INTRODUCTION T**O BUSINESS**

**Overview** This event provides recognition for FBLA members who demonstrate an understanding of the American business enterprise system and its effect on consumers, employees, and entrepreneurs.

***This event is only for grades 9 and 10.***

**Competencies** The topics listed below are prioritized, listing the most important content areas of the tests.

Characteristics and organization of business Consumerism ' Money management and banking Career awareness

Rights and responsibilities of employees, managers, owners, and government

Insurance Economic systems

**Procedures*/*Tips**

• Review the Competitive Events Tips in the front of the book.

*FBLA Competitive Events Study Guide 2008-2010*

138

**WM**

**nonton tatto**

**Introduction to Business Sample Questions.**

1. During an interview, an employer

a. should do most of the talking. b. should find out whether a young woman plans to stay home with her children when they are born. c. can judge an applicant without any further research. d. can evaluate the appearance, job knowledge, and personality of the applicant.

2. Which of the following U.S. federal regulatory agencies handles consumer complaints?

a. Environmental Protection Agency b. Office of Consumer Affairs C. Consumer Product Safety Commission w d. Office of Consumer Protection

environment.

3. Consumerism is one aspect of the

a. social b. economic c. political/legal d. technological

de

as President of the United States, in 1962 addressed Congress and defined the basic rights of consumers.

a. Gerald Ford b. Richard Nixon C. John F. Kennedy d. Lyndon Johnson

are a division in society with different levels of social prestige. a. Reference groups b. Cultures C. Cognitive categories d. Social classes

6. A computer company developed a printer that would wear itself out within two years of purchase,

forcing consumers to buy a replacement. One might criticize this computer company because a. they planned to make their printer obsolete. b. of the poor service they offered to customers. c. of the high price they charged for the printer. d. their product was unsafe.

*7.* High prices are often caused by

a. excessive markups. b. free publicity. c. inexpensive labor. d. lowering the promotion costs.

8. Which of the following can reduce competition?

a. an increased number of competitors b. marketing prices eliminate barriers to entry c. balanced marketing practices d. acquisition of competitors

*FBLA Competitive Events Study Guide 2008-2010*

139

**Montornowww114**

Some companies attempt to determine a customer's worth before doing business with that person. This practice is known as a. webbing. b. exception. c. Weblining. d. price gouging.

10. Toyota recently sent a letter to everyone who purchased a 1999 Tacoma. The letter states that there

is a problem with the suspension and provides information about getting it fixed at local dealerships for free. This is an example of a. a product recall. b. a product recoil. c. an automatic reliability. d. a product reinforcement.

11. Which of the following is not a feasible way to evaluate applicants for a position?

a. have them fill out an application form b. hire a private investigator to follow the applicant C. check references d. conduct an intervie*w*

12. An advantage of a sole proprietorship is

a. profits are spread evenly amongst employees. b. ease of filing taxes and reporting earned income. C. unlimited liability. d. unlimited life of business.

13. Which of the following legal forms of organization allows owners to contribute no capital but still play a

part in managing the business and sharing the profits? a. sole proprietorship b. corporation C. S corporation d. partnership

14. A corporate charter should

a. be very similar to a prospectus. b. include an organizational chart. c. follow state guidelines. d. be over 100 pages in length.

15. A key characteristic of a partnership is that each partner

a. must contribute capital to the business. b. shares in company assets when the business dissolves. c. must manage the business. d. is capable of legally contracting.

16. All of the following are stages of consumer decision making **except**

a. perceptual categorization. b. purchase decision. c. post-purchase evaluation. d. problem recognition.

17. Which of the following types of interviewing has the applicant perform a small sample of his or her

potential duties? a. traditional interviewing b. behavioral interviewing c. differential interviewing d. reactive interviewing

*FBLA Competitive Events Study Guide 2008-2010*

140

18. The current hourly minimum wage set by the U.S. Department of Labor is

a. $4.75. b. $5.00. C. $5.25. d. $5.15.

19. When someone enters into a mortgage agreement, the house serves as which one of the five “C's” of

credit? a. collateral b. capacity C. character d. critique

20. Where is the headquarters for the Federal Reserve Bank?

a. Los Angeles b. Chicago C. New York City d. Washington D.C.

21. What is the central banking system of the United States?

a. the Bank of the U.S. b. the Federal Reserve C. the Unionized Central Banking System d. the Federal Union

22. Many customer service problems are identified by

a. personal evaluation. b. entries in a suggestion box. C. outside consultants. d. customer complaints.

23. The tension that occurs immediately following a purchase is referred to as

a. post-purchase satisfaction. b. cognitive assessment. C. cognitive dissonance. d. post-decision distress.

24. Grace is developing a business plan and wants to show the cost of fringe benefits as a percentage of

payroll costs. She should use the following percentage a. 50% b. 40% C. 30% d. 25%

25. Mac is worried about the increase in the number of subordinates he supervises; therefore, he is

concerned about his a. informal organization. b. span of control. C. chain of command. d. organizational structure.

26. Tracy, who runs a carpet cleaning business, has a group of employees who work in production and in

installation. If she decides to use work teams as part of her leadership approach, she must increase a. compensation. b. independence. C. quality. d. supervision.

*FBL*A *Competitive Events Study Guide 2008-2010*

27. Business interruption insurance covers

a. lost income. b. defective products, C. shoplifting. d. debts to suppliers.

28. Tara Cannon is the CEO of a large corporation. Last week the company decided to take out a life

insurance policy in case of her death. This is also known as a. life or death annuity. b. vital member policy. c. risky health assurance. d. a key-person policy.

29. Competition is thought to encourage businesses to

a. keep prices extremely high. b. produce new products. C. sell products of low quality. d. offer services of low quality.

\_

, but some decisions are

30. In a mixed economic system most decisions are left to

left to a. monopolies; government b. government; business C. government; individuals d. individuals; government

*FBLA Competitive Events Study Guide 2008-2010*

**142**

**orthodho**

CUDDUMUM

DO EM MUAM

និននិនួននួន៦

26) D

28) D 29) D 30) B

**FBLA Principles & Procedure Answer Key**

11) D 12) D 13) C 14) A 15) B 16) D 17) B 18) C 19) D

20) B **Future Business Leader Answer Key**

1) A

11) A 2) A

12) B 3) B.

13) A 4) A 5) A : 6) A 7) B 8) D 9) C 10) A **Global Business Answer Key** 1) A

21)

22*)*

23)

25) B

Net Cocoa

M TUDOMU

26) C 27) B 28) B 29) B 30) C

3) C 4) D

5*)* B

**0 0 0 0 0 0 ೧೧>**

13) A 14) D 15) A 16) B. 17) A

6) 7

D D

10)C **Help Desk Answer Key**

1) D 2) A

mecumam 0000 CIIMUU

4)

WOODOOD

16) B 17) B 18) D 19) A

20) A **Introduction to Business Answer Key**

11) B 12) B 13) D 14) C 15) D 16) A 17) B 18) D 19) A 20) D

WOODDO0000

UDOUDODO

UWODOWww

*FBLA Competitive Events Study Guide 2008-2010*

241