

1. The work environment of Google has been described as which one of the following?
 - A. innovative
 - B. country club
 - C. scientific
 - D. bureaucratic

2. The first step in making decisions about starting a business is:
 - A. to define the problem/opportunity
 - B. to evaluate the pros and cons of alternatives
 - C. to gather information
 - D. to take action

3. Which type of takeover allows a suitor to take over a target company whose management is unwilling to agree to a merger or takeover?
 - A. collusion
 - B. friendly
 - C. merger
 - D. hostile

4. Which one of the following is the easiest means to be a global trading company?
 - A. franchising
 - B. strategic partnering
 - C. importing and exporting
 - D. licensing

5. Which of the following are an element of a legally binding contract?
 - A. Bids
 - B. Request of quote
 - C. Letter of intent
 - D. Offer

6. Which one of the following statements is true about writing a business plan?
 - A. it is a long drawn out process, but is easy
 - B. is a quick and easy process
 - C. is a quick, but difficult process
 - D. requires patience, research, thought, and time

7. Business casual Fridays
 - A. may be insulting to some cultures.
 - B. are common in Japan.
 - C. are acceptable for all international business partners.
 - D. are accepted throughout the world.

8. Of the following characteristics, a less-developed country is least likely to have:

- A. poor housing and health care
 - B. a high unemployment rate
 - C. an emphasis on agriculture and mining
 - D. a highly educated population
9. A business plan does not:
- A. describe what the business will produce
 - B. state what the business will do to gain and keep customers
 - C. guarantee the success of a new business
 - D. explain who will run the business
10. Odd pricing is an example of this category of pricing strategies:
- A. leader
 - B. psychological
 - C. prestige
 - D. product-line
11. ___ is not one of the functions of management.
- A. Planning
 - B. Organizing
 - C. Evaluating
 - D. Controlling
12. A companywide commitment to consumer satisfaction to achieve long-term success is called:
- A. the marketing concept
 - B. the advertising concept
 - C. the sales concept
 - D. the logistics concept
13. Which one of the following is not a tactic to reduce stress at the workplace?
- A. Leave home earlier in the morning.
 - B. Always maintain a serious state of mind.
 - C. Don't over commit yourself.
 - D. Balance your schedule.
14. The ___ is a financial statement that shows how much money is available to pay bills.
- A. income statement
 - B. cash flow statement
 - C. pro forma financial statement
 - D. balance sheet
15. An organization does not allow people
- A. to become specialized in their work tasks.
 - B. to understand and react to external forces more efficiently.

- C. to set their own agenda.
 - D. to use power and authority more productively.
16. The greatest percentage of business deals fail due to:
- A. ethnocentrism
 - B. flexibility
 - C. lack of doing your homework in advance
 - D. cultural respect
17. Any group of people who, as individuals or as organizations, have needs for products in a product class and who have the ability, willingness, and authority to buy such products is a(n):
- A. market
 - B. subculture
 - C. marketing mix
 - D. aggregation
18. Which one of the following is not a part of the business plan?
- A. personal goal statement
 - B. plan summary
 - C. rules for employees
 - D. profit and loss forecast
19. The _____ gives individuals the permission to form a corporation.
- A. stock certificate
 - B. charter
 - C. certificate of incorporation
 - D. corporate bond
20. When an international business makes a decision, the opportunity cost is
- A. the least attractive alternative given up when a choice is made.
 - B. the most attractive choice for international trade.
 - C. the most attractive alternative given up when a choice is made.
 - D. the price of conducting international business.
21. Debt-to-equity measures the:
- A. relation between startup costs and net worth
 - B. relation between the dollars borrowed and the dollars invested in the business
 - C. difference between assets and your liabilities
 - D. difference between equity and your liabilities
22. Which one is not a classification for consumer goods?
- A. convenience product
 - B. specialty product
 - C. raw materials

- D. shopping products
23. _____ resources include the building, money, equipment, and factories that a country has available for the production process.
- A. Natural
 - B. Human
 - C. Manufactured
 - D. Capital
24. Which one of the following would not be a role of a marketer in the product development process?
- A. selling the product
 - B. conducting marketing tests
 - C. designing marketing strategies
 - D. gathering information
25. Per capita GDP is a better measure of a nation's economic development than total GDP because:
- A. it gives a better comparison between countries of different population sizes
 - B. it takes into consideration the socioeconomic aspects of the countries
 - C. it shows how the unemployment rate affects GDP
 - D. it shows how the unemployment rate affects the relationship between two countries
26. The money that is required to start a new business is called:
- A. savings
 - B. stocks
 - C. cash flow
 - D. capital
27. When an audience is receiving a message they go through four stages: awareness, comprehension, conviction, and commitment. Which of these stages involves the audience matching their own interests and views with the information being offered?
- A. conviction
 - B. commitment
 - C. awareness
 - D. comprehension
28. The country frequently referred to as the engine for international business is the:
- A. Mexico
 - B. Japan
 - C. United States
 - D. Canada
29. A country has a trade deficit when:
- A. its GDP is lower than the GDP of its trade partners

