

Restaurant and Food Service Management

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.

This comprehensive exam was developed by the MarkED Resource Center. Items have been randomly selected from the MarkED Resource Center's Test-Item Bank and represent a variety of instructional areas. Competencies for this exam are at the prerequisite, career-sustaining, marketing specialist, marketing supervisor, and manager levels. A descriptive test key, including question sources and answer rationale, has been provided the state DECA advisor.

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1. At the end of the year, the board of directors for a business voted to retain 20% of the net profit and issue the remaining 80% in the form of stock dividends. This type of business is known as a
 - A. sole proprietorship.
 - B. corporation.
 - C. cooperative.
 - D. partnership.
2. When interviewing potential employees, full-service restaurant chains should avoid asking the applicants about their
 - A. academic achievements.
 - B. previous experiences.
 - C. medical conditions.
 - D. salary requirements.
3. A written business report should have clarity so that it will be
 - A. lengthy.
 - B. easy to understand.
 - C. impressive.
 - D. open to interpretation.
4. When giving directions to a subordinate for completing a job task, the key to being understood is to be as _____ as possible.
 - A. clear
 - B. wordy
 - C. brief
 - D. formal
5. Which of the following is primarily a responsibility of the restaurant busser:
 - A. Taking the food and beverage order
 - B. Representing the operation to the customer
 - C. Serving water, coffee, and tea
 - D. Using suggestive selling to increase sales
6. A large restaurant supply business often transports shipments of goods from one location to another by using its own
 - A. rail carriers.
 - B. planes.
 - C. cars.
 - D. trucks.
7. What distribution channel is used for high-priced industrial goods when the producer does not have its own sales force?
 - A. Producer to industrial distributor
 - B. Producer to agent to user
 - C. Producer to industrial user
 - D. Producer to agent to industrial distributor to user distributor to user
8. What is one way that many restaurant supply distributors use the technology of electronic data interchange in the distribution function?
 - A. To locate shipments
 - B. To reorder inventory
 - C. To update information
 - D. To digitize documents
9. One way that a full-service restaurant uses customer service to facilitate the distribution process is to make sure the customer
 - A. receives the correct product.
 - B. accepts delivery of the product.
 - C. pays full price for the product.
 - D. tells others about the product.
10. Processing perishable items in a timely manner can help to prevent
 - A. economic risk.
 - B. excess supply.
 - C. inventory shrinkage.
 - D. customer satisfaction.
11. Full-service restaurants try to store enough entree ingredients and food items to accommodate _____ demand.
 - A. vendor
 - B. customer
 - C. owner
 - D. supplier

12. How can the storage concept of first in, first out (FIFO) be accomplished in a restaurant storage area?
- A. Incoming products are placed next to items already there.
 - B. Incoming products are placed in front of items already there.
 - C. Incoming products are placed behind items already there.
 - D. Incoming products are placed as far away as possible from items already there.
13. The actual counting of all goods in stock at a given time is a _____ inventory.
- A. perpetual
 - B. tickler
 - C. book
 - D. physical
14. Calculate the amount of inventory shrinkage from the following information: Opening stock value, \$4,000; purchases, \$8,500; net sales, \$7,800; and periodic stock count, \$4,400.
- A. \$450
 - B. \$350
 - C. \$400
 - D. \$300
15. What does a channel of distribution usually need to be able to manage or avoid conflict within the channel?
- A. Strong leadership
 - B. Updated technology
 - C. Equal authority
 - D. Limited competition
16. One of the reasons that human resources might be limited in some parts of the world is because of a lack of
- A. training.
 - B. technology.
 - C. research.
 - D. equipment.
17. Market-clearing price can best be defined as the
- A. price at which an item regularly sells in the competitive marketplace.
 - B. amount the seller must earn in order to make a profit.
 - C. price at which customers will buy the same amount that producers supply.
 - D. amount of satisfaction a product provides a consumer.
18. Accounting records are concerned with the _____ of a full-service restaurant.
- A. monetary transactions
 - B. promotional activities
 - C. goals and objectives
 - D. safety policies
19. The actual monetary return, or reward that full-service restaurants retain after they pay their bills is their
- A. markup percent.
 - B. sales revenue.
 - C. sales income.
 - D. net profit.
20. Increased repetition of the same job task can result in
- A. decreased interdependency.
 - B. decreased levels of skill.
 - C. increased employee boredom.
 - D. increased employee satisfaction.
21. A business in which employees are not required to join the union or pay dues is referred to as a(n) _____ shop.
- A. open
 - B. union
 - C. closed
 - D. affiliated
22. Because the economy was experiencing a rapid inflation rate and consumer spending fell, the NOP Commercial Cookware Manufacturing Company had to
- A. purchase new equipment.
 - B. increase its inputs.
 - C. hire temporary employees.
 - D. reduce its outputs.

