus is not a component of the company's profit-sharing plan, stock-ownership options, or retirement fund.
SOURCE: EI:059
SOURCE: DuBrin, A. (2009). *Essentials of management: Instructor's edition* (8th ed.) [pp. 392-393]. Mason, OH: South-Western Cengage Learning.
43. D
Creativity. Effective leaders generate new ideas and approaches to make improvements and solve problems—they are exhibiting creativity. Credibility is a person's believability. Authenticity is being genuine and sincere. Integrity is adhering to an established set of personal ethics and sound moral principles.
SOURCE: EI:009
SOURCE: EI LAP 16—Lead the Way (Concept of Leadership)
44. C
Good visions have permanent results. A vision is a desire for the future that is achieved over time with determination and hard work. Good visions create positive results and may involve the input of many people over a long period of time. Visions are not based on mission statements, nor do they start out with specific goals. Visions are timeless rather than time bound.
SOURCE: EI:063
SOURCE: QS LAP 11—Picture This!
45. C
Circumstances are always changing. To be adaptable, you must first recognize that circumstances are always changing. When you recognize that change is inevitable, then you can relax and develop a mindset to “expect the unexpected,” which will better help you handle changes when they occur. Staying in your comfort zone and being fearful are barriers to adaptability. Although you can't control the way others react in a situation, you can control the way you react.
SOURCE: EI:006
SOURCE: QS LAP 15—Stuff Happens! (Adaptability)
46. B
Soliciting feedback. Achievement orientation is a drive to accomplish one's goals and to meet or exceed a high standard of success. Achievement-oriented people often want to do things better or more efficiently than they have been done in the past. To find better ways to do things, achievement-oriented people solicit feedback from others—coworkers, managers, etc. Emma is not setting goals, taking risks, or being patient.
SOURCE: EI:027
SOURCE: EI LAP 10—High Hopes (Developing an Achievement Orientation)
47. A
Indicate why the change is necessary. To effectively lead change, you must be able to guide others and persuade them to alter their opinions or actions. Because some individuals have a difficult time accepting and making changes, change leaders must be able to explain why the change is necessary and how the change will benefit them. Others may or may not have other ideas about implementing change. Immediately pointing out the negative aspects of others' ideas may put them on the defensive, and hinder your effectiveness to persuade the individuals to accept your suggested change. You cannot assess how others will view the suggested change until the change has been discussed. The reason for the change should be communicated, regardless of the urgency of the issue.
SOURCE: EI:005
SOURCE: QS LAP 23—20/20 Foresight

48. D

Compatible goals. Collaborative partnerships involve finding common ways to achieve compatible goals. The goals do not need to be the same for each partner, nor do they always involve urgent issues or responses. Disagreement or conflict may occur when collaborating. Collaborative partnerships do not work well under authoritarian leadership—they require open-mindedness, flexibility, and innovativeness.

SOURCE: EI:061

SOURCE: North Central Regional Educational Laboratory. (n.d.). *Chapter 1: Building collaborative partnerships*. Retrieved March 2, 2011, from <http://www.ncrel.org/sdrs/areas/issues/envrnmnt/css/ppt/chap1>.

49. B

Impression management. If an employee has the ability to influence other workers' opinions or actions within the company, the employee is fostering political relationships. Building positive political relationships in the workplace begins by identifying and carrying out actions that will foster positive relationships, which is impression management. Reciprocity involves doing something for another person and expecting that person to return the favor at another time. Codependency is putting others' needs above your own and can lead to dysfunctional relationships. Excessive flattery often comes across as an insincere way of trying to get something from another person.

SOURCE: EI:034

SOURCE: Kreitner, R., & Kinicki, A. (2004). *Organizational behavior* (6th ed.) [pp. 578-580]. New York: The McGraw-Hill Companies.

50. D

Account balance requirement. Financial institutions often require customers to maintain a certain amount of money in their bank accounts. The account holder may be charged fees, if the minimal account balance requirements are not met. Direct payroll deposit, overdraft protection, and online banking service are benefits or services that many types of checking-account products offer that customers may need to pay fees to obtain.

SOURCE: FI:058

SOURCE: Kapoor, J.R., Dlabay, L.R., & Hughes, R.J. (2009). *Personal finance* (9th ed.) [pp. 155-156, 158]. New York: McGraw-Hill Irwin.

51. D

Money. Money is the most common medium of exchange. Countries use different forms of currency. For example, the Japanese use the yen, Mexico uses the peso, many European countries use the euro, and the United States and Canada use the dollar. A bond is a lending security, and stock is an ownership security.

