

Business Administration

Core Exam

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

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1. A form of business ownership in which one individual owns the entire business is a
 - A. merger.
 - B. dual partnership.
 - C. corporation.
 - D. sole proprietorship.
2. What is the main form of written communication between companies?
 - A. Telephone calls
 - B. Memorandums
 - C. Meetings
 - D. Business letters
3. Theresa's supervisor gives her written directions for an assignment. Theresa carefully completes the task as the directions specify. As she finishes the last step, she realizes that her work in step two may not be exactly right. What should she do?
 - A. Ask her supervisor to clarify the directions
 - B. Turn in her work quickly to show her supervisor she's an efficient employee
 - C. Restart the assignment working off her new thought for step two
 - D. Email her work to three coworkers to get their opinions
4. One reason why employees often are able to follow written directions more easily than they are able to follow verbal directions is because most employees are able to
 - A. provide feedback about the presentation.
 - B. use body language to indicate that they understand.
 - C. ask questions during the explanation.
 - D. remember only so much information at one time.
5. What is a guideline that people should follow in order to develop effective listening skills?
 - A. Remain working
 - B. Stop talking
 - C. Avoid questioning
 - D. Continue practicing
6. "This is an exciting new opportunity for you," says Jane's boss. Which of the following nonverbal cues would appropriately reinforce that message?
 - A. Slouching
 - B. Smiling
 - C. Focusing eyes on the computer
 - D. Looking out the window
7. Why is it important to use communication styles that are appropriate to the target audience?
 - A. To effectively convey information
 - B. To analyze feedback
 - C. To organize presentations
 - D. To quickly establish control
8. To be able to explain and defend their ideas objectively to others, individuals usually need to have effective _____ skills.
 - A. computer
 - B. technical
 - C. verbal
 - D. reading
9. Which of the following is not a tool that people use when participating in discussions:
 - A. Sharing a personal experience
 - B. Pointing out missing information
 - C. Building on someone else's comment
 - D. Helping the group summarize what's been said
10. Why is it often important to take notes during meetings or presentations?
 - A. Writing keeps the mind focused.
 - B. Speaker is difficult to understand.
 - C. Audience needs something to do.
 - D. Information will be needed later.
11. For her new job, Tasha has been asked to write a report. She has found a website with information regarding her topic. Which of the following would help her to identify whether the information on this site is accurate:
 - A. A bibliography
 - B. A table of contents
 - C. A professional-looking website design
 - D. A date of modification less than one year old

12. Which of the following is a formatting characteristic of a full-block business letter:
- A. Indented first paragraph
 - B. Double-spacing within the paragraph
 - C. No paragraph indents
 - D. All paragraphs use right justification.
13. As Kevin edits a professional report, he is not sure whether to italicize or underscore a book title. To obtain the correct information, Kevin should
- A. look up the information in a current dictionary.
 - B. ask his coworker for advice.
 - C. refer to the appropriate publisher's style manual.
 - D. identify the readers' preferences.
14. A business letter that has easy-to-understand information is said to possess
- A. consensus.
 - B. caution.
 - C. courtesy.
 - D. clarity.
15. Which of the following messages is written in a style that focuses on the receiver of the message:
- A. Simply fill out this form and return it to us—it's easy!
 - B. We are requiring all customers to complete this form so we can make changes.
 - C. Because we want to create a better product, we're sending out this evaluation form.
 - D. Please complete this form so that product improvements can be made based on your needs.
16. A supervisor e-mails his/her staff members to inform them about a meeting they must attend next Tuesday. This is an example of
- A. downward communication.
 - B. external networking.
 - C. invasive messaging.
 - D. lateral interaction.
17. Which of the following is NOT a good technique for participating in a staff meeting:
- A. Understand the goal of the meeting prior to its start
 - B. Contribute at least one thought to every staff meeting in which you participate
 - C. Avoid arguing with other participants, even if you strongly disagree with their point of view
 - D. Follow the instructions of the group leader, even if you have a better idea for organizing the meeting
18. Many businesses try to foster positive customer/client relations by encouraging employees to be
- A. authoritative.
 - B. talkative.
 - C. reserved.
 - D. friendly.
19. In order to handle customer inquiries about the location of goods throughout the business, the salesperson should know the location of all
- A. sizes.
 - B. colors.
 - C. offices.
 - D. departments.
20. What type of business policy is most likely to attract customers to the business?
- A. Credit
 - B. Product
 - C. Return
 - D. Delivery
21. For which customer type should you expect to demonstrate and redemonstrate products?
- A. Domineering/Superior
 - B. Suspicious
 - C. Dishonest
 - D. Disagreeable
22. A customer's expression of dissatisfaction is known as a(n)
- A. apology.
 - B. complaint.
 - C. excuse.
 - D. objection.
23. A business's brand promise is what the business intends to
- A. provide the customer.
 - B. sell to the target market.
 - C. name its product.
 - D. use as a trademark.