23. Which of the following situations best displays a customer-service mindset:
- A. A restaurant that provides training for its kitchen staff to improve their selling skills
 - B. A full-service restaurant that offers overtime pay to all its employees
 - C. A full-service restaurant that offers call-ahead dinner reservations for customers
 - D. A restaurant that is open during normal dinner hours
24. In the full-service restaurant business, it is important for individual team members such as waitstaff employees to be _____ the team's goals.
- A. indifferent to
 - B. committed to
 - C. curious about
 - D. undecided about
25. A service-oriented full-service restaurant creates goodwill with its customers by
- A. responding to customers' requests with appropriate follow-up procedures.
 - B. using appropriate up-selling strategies to appeal to customers' needs.
 - C. anticipating the customers' objections to each of the restaurant's policies.
 - D. applying passive listening techniques to enhance the level of communication.
26. A full-service restaurant waitstaff employee who is composed, courteous, and efficient can often calm which of the following types of difficult customers:
- A. Slow/Methodical
 - B. Suspicious
 - C. Disagreeable
 - D. Domineering/Superior
27. The most important business policy affecting customers directly is the _____ policy.
- A. product
 - B. promotional
 - C. credit
 - D. service
28. What information should the host or hostess obtain from customers when maintaining a waiting list of restaurant customers who do not have reservations?
- A. Method of payment
 - B. Guests' menu preferences
 - C. Guests' dessert orders
 - D. Number of people in the party
29. A restaurant supply company prepares an invoice for Gino's Italian Restaurant, which has purchased the following: two coffee urns at \$35.50 each and three stainless steel pans at \$22.75 each. If shipping costs are \$11.60, what is the total amount of the invoice?
- A. \$171.00
 - B. \$159.40
 - C. \$168.25
 - D. \$150.85
30. Calculate a small full-service restaurant's monthly cash payments if it has rent of \$600, utility costs of \$150, salaries of \$2,400, cost of goods sold of \$4,750, miscellaneous expenses of \$550, and inventory worth \$1,200.
- A. \$8,450
 - B. \$8,150
 - C. \$9,250
 - D. \$9,650
31. Michaela's Fine Dining Restaurant has \$375,900,000 in total assets, \$255,700,000 in total liabilities, and \$7,500,800 in total inventory. Calculate the debt-to-assets ratio for Michaela's Fine Dining Restaurant.
- A. 1.47
 - B. 0.68
 - C. 1.44
 - D. 0.67
32. Which of the following is a factor that might cause a full-service restaurant to adjust its budget figures:
- A. Local elections
 - B. Sales procedures
 - C. Economic trends
 - D. Operating policies
33. The profit-and-loss statement for a full-service restaurant contains the following financial information: Net sales: \$47,000; Cost of goods sold: \$200; Expenses: \$21,000. What is the net profit for the full-service restaurant?
- A. \$22,600
 - B. \$25,800
 - C. \$26,200
 - D. \$28,600

34. Which of the following is an example of an acceptable question to ask potential full-service restaurant employees during an interview in order to select the best candidate:
- A. Does the applicant have previous military experience?
 - B. Has the applicant ever been issued a parking ticket?
 - C. Is the applicant married and does s/he have children?
 - D. What is the applicant's age and date of birth?
35. Why is retraining and updating the training of current employees important to a full-service restaurant chain?
- A. State law requires regular retraining and updating.
 - B. Trainers need constant practice in training workers.
 - C. Employees consider retraining and updating as job benefits.
 - D. Employees may forget technical information without retraining.
36. Managing diversity in a small full-service restaurant is different from managing diversity in a large full-service restaurant because a
- A. large restaurant is likely to have a more diverse workforce.
 - B. large restaurant has a better communication system.
 - C. small restaurant has more funds to hire equity experts.
 - D. small restaurant usually has more equity problems.
37. Which of the following is one way that full-service restaurants use marketing information:
- A. To evaluate research techniques
 - B. To gather data about current trends
 - C. To determine what customers want
 - D. To send questionnaires to customers
38. What function of a marketing-information management system involves the distribution of marketing information to those who make marketing decisions?
- A. Information gathering
 - B. Information reporting
 - C. Marketing research
 - D. Information processing
39. What type of marketing-information management system might a full-service restaurant develop specifically for analyzing or comparing numerical data?
- A. Simulated
 - B. Interactive
 - C. Internal
 - D. Statistical
40. Which of the following capabilities of the Internet do full-service restaurant chains often use to quickly and inexpensively locate marketing information:
- A. Download
 - B. Search
 - C. Catalog
 - D. Display
41. Why do full-service restaurant chains use exploratory research?
- A. To define the reason for the research
 - B. To predict future sales outcomes
 - C. To try out different approaches to see what the results would be
 - D. To obtain specific information related to the business's situation
42. In the following chart, which value represents the mode:

Response	Value	Frequency
Very Satisfactory	1	18
Satisfactory	2	54
Somewhat Satisfactory	3	95
Unsatisfactory	4	78
Very Unsatisfactory	5	31