SOURCE: FI:059

SOURCE: Phelps, C. (1999-2011). *Types of foreign currency*. Retrieved February 23, 2011, from http://www.ehow.com/about_5349743_types-foreign-currency.html

52. B

Transfer payment. Income is money received from outside sources. Sources of income include salaries, interest earned, dividends, rent, and transfer payments. Transfer payments are monies paid by the government in which no goods or services are received in exchange, such as welfare benefits, veterans' benefits, disaster aid, and unemployment. To receive transfer payments, individuals, businesses, or jurisdictions must meet certain criteria. A rebate is a return of part of the price a customer pays for a product, usually from the product's manufacturer. A refund is a sum of money given back to individuals or businesses. Refunds are issued when an excessive amount has been paid (e.g., tax refund) or when items have been returned to a business. Wage garnishments are court-ordered initiatives that involve taking income taken from an employee's salary and submitting it to another person or organization. Examples of garnishments include child support and alimony.

SOURCE: FI:061

SOURCE: WebFinance. (2010). *Transfer payments*. Retrieved January 21, 2011, from http://www.investorwords.com/5050/transfer_payments.html

53. B

Impulsive spending. Many situations can prevent individuals from reaching their financial goals. When people lose their jobs or need to get their cars fixed, their financial goals may be temporarily sidetracked. Overusing and repaying credit cards can also affect an individual's ability to achieve his/her financial goals. An individual who must pay off credit-card debt has less money available to save and invest. In Max's situation, impulsive spending derailed his financial goals. He saw something that he wanted right away, so he bought it without thinking about the consequences. It will likely take Max longer to reach his savings goal.

SOURCE: FI:065

SOURCE: QS LAP 31—Set Yourself Up

54. C

Subtract all applicable fees from. The check register is a central location to record and track all of the checks that you write and the amount of money you spend in your checking account. Each month, you receive a bank statement that details your checking-account activity. You should reconcile your check register with your bank statement to ensure that they match. This step is important for many reasons. For example, if you forget to enter transactions in your check register, you may overdraw your account and be fined for insufficient funds. When reconciling your check register, you want to make sure that you have subtracted all fees including debit card transactions and ATM withdrawals. You should add the interest earned if your account is set up to earn interest.

SOURCE: FI:069

SOURCE: Kapoor, J.R., Dlabay, L.R., & Hughes, R.J. (2009). *Personal finance* (9th ed.) [pp. 159-160]. New York: McGraw-Hill Irwin.

55. D

Verify its accuracy. A credit report is a record of your credit history. Businesses and individuals can obtain their credit reports from authorized credit bureaus. The advantage to reviewing your credit report on a regular basis is that you can verify that the information is correct. Incorrect information can affect your ability to obtain credit or a loan, so it is important to check for and correct any inaccurate information that you find in your credit report. Businesses and individuals can improve their credit scores by using credit wisely and by taking action to correct inaccurate information; however, they cannot change credit scores—only authorized credit bureaus can do so. Credit-card issuers set credit limits and often review your credit report to determine the amount of credit they are willing to extend to you. Credit reports do not identify discriminatory practices.

SOURCE: FI:072

SOURCE: Kapoor, J.R., Dlabay, L.R., & Hughes, R.J. (2009). *Personal finance* (9th ed.) [pp. 182-183, 191-192]. New York: McGraw-Hill Irwin.

56. C

Identity theft. Monitoring financial accounts and reading bank statements helps you identify unusual transactions, purchases, or money withdrawals. If inconsistencies are detected, you can notify your financial-services providers to hold or close your accounts to prevent further use by identity thieves. Intellectual property infringement involves using copyrighted, trademarked, or patented property without the owner's permission. Hijacking is using force to seize a vehicle (e.g., aircraft, car) in transit. Securities fraud involves using deception to convince investors to purchase securities.

SOURCE: FI:073

SOURCE: Federal Trade Commission. (n.d.). *Deter detect defend: Fighting back against identity theft*. Retrieved January 21, 2011, from <http://www.ftc.gov/bcp/edu/microsites/idtheft/consumers/deter-detect-defend.html>

57. C

Purchase real estate. Mortgages are loans specifically designed for the purchase of real estate—land, residences, and other types of buildings. Individuals may want to purchase a home to live in or an apartment building to lease to others. Apartment buildings allow individuals to generate income by renting apartment space to others. To transfer risk, individuals purchase various types of insurance from insurance companies. To invest in the stock market, an individual is likely to consult with a stockbroker or a financial planner. Deposit-taking institutions (e.g., retail banks) provide savings accounts on which individuals can earn interest.

