# Multiple Choice Question Ch1-12

## Chapter 1: Multiple Choice Questions

1. In business, there are several types of business organisation, what are these?
2. Private
3. Public and Voluntary
4. Voluntary and Private
5. **Public, Private and Voluntary**
6. Strategic decision making can take place at various levels of an organisation, what are the three most common?
7. Operational, board, and industrially
8. Governmental, locally, and individually
9. **Corporate, Business, and Functional**
10. Board of Directors, Chief Executive, and Junior Management
11. Psychographic segmentation variables would typically include:
12. Eye colour, height, and weight variables
13. **Lifestyle, personality, and status variables**
14. Age, education, and income variables
15. Race, religion, and personality
16. PESTLE is an acronym for what?
17. Political, environmental, technological, legal, and environmental
18. Political, environmental, shareholding, technological, logistical, and e-marketing
19. **Political, environmental, social, technological, legal, and environmental**
20. Political, environmental, societal, technological, learning, and e-marketing
21. Zeithaml (1988) defined value as having four elements for a consumer, what are these?

Value is low price

Value is whatever I want in a product

Value is the quality I get for the price I pay and what I get for what I give

**All of the above**

1. The business model canvas describes an organisation’s or a product’s what?
2. **Value proposition, infrastructure, customers, and finances**
3. Marketing Plan
4. Value proposition, infrastructure, and markets
5. All of the above
6. Michael Porter (1985) identified six stages in the analysis of a business organisation’s value proposition which are supported by the organisation’s infrastructure, what answer best describes an organisations infrastructure?
7. **Human resource management, technology development, purchasing, and procurement**
8. Human resource management, and finance
9. Human resource management, marketing, capital
10. Human resource management, technology development, sales, and research
11. Stewart (1967) noted there to be various types of managers, how many types were identified?
12. 4
13. 7
14. 1
15. **5**
16. Henry Mintzberg (1973) identified three categories that his ten identified management roles fell into, what were these?
17. **Informational, interpersonal and decisional**
18. Strategic, functional, and operational
19. Team, and individual
20. None of the above
21. How might the size of a business be best measured?
22. Number of employees, and overall gross profit
23. Number of outlets or business units and market value
24. Total revenue and capital investment
25. **All of the above**

## Chapter 2: Multiple Choice Questions

1. Which cities have historically stood out as birthplaces of renewal?
   1. Athens London, Paris, Berlin, NYC, Florence
   2. Paris, London, Madrid, Vienna, Florence, Athens
   3. **Athens, Florence, London, Vienna, Paris, Weimar**
   4. Weimar, Paris, Edinburgh, Florence, Milan, Athens
2. Which factor is **NOT** part of the Elite view of creativity?
   1. Having a rare talent
   2. **Being teachable**
   3. A solitary process
   4. Always being inspired
3. Which one of Nature’s creations was not turned into a human innovation?
   1. The Leaf or Solar Panel
   2. The Brain or Computer Circuit
   3. **The Voice or Microphone**
   4. Birds or Music
4. Which of these are the five steps of creative thought?
   1. **Preparation, incubation, insight, evaluation, elaboration**
   2. Preparation, internalisation, insight, evaluation, elaboration
   3. Preparation, incubation, reviews, evaluation, elaboration
   4. Preparation, incubation, insight, feedback, elaboration
5. How might an opportunity for innovation emerge?
6. New products, markets, processes, and solutions
7. Political and regulatory shifts, demographic change
8. Improvements to the value chain, supply chain and revenue model
9. **All of the above**
10. Which of these is **NOT** part of the Developmental view of creativity?
    1. A group process
    2. Being teachable
    3. That it is within all professions
    4. **Great works of art**
11. Which theorist suggested that an entrepreneur is a special person bringing about change?
12. Dimov (2011)
13. Bygrave (2003)
14. **Schumpeter (1934)**
15. Sarasvathy (2001)
16. Which of these is **NOT** a definition of the entrepreneur?
    1. Technical Expert
    2. Risk Taker
    3. **Leader**
    4. Capitalist
17. Which of these numberings of entrepreneurial process models is wrong?
    1. Static Frameworks (11)
    2. Stage Models (12)
    3. **Process Dynamic Models (18)**
    4. Quantification Sequences (1)
18. Which is **NOT** one of Sarasvathy’s (2001) five principles of effectuation?
    1. The *bird-in-hand* principle,
    2. The *crazy-quilt* principle
    3. The *lemonade* principle
    4. **The *planning* principle**

