Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ID \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ March 6, 2014

**GEB 1011 Unit 2 Exam**

1. Which of the following would not be considered a small business?
	1. A manufacturing company with 450 workers
	2. A wholesaler with 70 employees
	3. A retailer with $7 million in annual sales
	4. An agricultural business with $700,000 in sales
2. What is an advantage of a home-based business?
	* 1. More control over the business
		2. Low start-up and operating costs
		3. More visibility to customers
		4. Greater control over personal time
3. I only
4. II only
5. I and II only
6. II and III only
7. I, II and IV only
8. Which of the following is the leading cause of today's small business failures?
	1. Management shortcomings
	2. Poor products and/ or services
	3. No marketing plan
	4. Excess government regulation
9. Which of the following statements regarding franchising is FALSE?
	1. Franchises are more risky than other forms of business ownership.
	2. Franchisees have the benefit of name recognition.
	3. Franchisors provide a wide range of support to franchisees.
	4. Benefits for the franchisor include opportunities for expansion that might not otherwise be available
10. Sole proprietorships have all of the following advantages EXCEPT \_\_\_\_\_\_\_\_.
	1. Ease of formation
	2. Unlimited life
	3. Ease of liquidation
	4. Owner flexibility
11. Devon and Keith opened a restaurant as a partnership. Two years later, Keith left the restaurant, and Devon discovered that Keith had charged numerous expenses to their account. These expenses resulted in thousands of dollars worth of debt for the restaurant. What option does Devon have in this situation?
	1. He doesn’t have to worry because, according to law, everyone is responsible for his/her own debts.
	2. Business creditors will pursue Keith alone since his signature authorized payments.
	3. Business creditors will expect Devon to pay at least half the debt since he owns 50 percent of the business.
	4. Business creditors will expect full payment from Devon.
12. An acquisition occurs when \_\_\_\_\_\_\_\_.
	1. One corporation owns 8 percent of the stock of another corporation
	2. One company purchases the property and assumes the obligations of another company
	3. Two or more firms combine to form a single company
	4. Owners of small companies band together to operate their businesses collectively
13. Ben is the owner of a small mushroom farm in Pennsylvania. Ben would like to join with other growers to create an organization that will promote and distribute mushrooms. The form of ownership that would be most suited for the growers is the \_\_\_\_\_\_\_\_.
	1. Cooperative
	2. Government-owned collective
	3. Open corporation
	4. Joint venture
14. Jada is opening her own bakery. Jada is an example of a(n) \_\_\_\_\_\_\_\_.
	1. Manager
	2. Entrepreneur
	3. Minority executive
	4. Venture capitalist
15. After starting a web design company while still in college, Rodrigo sold the company after graduation. He then opened a computer repair shop; and most recently, he has started a marketing firm that specializes in social media. Rodrigo is an example of a(n):
	1. Classic entrepreneur.
	2. Social entrepreneur.
	3. Serial entrepreneur.
	4. Lifestyle entrepreneur.
16. All of the following are important characteristics of entrepreneurs EXCEPT:
	1. Tolerance for failure.
	2. Internal locus of control.
	3. Dependence on others.
	4. Creativity.
17. All of the following are major advantages of buying an existing business over starting a new business EXCEPT:
	1. Less risk is involved.
	2. Product or service is known in the marketplace.
	3. Obtaining financing is often harder.
	4. Existing suppliers and employees are in place.
18. Kayla is opening a home health care business that she knows will do well in her community based on prior research. Although she must repay borrowed funds, Kayla chooses \_\_\_\_\_\_\_\_ to maintain complete control over the business without having to answer to investors or partners.
	1. debt financing
	2. venture financing
	3. sole proprietor financing
	4. equity financing
19. \_\_\_\_\_ are specific geographic areas designated for economic revitalization.
	1. Economic stimulus zones
	2. Enterprise zones
	3. Investor zones
	4. Commerce areas
20. \_\_\_\_\_\_\_\_\_\_\_\_\_\_ innovate within an organization and participate in programs aimed to increase creativity within the company.
	1. Intrapreneurs
	2. Entrepreneurs
	3. Managers
	4. Classic entrepreneurs
21. Jackie is a manager who spends most of her time in day-to-day decisions assigning non-managerial employees to specific jobs. Jackie is considered a \_\_\_\_\_\_\_\_ manager.
	1. Staff
	2. Supervisory
	3. Mid-level
	4. Technical