SOURCE: FI:075

SOURCE: Arthur, L., & Bailey, H. (n.d.). *What is a mortgage company?* Retrieved February 23, 2011, from <http://www.wisegeek.com/what-is-a-mortgage-company.htm>

58. B

Sales are steadily increasing. One reason that businesses analyze financial information is to identify trends. In the example, the company's income has been steadily increasing for three months. Businesses generate income in a number of ways, and product sales are usually the greatest source of income for a business. If sales are increasing, the company may be able to expand or increase the employees' salaries. With the information provided, it cannot be determined if cash flow continues to be tight for the business, if accounts receivable exceeds accounts payable, or if the depreciation rate of capital assets is slower.

SOURCE: FI:579

SOURCE: Dlabay, L.R., & Burrow, J.L. (2008). *Business finance* (p. 342). South-Western Cengage Learning.

59. B

Process payroll. Accounting software programs allow businesses to efficiently track various financial data and generate financial reports. Businesses use accounting software to track budgets, income, expenses, and bank transactions. Many comprehensive accounting software programs have applications to process payroll and taxes, forecast sales, and manage inventory. Businesses use project-management software to plan and execute projects. Businesses do not use accounting software to establish insurance policies or to organize media transcripts.

SOURCE: FI:352

SOURCE: Intuit, Inc. (2011). *Compare QuickBooks products*. Retrieved March 7, 2011, from <http://quickbooks.intuit.com/product/accounting-software/quickbooks-comparison-chart.jsp>

60. D

Ensure consistent reporting. The accounting function is responsible for collecting and reporting the business's financial information. Governments require businesses to provide certain types of financial information to regulatory agencies and shareholders in specific ways. By requiring businesses to follow the same standards and rules, financial reports are prepared in a consistent way, so the information is clear to all people who read and work with financial information. The primary reason that governments regulate business accounting practices is not to certify aging accounts, stabilize tax revenue, or to balance the business's budget.

SOURCE: FI:353

SOURCE: Guerrieri, D.J., Haber, F.B., Hoyt, W.B., & Turner, R.E. (2004). *Accounting: Real-world applications & connections (First-year course)* [pp. 32-34]. New York: Glencoe/McGraw-Hill.

61. A

Financial ethics. An important aspect of financial ethics is making sure the business makes a profit and serves the best interests of its stakeholders (e.g., employees, customers, investors). This would include honest communication, transparent financial reporting, and fair pricing practices. Creative processes, maintenance activities, and forecasting methods are important business considerations; however, these activities are not directly related the business's profitability and the stakeholders' best interests.

SOURCE: FI:355

SOURCE: Peavler, R. (n.d.). *Financial ethics will improve the profitability of your small business*. Retrieved March 7, 2011, from http://bizfinance.about.com/od/fraud/a/Financial_Ethics.htm

62. A

Embezzlement. Embezzlement involves theft of valuables that have been entrusted to another's care. In the example, the company entrusted Oscar with placing the company's money in one account, and instead, Oscar put the money in a bank account that only he had access to. Oscar was stealing money from the company. Insider trading involves leaking information to others that is not known to the public. Securities fraud involves the use of misleading sales tactics to persuade investors to purchase securities. Espionage involves revealing confidential information without the source or owner's permission and is often associated with spying.

SOURCE: FI:356

SOURCE: Farlex, Inc. (2011) *Embezzle-definition*. Retrieved March 7, 2011, from <http://www.thefreedictionary.com/embezzle>

63. D

It encourages managers to assess activities and adjust figures more frequently. A rolling (continuous) budget replaces each passing month with a new month added to the end of the budget, so there is always a year-long budget in place. Because a new month is added to the budget on a regular basis, managers need to assess and adjust figures on a monthly basis to reflect the various factors that influence business activities. By being able to change and adapt, the rolling budget provides the business with flexibility. The zero-based budgeting method requires managers to demonstrate the need for every expense. Although unexpected expenses do come up and should be a consideration when establishing any type of budget, a rolling budget does not provide managers with an advantage over other budgeting methods in terms of forecasting unexpected expenses. A rolling budget does not eliminate the need for a master budget. A master budget can be developed using the rolling budget methodology.

SOURCE: FI:106

SOURCE: FI LAP 3—Money Tracks (Nature of Budgets)

64. C

No, if the appropriate procedures are followed, and the employee is the most qualified candidate. Employees often form friendships with their coworkers, managers, and subordinates. It is important, however, that the managers remain objective and place the company's best interest above their personal feelings or relationships when making job-related decisions. If a manager follows the company's interviewing and hiring protocol, and the employee is the most qualified candidate, then it is not unethical to offer the employee the promotion. Basing a decision on an employee's gender may be unethical and is considered a form of discrimination. It cannot be assumed that other candidates will file discrimination claims if one employee is promoted.