24. Which of the following is one of the deciding factors in determining whether an item is a consumer or industrial good:
- A. How the purchase is made
 - B. Who makes the purchase
 - C. Price of the purchase
 - D. When the purchase is made
25. When people are willing to take less of one thing in order to get more of something else, they are said to be making a(n)
- A. economic model.
 - B. trade-off.
 - C. value judgment.
 - D. tentative agreement.
26. A lumber business cuts boards from tree trunks. This business gives the resource _____ utility.
- A. possession
 - B. time
 - C. place
 - D. form
27. Recently, the number of homes for sale in a metropolitan area has increased tremendously. However, the number of potential home owners has declined. This market condition is called a
- A. seller's market.
 - B. law of supply.
 - C. law of demand.
 - D. buyer's market.
28. A socially responsible business will attempt to give customers
- A. the best products no matter what the cost.
 - B. lower quality products at reduced prices.
 - C. high-quality products at high prices.
 - D. the best products at the best prices.
29. The business activity which is responsible for the flow of goods from producer to consumer is
- A. administration.
 - B. merchandising.
 - C. marketing.
 - D. free enterprise.
30. Which of the following countries is correctly paired with its economic system:
- A. Japan - Socialist
 - B. China - Traditional
 - C. Great Britain - Market
 - D. Cuba - Communist command
31. Which of the following elements of private enterprise refers to the rivalry among businesses:
- A. Capitalism
 - B. Price system
 - C. Competition
 - D. Private property
32. Which of the following would be used to express the productivity rate of a business:
- A. 5/10 net 30
 - B. \$250,000
 - C. 700 units
 - D. 200%
33. Emotional intelligence can best be described as the ability to
- A. interact with others in a highly emotional way.
 - B. respond in a calm manner to emotional situations.
 - C. come up with rational solutions to our emotional problems.
 - D. recognize and manage emotions in ourselves and others.
34. Assuming that all people of a certain nationality will work long hours for low pay is an example of
- A. discrimination.
 - B. stereotyping.
 - C. prejudice.
 - D. harassment.
35. While you are working, a customer complains that his/her coat has disappeared. A responsible employee would say, "I'm sorry,
- A. you'll have to report it to management."
 - B. look around to see if someone has it."
 - C. let's report it to the manager."
 - D. you shouldn't have left it in the room."