## Chapter 3: Multiple Choice Questions

1. When you make a decision to run your business as a sole trader, this means:

a. the business is incorporated

**b. the business is unincorporated**

c. you are employed by the business

d. your business assets are legally separate from your personal assets

2. In relation to a partnership in Scotland under the Partnership Act 1890, which of the following is untrue?

**a. the partnership is formed by incorporation**

b. the partnership is a legal person

c. the partnership is formed by agreement

d. the partnership needs a minimum of 2 persons

3. In a partnership under the Partnership Act 1890, the partners:

a. have limited liability for the obligations of the partnership

b. have joint liability for the obligations of the partnership

**c. have joint and several liability for the obligations of the partnership**

d. have no liability for the obligations of the partnership

4. In a limited liability partnership under the Limited Liability Partnerships Act 2000, which of the following statements best describes the LLP:

a. there must be at least one general partner

b. LLPs are formed by agreement between the partners

**c. all partners have limited liability**

d. the LLP is only available for professionals such as accountants and solicitors and is not suitable for business

5. The concept of limited liability in relation to a company means:

a. the company is liable to a limited extent for its debts and obligations

**b. the members are liable to a limited extent for its debts and obligations**

c. when necessary, the company has the right to demand that further capital be contributed by members

d. if a company goes into liquidation before a member has paid for his shares in full, liability to pay for them ceases at that point

6. Which of the following is not a difference between a public and a private limited company?

a. the name of a public company must end in “public limited company” or “plc,” while the name of a private company (other than an unlimited company) ends in “limited” or “Ltd”

b. a public company must have at least two directors while a private company only needs one

c. a public company has to have a minimum issued share capital of £50,000, whereas a private company does not, provided it issues at least one share

**d. a public company must have its shares listed on the Stock Exchange, whereas a private company does not**

7. Which of the following is not an attribute of the legal personality of a registered company?

a. it can contract with outside parties and with its own members

b. it is liable for its own obligations like any other person

**c. its major shareholders and directors cannot be employees of it**

d. it has perpetual succession

8. In the case of *Salomon v Salomon & Co Ltd,* which of the following statements is untrue?

**a. the House of Lords held that as Salomon founded the company, he had to ensure that the company had sufficient money to pay its creditors**

b. the House of Lords held that Salomon & Co Ltd was a separate legal person from Salomon

c. the House of Lords held that provided there is no fraud, once a company had been incorporated, the motives of the incorporators in forming it are irrelevant

d. this is a case in which the House of Lords did not pierce the veil of incorporation

9. In relation to the similarities and differences between fraudulent trading and wrongful trading, which of the following is untrue?

a. both can arise where the directors have allowed the company to trade on and accept further orders when it is insolvent, and therefore unlikely to be able to deliver the goods or services

b. intent to defraud creditors needs to be proved for fraudulent trading, while trading in the knowledge that the company cannot avoid insolvency is sufficient for wrongful trading

**c. wrongful trading has replaced fraudulent trading, which is no longer part of the law**

d. both can result in the directors being held personally liable to contribute in the liquidation of the company

10. In the case of *Gilford Motor Co Ltd v Horne,* which of the following statements is untrue?

a. the case is an example of piercing the veil of incorporation

b. Horne’s company was held by the court to be a sham company

c. Horne’s company was held to be subject to the same contractual provisions as Horne was himself

**d. The decision in *Gilford Motor Co Ltd v Horne* was overruled by the Supreme Court in *Prest v Petrodel Resources Ltd***

## Chapter 4: Multiple Choice Questions

1. Which of the following is NOT a test used by the courts to establish whether a person is an employee?

1. Integration Test
2. Mutuality of Obligation Test
3. **Agency Test**
4. Control Test

2. Which of the following is NOT an automatically unfair reason for dismissing an employee?

1. Declining to sign a workforce agreement
2. **Not being able to carry out a task**
3. Pregnancy
4. Taking Maternity leave