SOURCE: HR:411

SOURCE: McNamara, C. (n.d.). *Complete guide to ethics management: An ethics toolkit for managers*. Retrieved March 4, 2011, from <http://managementhelp.org/ethics/ethxgde.htm>

65. C

Communicate the employer's philosophy and expectations. A good orientation program sets the tone for the new hire's experience with the company. It answers basic questions for new employees and helps them to feel welcome and comfortable in their new surroundings. It often involves giving tours to familiarize the employees with the facilities, completing the required paperwork, distributing employee handbooks, and introducing them to their new colleagues. A very important aspect of orientation is to communicate the employer's philosophy and behavioral expectations so the employee can adapt accordingly. The purpose of the orientation session is not to go over specific financial goals. Job qualifications are verified during the interview process. Salaries are negotiated after the employer extends the job offer and before the candidate (new employee) accepts the offer.

SOURCE: HR:360

SOURCE: Hewitt, D. (n.d.). *About employee orientation programs*. Retrieved February 23, 2011, from http://www.ehow.com/about_4680954_employee-orientation-programs.html

66. A
Variety-seeking. This type of buying behavior usually involves the purchase of routine items such as cookies, shampoo, and socks. The buyer might be very aware of the differences among brands, but feels a desire to try something different. Because the items are relatively inexpensive, there is no great risk in trying something new. Brand insistence occurs when a buyer will not buy anything other than a specific brand or product. People who purchase status-oriented items are motivated by a desire to have the best quality, most expensive, or trendiest goods and services.
SOURCE: MK:014
SOURCE: Kotler, P., & Armstrong, G. (2008). *Principles of marketing* (12th ed.) [pp. 146-147]. Upper Saddle River, NJ: Prentice-Hall.
67. B
Staying on task. Employees who stay on task are focused on the activity at hand and do not allow themselves to be distracted. When employees are focused on their work, they are more likely to finish their assignments and meet deadlines. Meeting deadlines is an important aspect of achieving the company's goals. Tasks vary by job and may or may not include communicating with customers and vendors, finishing reports, and developing products within a set time frame. Following trends is an ongoing process that helps the company identify new markets and changing needs and, if acted upon, can improve the company's profitability.
SOURCE: MK:015
SOURCE: MK LAP 2—Act Now! (Employee Actions and Company Goals)
68. C
An opinion. It is important to separate opinion from fact, when analyzing information. An opinion is a person's point of view or belief. In the example, the author (Dr. Garrett) is expressing her opinion about another individual's (Dr. Sanderson) research. The author does not provide specific facts or data to support her opinion. Facts contain true data or information. Hearsay is gossip or rumor.
SOURCE: NF:077
SOURCE: Ertl, S. (n.d.). *Fact vs. opinion*. Retrieved March 4, 2011, from <http://www.learnnc.org/lp/pages/4017>
69. B
An article written by a Harvard economics professor that was published in a business magazine last month. When evaluating the quality of online information, it is important to consider factors such as the source type, the author's expertise, and the publication date. The Harvard professor has extensive knowledge about the topic of economics. The article was published last month, so it likely reflects current events and is up-to-date. A college student and a 16-year-old entrepreneur do not have the level of expertise that the professor has. The 2009 report and a 2005 textbook are not as up-to-date as an article written last month.
SOURCE: NF:079
SOURCE: Rogier, M. (1999-2011). *How to determine the validity of a research article*. Retrieved February 28, 2011, from http://www.ehow.com/how_5035804_determine-validity-research-article.html
70. B
Updated. Obsolescence occurs when something is outdated. Technology is always evolving, so computer systems and applications are always subject to obsolescence. Businesses must update the ways in which they store or archive their information because the format may not be usable in the future. For example, modern computers do not have outlets that read floppy disks, which were popular external storage devices several years ago. The way people summarize or process information is not related to the state of obsolescence.
SOURCE: NF:081
SOURCE: Fiddes, R. (2010, February 5). *Dangers of outdated backup solutions*. Retrieved February 28, 2011, from <http://www.backupreview.info/2010/02/05/backup-technology-online-backup-expert-tips-dangers-of-outdated-backup-solutions/>

71. B

Intellectual property laws. Intellectual property is assets resulting from thinking processes. Written and artistic works, symbols (e.g., logos), words, trade secrets, and inventions are types of intellectual property that can be legally protected from the unauthorized use of others. In most countries, intellectual property protection is legislated by the national (federal) level of government rather than the local level of government. By registering its logo with the government, a business's logo has trademark protection. If another company uses the logo without the owner's permission, then the logo's owner can file a lawsuit against the company to stop the unauthorized use. And in some situations, the owner can obtain monetary damages from the unauthorized user. Trade secrets are types of knowledge that can be used to obtain an economic advantage. Formulas, recipes, and customer lists are examples of knowledge covered under trade-secret laws. Individuals and businesses obtain patent protection for their inventions.