36. An indisputable or accepted fact is a(n)
A. truth. C. fakery.
B. ethic. D. deception.
37. Which of the following is an example of an employee's using company resources for personal purposes while on the job:
A. Typing letters to friends C. Faxing orders to suppliers
B. Putting postage on envelopes D. Sending e-mail to customers
38. A positive attitude toward coworkers is most likely to result in _____ behavior.
A. conscientious C. destructive
B. cooperative D. unproductive
39. How does self-control help you to think clearly?
A. By helping you to be defensive C. By helping you to deal with criticism
B. By helping you to be objective D. By helping you to deal with coworkers
40. If your supervisor gives you negative feedback, and you are unsure how to correct the problem, you should
A. continue to perform as usual. C. blame a coworker.
B. ask the supervisor for more information. D. ask a coworker what to do.
41. Change in the values, tastes, and habits of Americans is a definition of _____ change.
A. social C. governmental
B. economic D. technological
42. Employees who send and receive messages through the business's electronic mail system should assume that
A. no one reads their memos. C. privacy is not an issue.
B. privacy does not exist. D. monitoring is not allowed.
43. Changing the parts of a game that is marketed in other countries so the game conforms to local customs and preferences is an example of
A. nationalization. C. globalization.
B. customization. D. cultural sensitivity.
44. Which of the following can lead to increased stress and decreased productivity at work:
A. Ignoring C. Negotiating
B. Yielding D. Problem solving
45. The only way that a team can carry out its assignment in a satisfactory manner is when the team members
A. cooperate with each other. C. all have the same opinions.
B. are appointed by management. D. are dominated by the leader.
46. Samuel is looking for a summer job. He knows about a golf course where he could be a caddy, but he hasn't been able to find out about pay, the people he would be working with, or the exact hours. Plus, he doesn't know if they'll hire someone who hasn't caddied before. He decides to apply anyway. Which leadership trait is he demonstrating?
A. Social awareness C. Creativity
B. Self-management D. Willingness to take risks
47. One of the benefits of being adaptable is that it enables employees to
A. manage their time. C. take the initiative.
B. deal with change. D. avoid a conflict.

48. Managers who involve employees in making decisions and sharing ideas often are able to encourage them to
- A. work toward a shared vision.
 - B. show respect for others.
 - C. demonstrate ethical behavior.
 - D. exhibit positive personality traits.
49. Effective coaches are patient, dependable, and
- A. approachable.
 - B. critical.
 - C. distracted.
 - D. entertaining.
50. The way in which supervisors guide the work of employees depends upon their
- A. management style.
 - B. technical skills.
 - C. desire for success.
 - D. level of education.
51. The disadvantage to using credit cards to pay for goods and services is that you
- A. defer cash payments.
 - B. establish a credit rating.
 - C. earn quarterly dividends.
 - D. pay interest on purchases.
52. Chris is at the grocery store deciding between two very similar candy bars. One is \$1.50, and the other is \$3.00. He decides to buy the \$1.50 candy bar because it is cheaper. Chris is using money as a _____ to make his decision.
- A. store of value
 - B. medium of exchange
 - C. unit of measure
 - D. commodity
53. About a week before her 16th birthday, Kimberly got a phone call from her grandparents. They explained that they wanted to give her \$1,000 to put toward college expenses as a birthday present, but they weren't sure if she wanted the money now or in two years, when she would be starting college. Kimberly decided to get the \$1,000 from her grandparents right away and put it into an interest-bearing savings account for two years. Kimberly based her decision on
- A. the time value of money.
 - B. dollar cost averaging.
 - C. the capital gains potential.
 - D. the rule of 72.
54. Which of the following is a reason that businesses extend credit to customers?
- A. To take advantage of the convenience
 - B. To purchase stock as needed
 - C. To save money
 - D. To be competitive
55. One of the main reasons why individuals make investments based on their future financial needs is to
- A. develop a living will.
 - B. avoid paying taxes.
 - C. set up a trust fund.
 - D. generate retirement income.
56. On his way home from work, Jason stops at the gas station to buy a magazine and a pack of gum. The magazine and gum are examples of _____ expenses.
- A. essential
 - B. non-essential
 - C. fixed
 - D. variable
57. When monies are withheld from an employee's paycheck to cover taxes and insurance, these funds are the employee's
- A. payroll deductions.
 - B. gross earnings.
 - C. net pay.
 - D. expense refund.
58. Which of the following records should individuals keep that contains information about their investments:
- A. Credit
 - B. Deposit
 - C. Finance
 - D. Purchase
59. Jeff is a college student who just opened his first credit card. Which of the following should he NOT do:
- A. Pay his bill on time
 - B. Buy more with his card than he can afford
 - C. Think of his card as a loan
 - D. Track his spending habits