3. How long must a person be employed for to qualify for unfair dismissal?

1. 1 year
2. **2 years**
3. 3 years
4. 4 years

4. What is the most common remedy for unfair dismissal?

1. Reinstatement
2. Re-engagement
3. **Compensation**

5. What is the absolute maximum basic compensatory award for unfair dismissal?

1. £11,400
2. £12,920
3. £13,100
4. **£13,920**

6. Which of the following is NOT a situation in which an employer can make an employee redundant?

1. The business ceases to continue trading
2. A particular factory of a company is closed down due to downsizing
3. An employer buys a new machine that renders an employee unneeded
4. **Employees are doing their job at too slow a pace**

7. If a claim for unfair dismissal is lodged, where does the onus of proof lie?

1. **With the employer**
2. With the employee
3. With the Employment Tribunal

9. Kelly v Trusthouse Forte Plc is the leading case for which aspect of employment law?

1. Redundancy
2. Potentially fair reasons for unfair dismissal
3. **The ‘mutuality of obligation’ test for employment status**

9. Which of the following is NOT a potentially fair reason for unfair dismissal?

1. Incompetence
2. **Employee falls pregnant**
3. Misconduct
4. Illegality

10. What is the maximum amount of time an employee has to lodge a claim for redundancy payment?

1. **6 months**
2. 9 months
3. 1 year
4. 2 years

## Chapter 5: Multiple Choice Questions

1. Which of the following terms refers to research that has been undertaken previously for a purpose other than the current research project?

1. Primary
2. **Secondary**
3. Market
4. Triangulation

2. Which of the following is **NOT** a major component of research design?

1. **Report Writing**
2. Sampling method
3. Data analysis
4. Survey method

3. Which of the following is **NOT** a qualitative research technique?

1. Focus groups
2. Projective techniques
3. **Experimentation**
4. Ethnography

4. Which of the following statements refers to a common reason for using qualitative methods?

1. **Provides insight**
2. Generalisable findings
3. Large samples used
4. Spotting trends

5. Which of the following terms describes the sampling method that ensures that everyone form the population has an equal chance of being selected?

1. Qualitative
2. Non-probability
3. Quantitative
4. **Probability**

6. Which of the following terms refers to a list of the whole population under study?

1. Convenience list
2. Quota
3. **Sampling frame**
4. Cluster

7. Which of the following terms refers to the practice of trying to get charity donations whilst pretending to do market research?

1. Sugging
2. Snowballing
3. Open ended question
4. **Frugging**

8. As part of a survey you have decided to stop people in a shopping mall. Which terms

best describes your sampling method?

1. Quota sampling
2. Probability sampling
3. Random sampling
4. **Convenience sampling**

9. Which of the following statements best defines what is involved in marketing research?

1. Using all firms of market, opinion and social research
2. Looking at the industry behaviour
3. **Obtaining relevant information so that management can make better informed decisions**
4. Collecting and analysing data from a census or sample of individuals

10. Which of the following statements best describes the management problem when the research question is “What are the reasons for sales not meeting our expectation?”?

1. **Sales at our new store are lower than expected**
2. Customers are bored with our range
3. Customers are doing more of their shopping on line
4. Disposable income is going down

## Chapter 6: Multiple Choice Questions

1. Which of the following statements most accurately describes the marketing mix?
2. A series of business decisions that aid selling a product
3. A composite analysis of all the macro environmental factors
4. The relationship between a business and its competitors
5. **A blending of four strategic elements to satisfy specific markets**
6. Which of the following terms best describes the value created by an organisation when it tries to keep its existing customers?
7. Price value
8. **Relationship Value**
9. Performance value
10. Emotional Value
11. Which of the following statements explains the process of psychographic segmentation?
12. The qualitative element of geodemographic analysis
13. **Grouping people according to their values, interests and lifestyles**
14. Grouping people according to the amount they buy
15. Considering a customer’s psychological weaknesses when selling them products.