SOURCE: NF:076

SOURCE: McAdams, T., Neslund, N., & Neslund, K. (2007). *Law, business, and society* (8th ed.) [pp. 709-710]. Boston: McGraw-Hill/Irwin.

72. A

Organize and store. An information system is a method of gathering, storing, and analyzing data for the purpose of making business decisions. Because a business acquires large amounts of information, it must develop a structure to organize and store data and facts to make them useful to the business. An effective information system enables a business to access, retrieve and analyze the stored data and facts accurately and efficiently, which facilitates the business's decision-making processes. Primary functions of a business's information system are not to mediate, instruct, duplicate, or renew the business's facts and data.

SOURCE: NF:083

SOURCE: Soloman, M.R., Marshall, G.W., & Stuart, E.W. (2008). *Marketing: Real people, real choices* (5th ed.) [pp. 108-109]. Upper Saddle River, NJ: Pearson Prentice Hall.

73. D

Make an informed buying decision. The Internet has revolutionized the ways in which business is conducted. The Internet provides customers with the ability to obtain product information in a variety of ways—from business web sites, blogs, newsfeeds, and consumer information web sites. In the example, William is doing research to find out how other users like different smartphones before he makes a decision about the one that he wants to buy. William will likely visit various smartphone e-tailers to get product specifications and pricing before making his decision. Although phone plans are often a factor when making a mobile-phone purchasing decision, there is not enough information provided to determine whether phone plans will affect William's buying decision. William hasn't purchased his smartphone yet, so he can't reaffirm his recent purchase.

SOURCE: NF:086

SOURCE: Roberts, M. (2008). *Internet marketing: Integrating online and offline strategies* (2nd ed.) [pp. 7-9]. Mason, OH: Cengage Learning.

74. D

Task, calendar, and contact functions. E-mail software programs, such as Microsoft Outlook, have applications that help businesspeople manage their time and work. Applications such as task organizers, calendars, contact (address book) functions help businesspeople keep track of appointments, travel plans, and due dates. In the Excel spreadsheet program, a workbook consists of worksheets, which is where the computer user enters and manipulates data. View settings allow computer users to change the size of the document they are viewing on the computer screen.

SOURCE: NF:005

SOURCE: Microsoft. (2011). *What's new in Microsoft Office Outlook 2007*. Retrieved March 4, 2011, from <http://office.microsoft.com/en-us/outlook-help/what-s-new-in-microsoft-office-outlook-2007-HA010074306.aspx>

75. A

Sales dollars and dates. A database software program allows a business to sort customer information by various criteria—customer name, sales volume, customer type, zip code, etc. Queries are database fields that the business uses to sort the data. The type of data that the business wants to retrieve or analyze determines the database query (sorting mechanism) that the business uses. To obtain the desired customer list, the query should include the minimal sales dollars (\$2,500) and the desired dates (e.g., April 2, 2010 - March 31, 2011). The product codes, the customers' last names, account numbers, zip codes, cities, and credit ratings will not yield the desired results.

SOURCE: NF:009

SOURCE: Microsoft Corporation. (2011). *Access 2010: Database tasks*. Retrieved March 3, 2011, from <http://office.microsoft.com/en-us/access-help/access-2010-database-tasks-HA101829991.aspx>

76. A

Upload the page to the web server. After creating the page using a web site design program, the user needs to upload the page to the web server, which is where all of the business's web pages are stored. Because Haley is working with an existing web site, she already has a domain name or web address for the site. The Internet service provider may offer web hosting services. An intranet is an internal network of computers within an organization.

SOURCE: NF:042

SOURCE: ThinkQuest. (n.d.). *Posting your web page*. Retrieved March 4, 2011, from <http://library.thinkquest.org/13947/post.html>

77. A

Update the customer's record in the company database. Businesses keep a variety of customer information in a central location—a computer database. When customers change phone numbers and e-mail addresses, move, or go out business, companies need to update their customer database to reflect those changes. If the information is not changed, the business does not have current contact information. This can be costly to the business in situations that involve delinquent accounts and returned mail. The business does not need to create a new record to reflect changes—this would clutter the system with unnecessary data—nor does the business need to create a new database every time a customer's contact information needs to be updated. Employee records, rather than customer records, appear in the company or employee directory.