60. Which of the following is a possible consequence of having one's identity stolen:
- A. Damage to credit history
 - B. Need for new identity
 - C. Unemployment
 - D. Homelessness
61. Chris wants to open a small business, and he has a very good business plan that is likely to succeed. He is more likely to go to a(n) _____ for a loan.
- A. local bank
 - B. national bank
 - C. insurance provider
 - D. online bank
62. An employer-sponsored retirement plan is a type of
- A. credit account.
 - B. investment.
 - C. inheritance.
 - D. living trust.
63. What type of accounting method is being used by a small business owner who uses a computerized check-writing program that automatically posts each check into an expense category or ledger?
- A. COD method
 - B. Accrual method
 - C. Cash method
 - D. Check method
64. Which of the following is the generally accepted accounting principle that assumes that a business has the ability to operate indefinitely:
- A. Tangible existence
 - B. Business entity
 - C. Going concern
 - D. Open reality
65. How does the finance function relate to company spending?
- A. It plans and controls spending.
 - B. It produces reports about spending.
 - C. It spends on investment only.
 - D. It does not relate to spending.
66. Group orientation sessions for new employees are very important because they
- A. make a handbook unnecessary.
 - B. explain the duties of each job.
 - C. help to motivate employees.
 - D. help to keep employees honest.
67. A philosophy of conducting business that is based on the belief that all business activities should be aimed toward satisfying customer wants and needs while achieving company goals is the marketing
- A. competency.
 - B. process.
 - C. plan.
 - D. concept.
68. One way for businesses to obtain needed information efficiently is to
- A. access a database.
 - B. schedule an interview.
 - C. read a book.
 - D. contact a competitor.
69. Businesses evaluate the quality and source of the information they obtain to make sure the information is
- A. scientific.
 - B. useful.
 - C. technical.
 - D. random.
70. Why is it important for businesses to store information for future use?
- A. To establish quality control
 - B. To interpret data
 - C. To make it accessible
 - D. To protect it from overuse
71. One of the purposes of information management is to provide businesses with the strategic information they need to
- A. create sales presentations.
 - B. develop a short-term advertising campaign.
 - C. make long-term decisions.
 - D. write an annual report.

72. Which of the following is a computer-software technology that helps a business automate and track its sales, marketing, and service efforts:
- A. Materials requirements planning (MRP)
 - B. Customer relationship management (CRM)
 - C. Computer-aided engineering (CAE)
 - D. Automated Clearinghouse (ACH)
73. What do businesses often develop to be able to store and analyze data for the purpose of making business decisions?
- A. Survey methods
 - B. Operating procedures
 - C. Information systems
 - D. Management policies
74. Which of the following is available to all people around the world who have access to a computer that has connectivity:
- A. Intranet
 - B. Internet
 - C. Extranet
 - D. Broadband
75. Which of the following allows a computer to search and access information on the Internet:
- A. Anchor
 - B. Folder
 - C. Cookie
 - D. Browser
76. Many presentation software programs allow users to
- A. calculate numerical data.
 - B. copyright their graphics.
 - C. include voice narration.
 - D. analyze organizational progress.
77. If a business wants to send a mailing to customers in specific geographic regions, it should set the database query to sort its customer information by
- A. street number.
 - B. sales volume.
 - C. name.
 - D. state.
78. What type of software program would a business use to analyze its operating expenses and level of sales?
- A. Database
 - B. Presentation
 - C. Spreadsheet
 - D. Communication
79. When creating and posting Web pages, businesses often use _____ programs.
- A. instant messaging
 - B. Web editing
 - C. data tracking
 - D. Intranet retrieval
80. Employees should report noncompliance to the appropriate government agency when their employers fail to
- A. follow health and safety regulations.
 - B. develop communication procedures.
 - C. set reasonable business objectives.
 - D. manage their sales and profits effectively.
81. Which of the following might increase if a business has many worker accidents:
- A. Operating profits
 - B. Productivity rates
 - C. Personal benefits
 - D. Insurance costs
82. A business can often reduce the risk of injuries in the workplace by providing employees with
- A. ongoing safety training.
 - B. on-the-job instruction.
 - C. internal feedback.
 - D. annual performance reviews.
83. Which of the following is a technique that employees can use to help prevent accidents on the job:
- A. Avoid regular exercise.
 - B. Maintain clean workplace.
 - C. Take frequent shortcuts.
 - D. Lift heavy packages.