- B. its imports exceed its exports
 - C. its exports equal its imports
 - D. its exports exceed its imports
30. _____ can be used by a company to give its products a unique position in the market.
- A. Price and quality
 - B. Features and benefits
 - C. Quality and features
 - D. Price and benefits
31. Which best describes the term "product line"?
- A. all the products a company makes
 - B. all the products a company sells
 - C. brands that are closely related in terms of their function and benefits provided
 - D. the development of a single product over time
32. The list of people who receive salary or wage payments from a business is called a(n):
- A. workforce
 - B. account payable
 - C. liability
 - D. payroll
33. During this stage of the product life cycle, the product's market share reaches its limit and the new market niche is filled.
- A. decline
 - B. introduction
 - C. maturity
 - D. growth
34. What document should you prepare to include with your business plan that will tell the reader about your qualifications to run the business?
- A. Resume
 - B. Executive Summary
 - C. Cover Letter
 - D. Mission Statement
35. Which of the following is not a benefit of planning?
- A. it provides a road map of the future
 - B. it encourages a participatory work environment
 - C. it results in better coordination
 - D. it results in more effective controls
36. Which one of the following situations is not an example of global dependency?
- A. doctors travel to another country to provide health care because there is a shortage of

- medically-trained professionals in that country
- B. automobiles are manufactured domestically to improve a national economy
 - C. massive crop failures require buying food from another country
 - D. a country buys tools from another country because it does not have the technology to make the tools
37. Which marketing function involves designing and developing products and services?
- A. marketing information management
 - B. pricing
 - C. product/service planning
 - D. selling
38. Products that appeal to the majority of customers are often sold through _____ marketing efforts.
- A. demographic
 - B. psychographic
 - C. mass
 - D. segmented
39. Employees prefer the _____ style of leadership the most.
- A. situational
 - B. open
 - C. democratic
 - D. autocratic
40. _____ is the accepted behaviors, customs, and values of a society.
- A. Objective
 - B. Tradition
 - C. Norm
 - D. Culture
41. Banks and investors make financing decisions about new businesses based on
- A. the personality of the entrepreneur
 - B. whether or not they patronize the type of business the entrepreneur wants to start
 - C. how well they think the business can meet its objectives
 - D. the content of the business plan
42. The electronic transmission of transaction data using telecommunications is referred to as:
- A. wide area network (WAN)
 - B. artificial intelligence network (AIN)
 - C. electronic data exchange (EDI)
 - D. local area network (LAN)
43. One of the following would be a disadvantage of a partnership, but not of a corporation.

- A. There is more government regulation.
 - B. Each partner is responsible for all financial risks.
 - C. All decisions must be made by the CEO.
 - D. There are only two owners.
44. _____ is an example of a natural disaster that will have an impact on international business.
- A. Civil unrest
 - B. War
 - C. Terrorism
 - D. Drought
45. Campbell's microwavable soups can be prepared in the container in which the soup was purchased. This is an example of which benefit of packaging?
- A. environmental
 - B. functional
 - C. safety
 - D. communication
46. Political instability for a country:
- A. has no impact on that country's economy
 - B. has a major positive impact on that country's economy
 - C. presents numerous opportunities for international trade
 - D. has a major negative impact on that country's economy
47. When applying for an international position, your resume should:
- A. include your age
 - B. include a current picture
 - C. list all education since elementary school
 - D. list your experience and career objective
48. Each year, when retail stores perform inventory, they come away with a number that represents the amount of product that was lost, damaged, or stolen since the last inventory. How does this affect future marketing efforts?
- A. marketing promotions are decreased to save corporate dollars
 - B. prices are raised on items most affected to make up for the loss
 - C. more money must be spent on marketing the item to increase its desire and increase sales
 - D. additional security must be hired to prevent future loss
49. Of the following business transactions, the only one that describes an importing activity is a:
- A. computer manufacturer in one state ships computers to numerous other states
 - B. retailer in Sweden receives goods from Mexico to sell in a chain of stores
 - C. restaurant food supplier in Japan ships sushi ingredients to a restaurant in Turkey
 - D. wholesaler in Brazil packs goods for shipment to Liberia