1. When segmenting a market the company is aiming for
2. **Segment heterogeneity and member homogeneity**
3. Segment homogeneity and member heterogeneity
4. Segment homogeneity and member homogeneity
5. Segment heterogeneity and member heterogeneity
6. Which of the following statements describes the identification and choosing a group of customers for a product?
7. Positioning
8. Segmentation
9. **Targeting**
10. Differentiation
11. Which of the following promotional methods is most likely to be used when trying to influence shareholders to invest in a business?
12. Personal Selling
13. Advertising
14. Email
15. **Public Relations**
16. Which of the following terms best describes a product such as a hairdryer?
17. Fast moving consumer good.
18. **Durable good**
19. Luxury good
20. Investment good
21. Which of the following statements refers to choosing to sell a product in as many outlets as possible?
22. Exclusive distribution
23. Direct distribution
24. **Intensive distribution**
25. Selective distribution
26. Which of the following methods of setting budgets sees marketing as an investment?
27. Competitor matching
28. Percentage of sales
29. Affordability
30. **Objective and task**
31. Which of the following best describes the strategy of pricing a product low in order to gain early market share
32. Skimming
33. Customer related pricing
34. **Penetration Pricing**
35. Cost focus Pricing

## Chapter 7: Multiple Choice Questions

1. The HRM function can be carried out at two levels namely:
2. Reactive and Strategic
3. Proactive and Strategic
4. **Operational and Strategic**
5. Technical and Operational
6. Objectives of the HRM function, according to Torrington et al. (2005), include the following except:
7. Change management
8. Performance management
9. Administrative objective
10. **Employee ownership**
11. The first step in the recruitment process is:
12. **Job analysis**
13. Interviews
14. Training and development
15. Induction
16. Techniques used during the selection process include the following except:
17. Psychometric tests
18. Aptitude tests
19. Assessment centres
20. **Experimental tests**
21. Which of the following is not an employment legislation?
22. **Education Act 2011**
23. Equality Act 2010
24. Equal Pay Act 1970
25. Sex Discrimination Act 1975

6. What is the current minimum pay in the UK for those aged between 18 to 20?

**a.** **£5.13**

b. £2.73

c. £3.79

d. £6.50

7. Which of the following characteristics are protected by the Equality Act 2010?

a. Age

b. Disability

c. Race

**d. All of the above**

8. External influences on HRM include the following except:

a. Demographic changes

b. Legislative changes

**c. Personnel changes**

d. Economic changes

9. Aside from the HR manager, who else can be involved in Health and Safety?

a. Employees

b. Line management

c. Top-level management

**d. All of the above**

10. When was the Equality Act established?

a. 1995

b. 2012

**c. 2010**

d. 1975

## Chapter 8: Multiple Choice Questions

1. Work-life balance practices concern:

1. How work is performed
2. **How work hours are arranged**
3. Who does certain work
4. Maternity and Paternity leave

2. Why are organisations expressing an increasing interest in work-life balance?

1. **Changing labour demographics**
2. Changing consumer demographics
3. Changing technology
4. Changing UK Government legislation

3. Which of these is **not** a work-life balance practice?

1. Condensed working hours
2. Homeworking
3. Part-time working
4. **Overtime**

4. Which of these is **not** a reason for a business to use work-life balance practices?

1. Greater staff retention
2. Increase discretionary effort made by employees
3. Higher employee productivity
4. **It is required by UK law**

5. Which of these is **not** a reason why someone may not wish to take a work-life balance practice?

1. Fear of having ‘special privileges’
2. Lack of career progression
3. **A new addition to the family**
4. Work intensification

6. Which of these is a barrier to the implementation of homeworking?

1. Employees do not want to work from home
2. **Management fear homeworkers may be ‘slackers’**
3. Employees perform best in an office environment
4. Technology has not progressed enough to allow homeworking

7. Which reason for requesting a work-life balance practice is viewed most favourably?

1. **For childcare purposes**
2. For pet care purposes
3. For leisure purposes
4. For parent care purposes

8. Work-life balance practices are usually taken by:

1. Women without children
2. Men with children
3. **Women with children**
4. Men without children

9. Why do women often have the responsibility for childcare?

1. Men are not responsible enough to care for a child
2. **The feminist movement opened the door for women employment but the delegation of domestic responsibilities has changed little**
3. Women want to care for children more than men
4. Men are never afforded a work-life balance practice