22. Which type of planning determines the primary objectives of an organization, and then acts and allocates resources to achieve those objectives?
	1. tactical planning
	2. strategic planning
	3. contingency planning
	4. operational planning
23. Which of the following components to the SWOT analysis are both internal to the organization?
	1. Strengths; Threats
	2. Opportunities; Weaknesses
	3. Strengths; Weaknesses
	4. Opportunities; Threats
24. McDonald’s has decided to add a pork sandwich to its menu. This venture will require months of planning and significant investment. This is an example of a \_\_\_\_\_\_\_\_.
	1. Contingency plan
	2. Line organization
	3. Non-programmed decision
	4. Programmed decision
25. Autocratic leaders have all of the following characteristics EXCEPT \_\_\_\_\_\_\_\_.
	1. Concentration of power with the manager
	2. Two-way communication
	3. Decisions are made by the manager with little to no consultation from subordinates
	4. Employees are closely supervised
26. Hewlett Packard (HP) is subdivided by its different lines (such as laptops, desktops, mobile devices, printers, and servers). HP is departmentalized by \_\_\_\_\_\_\_\_.
	1. process
	2. customer
	3. function
	4. product
27. A company that retains decision making at the top is known as:
	1. independent
	2. autocratic
	3. centralized
	4. programmed
28. All of the following are core responsibilities of human resource managers EXCEPT \_\_\_\_\_\_\_\_.
	1. employee recruitment
	2. company budget forecasts
	3. employee compensation and benefits
	4. employee training and performance evaluation
29. Robert is a middle manager for All Dogs Co. He has requested an evaluation by a panel to include coworkers, superiors, subordinates, and company clients. This type of evaluation is called a \_\_\_\_\_\_\_\_.
	1. management development program
	2. Professional Analysis, Inc. (PAI) review
	3. status performance appraisal
	4. 360-degree performance review
30. All of the following are examples of flexible working arrangements EXCEPT \_\_\_\_\_\_\_\_.
	1. paid time off
	2. 401(k) plans
	3. compressed workweeks
	4. job sharing plans
31. Rose was recently let go from her position at an insurance agency as a result of downsizing. This is an example of \_\_\_\_\_\_\_\_.
	1. voluntary separation
	2. voluntary turnover
	3. involuntary turnover
	4. involuntary separation
32. Robert’s company is no longer hiring for the position because they contracted with an outside business to provide technical and computer support. This is an example of \_\_\_\_\_\_\_\_.
	1. downsizing
	2. outsourcing
	3. offshoring
	4. restructuring the organization
33. David is the head chef in a restaurant and has decided to increase the number of tasks performed by the kitchen staff. The added tasks do not result in increased challenge or authority. David’s efforts are called job \_\_\_\_\_\_\_\_.
	1. enrichment
	2. sharing
	3. enlargement
	4. management
34. Jahn is a member of a semi-permanent team that performs the day-to-day functions of the organization. Jahn is a member of a(n) \_\_\_\_\_\_\_\_ team.
	1. self-managed
	2. work
	3. problem-solving
	4. cross-functional
35. Which stage of team development is marked by conflicts over the team's mission and the roles of team members?
	1. forming stage
	2. norming stage
	3. storming stage
	4. performing stage
36. Countries like the United States which tend to rely on explicit written and verbal messages are considered \_\_\_\_\_\_\_\_ cultures
	1. high-context
	2. low-context
	3. external
	4. diverse
37. Which of the following is considered an upward communication channel?
	1. posting notices on bulletin boards
	2. giving employees policy manuals
	3. completing an employee survey
	4. reporting news in company newsletters
38. Steve and Renee are city council members who vehemently disagree over a new zoning ordinance. Their arguments have become personal, and other council members are irritated and avoiding meetings. Steve and Renee need to resolve their \_\_\_\_\_\_\_\_ conflict.
	1. mutual
	2. affective
	3. internal
	4. cognitive
39. Under \_\_\_\_\_\_\_\_\_\_, employees receive stock shares or the value of the stock upon retiring or leaving the company.
	1. stock certificates
	2. treasury bills
	3. stock options
	4. Employee Stock Ownership Plans (ESOPs)
40. During the meeting with the salesperson, Mary was hanging on every word, eager to find some sort of sign that the salesperson was not being honest with her. Mary was engaged in:
	1. Offensive Listening
	2. Cynical listening
	3. Active listening
	4. Passive listening

**Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ID: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Extra Credit Question Exam 2 (Possible 5 points):**

Do a SWOT analysis for Starbucks Corporation.