SOURCE: NF:002

SOURCE: Interface Management. (2008). *Ten rules for maintaining your customer database*. Retrieved March 4, 2011 from <http://www.interfaceonline.co.za/ten-rules-for-maintaining-your-customer-database.html>

78. D

The demand for beach balls peaked during July. Statistics are information presented in numerical form. Businesses analyze and interpret statistics to make various business decisions, such as forecasting sales. By analyzing statistical information, the surf shop can plan its beach-ball orders to accommodate the anticipated demand. The provided data show that the surf shop sold the most beach balls during July, which indicates that the demand for beach balls peaked in July. Although the demand for beach balls declined in August, there is not enough information to determine if the production of beach balls increased during that time. Because statistical information is not provided for previous months, it is not possible to determine if the supply of beach balls declined by four percent in June. The number of beach balls purchased in June and August totaled 935, which indicates that the combined sales for June and August exceeded the July's beach-ball sales. In addition, there is not enough information provided to determine if tourists were the only group of people who purchased beach balls.

SOURCE: NF:093

SOURCE: Winthorp, A. (2007, September 21). *Using statistics to measure business performance*. Retrieved March 3, 2010, from <http://ezinearticles.com/?Using-Statistics-To-Improve-And-Measure-Business-Performance&id=744164>

79. B

Sharing a vendor's competitive bid information with another supplier. It is unfair for a business to share a vendor's bid information with another supplier because it provides one supplier with an advantage over the other. Using negotiating techniques to obtain concessions, developing scorecards to evaluate suppliers' performance levels, and setting deadlines for bids are ethical activities.

SOURCE: OP:190

SOURCE: Monczka, R.M., Handfield, R.B., Giunipero, L.C., & Patterson, J.L. (2009). *Purchasing and supply chain management* (4th ed.) [p. 570]. South-Western Cengage Learning.

80. D

Automation. Technological advancements have led to production automation, which involves the use of machines to carry out production tasks. Automated production activities increase efficiency, reduce costs, and provide consistent products. The downside of automation is displaced workers. Customization is the process of making unique goods or services according to a customer's specific needs or wants.

Outsourcing is acquiring assistance from outside organizations/consultants to obtain goods or services to accomplish the business's objectives. Ergonomics is the study of the use of equipment or technology and its effects on workers' physical well-being.

SOURCE: OP:191

SOURCE: Raturi, A.S., & Evans, J.R. (2005). *Principles of operations management* (pp. 15-16). Mason, OH: South-Western.

81. D

Yes. Management is behaving irresponsibly because the equipment may injure the workers who use it. In the example, Trevor approached management about broken equipment on multiple occasions. Because the broken equipment poses a risk to the employees' safety, Trevor should report the noncompliance with the government. It would be unethical for Trevor to use his knowledge as leverage to get ahead in the company because he would be engaging in bribery. Whistleblowing laws protect Trevor from losing his job due as a result of reporting noncompliance.

SOURCE: OP:005

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2010). *Marketing dynamics: Teacher's edition* (2nd ed.) [pp. 406-408]. Tinley Park, IL: Goodheart-Willcox Company, Inc.

82. A

An emergency plan. Comprehensive emergency plans contain policies and procedures for many types of situations that the business might experience. The plan might address issues such as evacuation plans for fire, bomb threats, and weather-related incidents. The emergency plan might include policies for handling injuries, illnesses, and robberies. The business needs to ensure that employees know what to do in these situations by providing ongoing training.

SOURCE: OP:010

SOURCE: Educational Institute of the American Hotel & Lodging Association. (2005). *Lodging management program: Year 1* (2nd ed.) [pp. 69-73]. Lansing, MI: Educational Institute of the American Hotel & Lodging.

83. B

Set the security alarm, locks the doors. Businesses install locks and security alarms to protect their facilities from theft and burglary. Depending on the business's procedures, the last employee to leave for the day should set the security alarm and lock the door. In some situations, the security alarm can be set with a remote device after the employee leaves the building and locks the doors. Turning off the lights and adjusting the thermostat will not protect the building from unlawful entry. Turning on a surveillance camera may deter and identify thieves and burglars, but this will not prevent them from entering the building.

SOURCE: OP:152

SOURCE: Kimiecik, R.C., & Thomas, C. (2006). *Loss prevention in the retail business* (pp. 48-51, 60-61). Hoboken, NJ: John Wiley & Sons.