84. Businesses may prevent burglaries by checking every room in the building at night to make sure that the
- A. public areas are clean.
 - B. windows and doors are locked.
 - C. electrical equipment is turned off.
 - D. telephones are transferred.
85. Protecting company information and intangibles often involves following the rules established to control access to
- A. storage facilities.
 - B. inventory methods.
 - C. cash registers.
 - D. computer systems.
86. Mark, who owns a small home-appliance store, is in the process of placing an order for 12 refrigerators, 8 stoves, and 4 portable dishwashers. Mark is purchasing the refrigerators for \$674.98 each, the stoves for \$493.22 each, and the portable dishwashers for \$284.83 each. What is the extension for the stoves that Mark is purchasing?
- A. \$493.22
 - B. \$3,945.76
 - C. \$2,278.64
 - D. \$5,399.84
87. Maintaining an inventory of supplies helps a business to
- A. locate vendors.
 - B. establish sales goals.
 - C. operate efficiently.
 - D. evaluate processes.
88. The physical image that you present to others is known as
- A. proper weight.
 - B. personality.
 - C. personal appearance.
 - D. posture.
89. Which of the following is an appropriate goal of orderly and systematic behavior:
- A. Becoming a more effective person
 - B. Being identified as an organized person
 - C. Keeping everything in perfect order
 - D. Setting an example for other people
90. Which of the following is a characteristic of a good goal:
- A. Convenient
 - B. Conservative
 - C. Safe
 - D. Realistic
91. What is problem solving?
- A. Turning positive situations into negative ones
 - B. Finding your way over whatever obstacle you face
 - C. Avoiding conflicts in all of your relationships
 - D. Figuring out how to escape challenges
92. Which of the following is one way that employers expect their employees to show loyalty to the business:
- A. Coming to work on time
 - B. Working overtime without pay
 - C. Ignoring safety hazards
 - D. Socializing with coworkers
93. Why do individuals often take aptitude tests and fill out self-assessment questionnaires?
- A. To monitor performance reviews
 - B. To complete industry surveys
 - C. To determine intelligence levels
 - D. To identify occupational interests
94. If an employee's primary responsibilities involve planning, coordinating, and controlling the resources necessary to provide the business's products, s/he works in the area of
- A. securities and investments.
 - B. business information technology.
 - C. operations management.
 - D. marketing research.
95. What is often the first step in conducting a job search?
- A. Scheduling interviews
 - B. Completing applications
 - C. Contacting employers
 - D. Identifying leads

96. Writing a follow-up letter after a job interview allows a job applicant the opportunity to
- A. restate his/her interest in the position.
 - B. provide references and recommendations.
 - C. explain her/his training and experience.
 - D. describe personal strengths and weaknesses.
97. Which of the following usually are one of the best references to list in a resume:
- A. Previous employers
 - B. School friends
 - C. Acquaintances
 - D. Relatives
98. One of the benefits of serving an internship is that it often enables individuals to
- A. participate in a business's benefit program.
 - B. donate their time to a worthwhile organization.
 - C. obtain experience in a specific occupation.
 - D. increase their level of personal satisfaction.
99. Which of the following is an example of an individual's occupation:
- A. Being a career salesperson
 - B. Getting a part-time job
 - C. Changing jobs within the company
 - D. Exploring new employment options
100. Each month, Bob, the president of Widgets International, establishes goals for the company. Based on these goals, he sends specific directions to the managers of each operational division. What management function is Bob performing?
- A. Staffing
 - B. Organizing
 - C. Planning
 - D. Controlling