10. Work-life balance practices interrelate with…:

1. Gender
2. Class
3. Ethnicity
4. **All of the above**

## Chapter 9: Multiple Choice Questions

1. What does the Porter’s five forces aim to achieve?

1. **An external analysis on competition**
2. A new marketing strategy
3. An internal shift of human resource
4. A review of supply chain management

2. The key five forces examine rivalry among firms, potential entrants, buyers;

1. Customers
2. Employers and employees
3. **Substitutes and supplies**
4. Import and Export

3. What benefit is derived from competitive rivalry?

1. Price war
2. **Differentiation**
3. Alliances
4. Higher marketing budgets

4. Name one of the six barriers of entry as described by Porter (1979):

1. **Economies of scale**
2. Extensive product line
3. Internationalisation
4. Strong customer service

5. The buying power has the ability to:

1. Supply own goods
2. Increase profits in the industry
3. **Reduce the selling price**
4. Influence the share price

6. One determinant which allows the supplier to gain selling power is:

1. Easy accessibility
2. High substitutes
3. Threat of entry
4. **Buyer switching cost**

7. Name one criticism that can be argued against Porters five forces:

1. **Cannot generalised results from a singular point in time**
2. The model only can be applied to one industry
3. Some forces are more relevant than others
4. Product development is more important than competition

8. What do organisations need to adopt to overcome competition?

1. Relocation strategy
2. Creation of subsidiaries
3. **Competitive strategy**
4. Collusion

9. By adopting a cost leadership position, organisations will lack in:

1. Profit
2. Demand
3. **Specialism**
4. Mass Market

10. What would a company have to offer in order to apply differentiation?

1. **Unique Selling Point**
2. Reduced cost
3. Multiple promotions
4. User engagement

## Chapter 10: Multiple Choice Questions

1. Typically, production line lay out is suitable for…
   1. **low-variety high-volume manufacturing**
   2. big-variety low-volume manufacturing
   3. big-variety high-volume manufacturing
   4. low-variety low-volume manufacturing
2. In operations management any unnecessary travel is considered as?
   1. No-value adding and needed
   2. **No-value adding and waste**
   3. Value adding and needed
   4. Value adding and waste
3. Typically, functional/process layout is suitable for…
   1. low-variety high-volume manufacturing
   2. **big-variety low-volume manufacturing**
   3. big-variety high-volume manufacturing
   4. low-variety low-volume manufacturing
4. Which shop floor lay out is suitable for medium batch manufacturing?
   1. **Group technology/ cellular layout**
   2. Functional/process layout
   3. Production/flow line layout
5. Mass service could be offered when…
   1. the volume is low and the variety is low
   2. the volume is high and the variety is high
   3. **the volume is high and the variety is low**
   4. the volume is low and the variety is high
6. Physical distribution management involves management of good and services to first and second tier customers regarding their:
   1. Inventory levels
   2. Inventory locations
   3. Warehousing
   4. Physical distribution
   5. **All the above**
7. The time frame which operational processes underpin the organisational competitiveness:
   1. Future.
   2. Medium.
   3. **Short to medium.**
   4. Past.
8. In operations management we can help the organisation to achieve its aims and objectives by managing its processes:
   1. Through flexibility and agility
   2. **Through efficiency and effectiveness**
   3. Through standardisation and lean
   4. Through indicators and clear strategy
9. Measuring performance of processes could happen through indicators. Supplier on-time delivery could affect customer satisfaction and it is measured from various companies to track performance. What kind of indicator do you think that supplier on-time delivery is for business processes?
   1. **Leading indicator**
   2. Lagging indicator
   3. Coincident indicator
10. Which model is measuring the Total Quality Management (TQM) in Japan?
    1. Malcolm Baldridge
    2. **Deming**
    3. EFQM