84. A
To protect the integrity of the business's logo. Trademarks protect unique symbols, designs (e.g., logo), or words that businesses use to identify their brands. A business can legally protect its logo from unauthorized use by registering the logo with the appropriate government agency. If an unauthorized entity compromises or uses the logo in harmful, embarrassing, or negative ways, trademark protection provides the business with legal recourse. Copyrights provide legal protection for written, musical, and artistic works. Patents are obtained to legally protect inventions and certain types of processes (e.g., unique manufacturing processes) for a limited amount of time.
SOURCE: OP:153
SOURCE: Beatty, J.F., & Samuelson, S.S. (2008). *Essentials of business law* (3rd ed.) [pp. 796-800]. Mason, OH: Thomson/South-Western.
85. B
Budget development. During the planning phase of a project, the project manager develops the budget, prepares the work breakdown structure, and allocates resources. During the execution phase, the work activities are implemented in accordance to the project schedule. The project-definition phase involves identifying the project concept and conducting a feasibility analysis.
SOURCE: OP:158
SOURCE: Campbell, G.M., & Baker, S. (2007). *The complete idiot's guide to project management* (4th ed.) [pp. 40-41]. New York: Penguin Group.
86. B
Discussion of specific challenges encountered. After the stakeholders receive the deliverables, the project manager often meets with the team members to discuss what went well and what didn't go well with the project. The team members also discuss how processes could have been improved. The information obtained from the "lessons learned" meeting is summarized in a "lessons learned" document, which can be used by teams that execute similar projects for the organization in the future. The project's purpose and the stakeholders' expectations are explained during the initiation phase of the project. The allocation of resources is determined during the planning phase of the project.
SOURCE: OP:159
SOURCE: Campbell, G.M., & Baker, S. (2007). *The complete idiot's guide to project management* (4th ed.) [pp. 335-336]. New York: Penguin Group.
87. C
Cost structure. The category given the highest weight is the category that Zoom deems most important. In this example, the highest weight, 0.4, is given to cost structure. The numbers in the Score column are given based on a thoughtful evaluation of the supplier. While high numbers in the Score column represent a job well done by the supplier, the Weight column shows the importance Zoom places on each category. Therefore, on-time delivery (0.2), product quality (0.3), and technological capability (0.1) are not the most important.
SOURCE: OP:160
SOURCE: Monczka, R., Trent, R., & Handfield, R. (2002). *Purchasing and supply chain management* (2nd ed.) [pp. 244-249]. Mason, OH: South-Western.
88. B
Technological capabilities. Businesses evaluate their vendors' technological frameworks because they want to be able to communicate efficiently and streamline ordering, shipping, and inventory processes. Businesses also consider the vendors' terms-of-sales policies. Compensation policies are internal policies that guide the way a business compensates its employees. Segmentation methods and asset depreciation are not primary considerations for vendor selection.
SOURCE: OP:161
SOURCE: Monczka, R.M., Handfield, R.B., Giunipero, L.C., & Patterson, J.L. (2009). *Purchasing and supply chain management* (4th ed.) [p. 246]. South-Western Cengage Learning.

89. C

Product testing. Product testing is a quality control method that businesses use to evaluate the durability and safety of their goods. The businesses use the testing results to take corrective action and improve product weaknesses. The automobile company is not conducting random inspections of products, classifying product materials, or sampling commodities.

SOURCE: OP:164

SOURCE: Manda, G. (2011, January 12). *How to select quality control measures?* Retrieved March 3, 2011, from http://www.ehow.com/how_7761890_select-quality-control-measures.html

90. C

Rent. Fixed costs are business expenses that do not change with changes in sales volume. Fixed costs include items such as salaries, rent, mortgage, and property taxes. Variable costs are business costs that change and include commission, delivery charges, and cost of goods sold.

SOURCE: OP:024

SOURCE: Business Owners Toolkit. (1995-2011). *Fixed and variable costs*. Retrieved March 3, 2011, from http://www.toolkit.com/small_business_guide/sbg.aspx?nid=P06_7510

91. D

The employees. An invention is the creation of a unique idea, item, or process. Innovation involves taking action to make the idea, item, or process available for consumers to use. Innovation often involves the input and collaboration of several people over a period of time. In the example, Martin came up with the basic idea, his manager took steps to assemble the necessary resources, and the IT staff expanded on and thought of a way to take Martin's idea and make it useful for other employees and departments. Therefore, the innovation was a collaborative effort among Martin, his manager, and the IT staff, all of whom are employees of the company.

SOURCE: PD:126

SOURCE: Reh, F.J. (n.d.). *How to innovate in business: Don't discourage innovation*. Retrieved January 21, 2011, from <http://management.about.com/od/businessstrategy/a/Innovation.htm>

92. B

Affect others significantly. Depending on the situation, you might want to obtain input from others before you make a decision. When a decision affects others in a significant way, such as changing work responsibilities of department members, it is important to get as much input as needed to make a sound decision. Generally, routine decisions involve determining what to have for breakfast or what shirt to wear—these types of decisions require little input, if any, from others. All types of decisions—routine, limited, and extensive—may or may not require logical thinking. Decisions that require limited consideration usually require a moderate amount of input from others. For example, if an employee is deciding which of three layouts to use in a magazine ad, s/he might ask one or two qualified coworkers for their opinions.