50. _____ helps companies expand products into new target markets.
- A. Manufacturing
 - B. Branding
 - C. Packaging
 - D. Signatures
51. _____ occurs when companies or organizations reduce the number of employees.
- A. Mutual reward
 - B. Downsizing
 - C. Feedback
 - D. Severance pay
52. Popular fad words in one culture not understood by another culture are referred to as:
- A. jargon
 - B. body language
 - C. linguistics
 - D. foreign exchange
53. Small businesses employ:
- A. about half less of the workforce than large business
 - B. less of the workforce than large business
 - C. more of the workforce than large business
 - D. about half of the workforce than large business
54. A group of similar products with slight variations in the marketing mix to satisfy different needs in a market is a(n):
- A. brand
 - B. extended product
 - C. product line
 - D. product assortment
55. The type of business owned and managed by one person is a
- A. sole proprietorship.
 - B. corporate entity.
 - C. partnership.
 - D. limited partnership.
56. What does the “S” in SWOT stand for?
- A. Strength
 - B. Strategy
 - C. Synergy
 - D. Selling
57. _____ is judging another culture solely by the values and standards of one's own culture.

- A. Social judgment
 - B. Diversity
 - C. Global dependency
 - D. Ethnocentrism
58. The _____ environment impacts the level of individual creativity.
- A. maternal
 - B. paternal
 - C. external
 - D. physical
59. To protect the unauthorized use of the slogan “Built Ford Tough,” Ford has been issued a(n):
- A. license
 - B. trademark
 - C. patent
 - D. brand
60. A currency future is an example of:
- A. a projected currency value
 - B. a contract
 - C. an exchange rate
 - D. an exchange control
61. Which law says that when the price of a product is increased, more will be produced?
- A. law of production
 - B. law of demand
 - C. law of supply
 - D. demand curve
62. The correct business classification for Walmart is:
- A. partnership
 - B. corporation
 - C. proprietorship
 - D. franchise
63. While body odor is viewed as offensive in the United States, most _____ countries view body odors as being natural and distinctive.
- A. Western European
 - B. Africa and Middle Eastern
 - C. Asian
 - D. Eastern European
64. A current trend in business today involves wireless communication on a variety of devices in a dynamic environment which is best described by which one of the following?

- A. e-commerce
 - B. e-business
 - C. cloud services
 - D. social media
65. Free trade among countries can be enhanced by:
- A. import taxes
 - B. import quotas
 - C. trade barriers
 - D. open trade zones
66. The element of the marketing mix that describes a good, service, or idea to satisfy consumers' needs is known as:
- A. distribution
 - B. the price
 - C. promotion
 - D. a product
67. Entrepreneurial ventures inside large companies are called what type of ventures?
- A. for-profit
 - B. corporate
 - C. not-for-profit
 - D. nonprofit
68. When a country needs to purchase food from other countries, there is:
- A. domestic business
 - B. a trade barrier
 - C. global dependency
 - D. exporting
69. Tony has worked as a service technician for the local Lexus dealer for the past three years. He is interested in opening his own business. Which one of the following skills would be Tony's strongest at this point?
- A. human resource skills
 - B. accounting skills
 - C. technical skills
 - D. marketing skills
70. Which of the following is NOT a shipping term used in international trade?
- A. FOB
 - B. CIF
 - C. CFR
 - D. LOC

71. What type of business structure has the capability to make decisions quickly?
- A. sole proprietorship
 - B. corporation
 - C. partnership
 - D. franchise
72. What is the precursor of WTO?
- A. TPP
 - B. GATT
 - C. APAC
 - D. NAFTA
73. _____ will not contribute to the success in a future international career.
- A. Participating in an international internship
 - B. A strong attitude of ethnocentrism
 - C. Experience with international travel
 - D. Speaking more than one language
74. Which of the following factors cannot be controlled at an entertainment event?
- A. weather
 - B. ticket collection
 - C. crowd behavior
 - D. expenditures
75. All of the following except one can be provided by the packaging of a product. Which one does not apply?
- A. illustration of the product in use
 - B. protection and security for the product
 - C. attention for the product
 - D. facilitation of physical exchange between businesses and customers
76. Things that a person owns are called:
- A. equity
 - B. net worth
 - C. assets
 - D. liabilities
77. International business most commonly affects consumers by creating:
- A. a greater variety of buying choices
 - B. fewer stores for consumers to select
 - C. a change in taxes
 - D. fewer buying choices
78. _____ is based upon the ability to control rewards and punishments.