## Chapter 11: Multiple Choice Questions

1. Which statement best describes a supply chain
   1. A chain of interconnected companies
   2. A chain of interdependent companies
   3. A network of competing companies
   4. **A network of interdependent and interconnected companies competing as one**
2. The aim of supply chain management is to:
   1. Manage the storage and movement of materials in the supply chain
   2. Reduce total logistics costs
   3. Manage suppliers so as to minimise the cost of procurement
   4. **Enhance value in the final marketplace and maximise profit for the whole supply chain**
3. Products that are functional in nature need a supply chain that is:
   1. Lean and focussed on market responsiveness
   2. Agile and cost efficient
   3. Both agile and lean as required
   4. **Lean and physically efficient**
4. The lead-time gap is best described as:
   1. The time it takes to satisfy a customer order
   2. The total supply chain lead-time from extraction of raw materials to consumption by the end-user
   3. The time it takes to make and distribute a product to a customer
   4. **The time difference between the total supply chain lead-time and the customer order cycle time**
5. Which strategies can companies adopt to improve the match between supply and demand?
   1. Implement a robust approach statistical forecasting and optimise inventory control
   2. Introduce cross-functional collaborative planning such as Sales & Operations Planning (S&OP)
   3. Implement agile supply chain strategies such as postponement, so that we can be less dependent on a forecast of product sales
   4. **All of the above**
6. What is one major fear of managers when they decide to outsource their logistics function?
   1. The achievement of cost savings
   2. Transfer of fixed costs and capital investments into variable costs and expenditure
   3. Increasing the scale and scope of operations
   4. **Loss of operational control and reduced contact with customers**
7. What are the relationship risks that occur when outsourcing logistics activities to external suppliers?
8. Poor ability to train and educate employees
9. Reduction of customer satisfaction
10. Increasing costs for maintaining assets and equipment
11. **Information asymmetry and goal incongruences**
12. What are firms called that provide advanced and integrated supply chain solutions?
13. Freight forwarders
14. Third-party logistics providers
15. Transportation carriers
16. **Fourth-party logistics providers**
17. What types of costs need to be considered in making global sourcing decisions?
18. Transportation costs
19. Production costs
20. Inventory carrying costs
21. **All of the above**
22. What challenge do managers face when making re-location and sourcing decisions?
23. Act local and think local
24. Think global and act global
25. Think local and act global
26. **Act local and think global**

## Chapter 12: Multiple Choice Questions

**1. Corporate governance is a form of \_\_\_\_\_\_?**

A: External regulation

B: *Self-regulation*

C: Government control

D: Charitable action

**2. CSR stands for \_\_\_\_\_?**

A: Company Social Responsibility

B: Corporate Social Rights

C: *Corporate Social Responsibility*

D: Company Social Rights

**3. In what year was Bowen’s seminal contribution to CSR research published?**

A: 1951

B: 1952

C: *1953*

D: 1954

**4. Highlight Carroll’s (1979) four indicators of corporate social performance.**

A: Economic, Legal, Environmental, Philanthropic.

B: *Economic, Legal, Ethical, Philanthropic.*

C: Environmental, Legal, Ethical, Philanthropic.

D: Economic, Local, Ethical, Philanthropic.

**5. Which of the following is not one of Dahlrud’s (2008) dimensions of CSR?**

A: *Legal*

B: Voluntariness

C: Stakeholder

D: Social

**6. CSR and corporate governance represent a \_\_\_\_\_\_\_\_\_\_ between business and society.**

A: Social climate

B: Special contract

C: Special climate

D: *Social contract*

**7. CSR offers a \_\_\_\_\_\_ ­­­­ proposition for organisations to gain competitive advantage?**

A: Brand

**B: Value**

C: Unique

D: Sales

**8. Which organisation was not discussed in this chapter?**

A: Apple

B: **Mercedes**

C: Cadbury’s

D: Kellogg’s

**9. Which author was not discussed in this chapter?**

A: Zadek (2004)

B: Davis (1960)

C: Griseri & Seppala (2010)

D: **Mintzberg (1973)**

**9. Who are the stakeholders of the business who are concerned with CSR?**

A: Governments, employees, communities, partners, competitors

B: Employees, research agencies, governments, communities, trade organisations

C: Suppliers, partners, employees, communities, investors, education institutions

D: **All of the above**