SOURCE: PD:017

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

93. C

Reverse brainstorming. When you are having a hard time solving a problem, you might want to try to look at your problem in different ways. The reverse brainstorming method involves finding ways to make the problem worse. After writing down negative statements, you try to generate ideas and possible solutions for your worst-case scenario. By looking at the issue in a different way, you may come up with a unique way to solve the problem. Mind mapping is a problem-solving method that involves drawing out your problem on a large sheet of paper. Appreciative inquiry is a problem-solving method that requires you to think positively about the problem. Attribute listing involves listing characteristics of something and then combining some or all of those attributes into something else.

SOURCE: PD:077

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

94. B

Open-mindedness. When you have an open mind, you don't limit yourself to rigid standards and opinions—you allow room for ideas to flow and grow, which is the foundation for creativity. Curiosity is a creative trait that involves a desire to question and learn things. Independence is the ability to think and act on your own and complete tasks without the direction of others. Self-awareness is the ability to recognize and know your own emotions.

SOURCE: PD:012

SOURCE: PD LAP 2—Creativity

95. A

Math teacher. Individuals must consider many personal factors when deciding which career to pursue, including their interests, aptitudes, and personality traits. When determining the career in which she will be most happy and successful, Alexa must consider all of these factors. Because she enjoys working with children and has an aptitude for helping them understand puzzles and numerical formulas, she might consider a career as a math teacher. Graphic designers, computer programmers, and financial planners should have an aptitude for mathematical concepts, but these careers do not involve working with children.

SOURCE: PD:023

SOURCE: Kelly-Plate, J., & Volz-Patton, R. (2004). *Exploring careers* (4th ed.) [pp. 9-12]. New York: Glencoe/McGraw-Hill.

96. D

Determination. When entrepreneurs are willing to do what it takes to get their businesses up and running, they are determined to make their ventures successful. Determination involves following through with certain actions that may be difficult or unpleasant—such as the willingness to cut back on spending and a willingness to work long hours—to achieve a desired result. Humility is a lack of pride. Organization involves carrying out activities in systematic ways. Objectivity is open-mindedness.

SOURCE: PD:066

SOURCE: PD LAP 4—Own Your Own (Career Opportunities in Entrepreneurship)

97. D

Reading the entire form to follow directions. To make a good impression, it is important to complete the job application accurately and neatly. By reviewing the form, the applicant has the opportunity to read the directions and scan the format. This step may prevent the applicant from placing information on the wrong line or in the wrong section. Application forms vary by company, so the order in which the work history, educational background, or references are completed is not important. Applicants fill out the questions that do apply to them, and write “not applicable” for the questions that do not apply to them, as they get to the questions rather than completing or identifying them initially.

SOURCE: PD:027

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (pp. 120-122). New York: Glencoe/McGraw-Hill.

98. A

Reinforce your interest in the position. It is a courteous gesture to write a follow-up letter to thank the interviewer for the opportunity to discuss the job. The letter may include information that you may have forgotten to share with the interviewer. Letting the interviewer know that you are interested in the position when closing the letter can help reinforce a positive image and help the interviewer to remember you. Communicating your minimum salary requirements and your desire for promotion are not appropriate topics for a follow-up letter and may hinder job offers. Interviewers read résumés before setting up interviews with job applicants.

SOURCE: PD:029

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (pp. 144-145). New York: Glencoe/McGraw-Hill.

99. C

Professional networking. Networking is the process of exchanging information with others for the purpose of professional or business development and/or advancement. In the example, Marcus took advantage of a social situation to discuss his professional development or needs with Lynette. The situation presented is not an example of etiquette (exhibiting manners), interviewing, or community resourcing.

SOURCE: PD:037

SOURCE: Wallace, H.R., & Masters, L.A. (2006). *Personal development for life & work* (9th ed.) [p. 419]. Mason, OH: South-Western Cengage Learning.

100. A

Audrey was hired as a sales coordinator, was promoted to salesperson, and is now sales manager of CTK Corporation. Many companies promote from within, so the creation of new jobs opens the door for current employees to be considered for a promotion. The opportunity for promotion often occurs when employees retire or leave the company or the company expands and creates new positions. Each time Audrey was promoted within her company, she worked in the same business and her responsibilities increased, which is how careers often advance. There is not enough information provided to know if James held other positions within the company before he became production manager. Dylan's job change was a lateral move to another company. Julia's job change involved obtaining a more responsible position with another company.

SOURCE: PD:034

SOURCE: Bailey, L.J. (2007). *Working* (4th ed) [p. 481]. Mason, OH: South-Western Cengage Learning.