- A. Reward power
 - B. Earned power
 - C. Position power
 - D. Assumed power
79. Industrialized countries have _____ infrastructure systems.
- A. developing
 - B. worn out
 - C. weak
 - D. strong
80. Which one of the following is not an element of the financial section of a business plan?
- A. market information
 - B. funding request and return on investment
 - C. identification of risks
 - D. financial statements
81. A document that graphically shows how job positions fit within an organization is called:
- A. mission statement
 - B. organization chart
 - C. network chart
 - D. network diagram
82. The CEO of a production-oriented company would consider _____ a benefit to the company.
- A. driven by understanding market forces
 - B. carefully designed product ranges to suit customer preferences
 - C. emphasis on quality and safety
 - D. coordination between marketing and engineers
83. Which part of the business plan describes why you are asking for a loan and what you plan to do with the money?
- A. Cover Letter
 - B. Title page
 - C. Executive Summary
 - D. Statement of Purpose
84. The concept that debits must equal credits is the foundation of:
- A. accounts receivable journals
 - B. double entry bookkeeping
 - C. cash flow analysis
 - D. depreciation schedules
85. Which one of the following is not an example of an entrepreneur?
- A. Carol manages a coffee shop owned by her sister.

- B. Karen started a cleaning service 10 years ago.
 - C. Carol started a successful home bakery business.
 - D. Marcella created Mulberry Jam and distributes the jam nationally.
86. ___ power is power based upon superior knowledge.
- A. Expert
 - B. Position
 - C. Identity
 - D. Reward
87. Constantly looking at your cell phone while you are in a business meeting indicates:
- A. lack of respect for the person you are meeting
 - B. focus on the meeting topic
 - C. multitasking ability
 - D. an extremely busy schedule
88. The most common cause of business failure is:
- A. choosing the wrong type of business ownership
 - B. lack of marketing expertise by the small business owner
 - C. lack of management experience
 - D. starting a business too late
89. Income earned by ___ is double taxed.
- A. sole proprietorships
 - B. partnerships
 - C. corporations
 - D. cooperatives
90. The process of identifying and starting a business venture, sourcing and organizing the required resources and taking both the risks and rewards associated with the venture is called:
- A. managerial accounting
 - B. entrepreneurship
 - C. organizational planning
 - D. marketing
91. Which statement about language and international business is the most accurate?
- A. International businesspersons often prefer to transact business in their native languages, even if they speak English well.
 - B. Generally body language has a consistent meaning throughout the world.
 - C. English is the only language ever used for international business purposes.
 - D. For a career in international business, you need to learn at least ten languages besides your native language.
92. _____ is an element of the marketing decision making process that deals with the methods

of setting profitable and justified prices.

- A. Marketing strategy
- B. Promotional strategy
- C. Pricing strategy
- D. Pulling strategy

93. A situational leader does not:

- A. make use of individual employees' strengths
- B. understand the importance of flexibility
- C. use autocratic style in all situations
- D. adjust leadership to different circumstances

94. A tax the government charges on imports is called a(n):

- A. quota
- B. boycott
- C. tariff
- D. embargo

95. The function of informing, persuading, and influencing the consumer's purchase decision is:

- A. place
- B. promotion
- C. product
- D. price

96. The ____ is the roadmap for a business.

- A. balance sheet
- B. business plan
- C. budget
- D. income statement

97. Which one of the following benefits to the community in which the business is or will be located should be addressed in the business plan?

- A. management skills
- B. community diversity
- C. training of employees
- D. job creation

98. Your inspiration, the framework for all your strategic planning is called the company _____.

- A. vision
- B. goal
- C. objective
- D. strategic plan

99. When communicating face-to-face, negativity is displayed when a participant:

- A. crosses his legs
- B. crosses his arms across his chest
- C. rests his chin on his hand
- D. leans forward in his chair

100. One good strategy to keep an audience of co-workers engaged during a presentation is to:

- A. avoid the use of visuals such as charts or pictures that will distract from the presentation
- B. speak quickly to end the session early
- C. provide handouts to guide the audience through the presentation
- D. avoid contact with specific members of the audience, focusing on a point at the rear of the room

Answer Key

1	B	35	B	69	C
2	A	36	B	70	D
3	D	37	C	71	A
4	C	38	C	72	B
5	D	39	C	73	B
6	D	40	D	74	A
7	A	41	C	75	D
8	D	42	C	76	C
9	C	43	B	77	A
10	B	44	D	78	A
11	C	45	B	79	D
12	A	46	D	80	A
13	B	47	D	81	B
14	B	48	B	82	C
15	C	49	B	83	D
16	C	50	B	84	B
17	A	51	B	85	A
18	C	52	A	86	A
19	B	53	C	87	A
20	C	54	C	88	C
21	B	55	A	89	C
22	C	56	A	90	B
23	D	57	D	91	A
24	A	58	D	92	C
25	A	59	B	93	C
26	D	60	B	94	C
27	A	61	C	95	B
28	C	62	B	96	B
29	B	63	B	97	D
30	A	64	D	98	A
31	C	65	D	99	B
32	D	66	D	100	C
33	C	67	B		
34	A	68	C		