- A. 54
- B. 3
- C. 4
- D. 95

43. When a marketer decides to change one of the elements of the marketing mix, the most likely result is that the
- A. changed element will create marketing problems.
 - B. changed element will become independent.
 - C. other elements will remain the same as before.
 - D. other elements will need to be changed, too.
44. When a customer has an unfulfilled desire and is financially able and willing to satisfy that desire, a _____ exists.
- A. monopoly
 - B. market
 - C. society
 - D. business
45. When identifying a target market, full-service restaurants often create a record of information such as age, income level, ethnic background, occupation, and attitudes, which is known as a
- A. demographic breakdown.
 - B. customer profile.
 - C. preference list.
 - D. consumer composite.
46. What are full-service restaurants examining when they conduct a situational analysis during the marketing-planning process?
- A. Physical characteristics
 - B. Environmental factors
 - C. Personal aptitudes
 - D. Geographical changes
47. Full-service restaurant owners can evaluate the effectiveness of their marketing activities by comparing the original allocation of resources with the
- A. operating expenses.
 - B. rate of depreciation.
 - C. fixed costs.
 - D. return on investment.
48. Because of customer requests, a full-service restaurant decides to put an appetizer back on its menu that it had stopped selling six months before. The full-service restaurant is using the
- A. production process.
 - B. promotional-mix concept.
 - C. marketing concept.
 - D. distribution process.
49. What piece of equipment do full-service restaurant servers often bring to customers at the end of their meals?
- A. Dessert carts
 - B. Beverage dispensers
 - C. Condiment trays
 - D. Flatware caddies
50. One of the reasons that full-service restaurants destroy some of their records is because the records are
- A. several years old.
 - B. no longer needed.
 - C. kept in storage.
 - D. not required by law.
51. Compaction is one option that some full-service restaurants use to handle large amounts of
- A. waste materials.
 - B. cleaning supplies.
 - C. fresh produce.
 - D. paper goods.
52. Full-service restaurant employees often can be helpful during a robbery situation if they are
- A. observant.
 - B. sensitive.
 - C. friendly.
 - D. conscientious.
53. In a full-service restaurant, service and work areas that are kept clean and organized often contribute to
- A. security risks.
 - B. safety hazards.
 - C. negative images.
 - D. accident prevention.
54. Which of the following describes the arrangement of various pieces of tableware for each meal:
- A. Table setup
 - B. Serving style
 - C. Cover plate
 - D. Flatware placement

55. The planning and procedures necessary to obtain goods and services for use in a full-service restaurant or for resale to the restaurant's patrons are known as
- A. risk management.
 - B. selling.
 - C. promotion.
 - D. purchasing.
56. What type of production would most likely be used to make individual dinner salads?
- A. Robotic
 - B. Batch
 - C. Mass
 - D. Unit
57. When creating project plans, what do full-service restaurants often develop in the event of a crisis or unexpected situation?
- A. Contingency plan
 - B. Suggestion program
 - C. Escape mechanism
 - D. Modified schedule
58. A full-service restaurant had sales of \$40,800 for the year. After paying for ingredients and food items to sell, the business had \$28,400 remaining. This figure is the
- A. revenue.
 - B. net profit.
 - C. gross profit.
 - D. cost of goods sold.
59. What action would most likely help to control a full-service restaurant chain's expenses if it frequently paid costly penalties to the Internal Revenue Service for forgetting to deposit withheld payroll taxes?
- A. Creating a budget plan of equal payments
 - B. Preparing payroll expenses
 - C. Hiring an outside payroll processing company
 - D. Making balloon payments
60. Carrying out housekeeping responsibilities in the restaurant's dining room on a regular basis is important because
- A. it is easier for servers to move around in a clean room.
 - B. customers will return to a restaurant with a clean dining room.
 - C. customers get an impression of the restaurant from its dining room.
 - D. it is required by the federal Restaurant Maintenance and Operation Act.
61. Which of the following is one way for a person to identify a tentative career interest:
- A. Ask guidance counselors for suggestions
 - B. Take ability assessment tests
 - C. Find out which majors are popular
 - D. Locate high-income occupations
62. Trade publications are used by full-service restaurant personnel for which of the following reasons:
- A. To appeal to the general public
 - B. To determine quantities to buy
 - C. To set up an operating budget
 - D. To obtain up-to-date information
63. Which of the following is usually the most effective way of developing career opportunities:
- A. Counseling
 - B. Interviewing
 - C. Mentoring
 - D. Networking
64. Why would a manager of a local full-service restaurant keep track of the prices that similar restaurants in the area are charging?
- A. To promote an image
 - B. To improve advertising
 - C. To remain competitive
 - D. To offer new services
65. What technological advancement has allowed consumers to collect the most information, so they can compare prices and menu options among local full-service restaurants?
- A. Newspaper
 - B. Internet
 - C. Catalog
 - D. Telephone

66. Full-service restaurants that price their goods and services at the same level as those charged by other comparable full-service restaurants are setting prices based on
- A. target markets.
 - B. product life cycles.
 - C. industry standards.
 - D. channel members.
67. Which of the following is the pricing approach a full-service restaurant owner uses when the product selling prices are based on the restaurant's profit objectives:
- A. Sealed-bid
 - B. Cost-based
 - C. Going-rate
 - D. Competition-based
68. The development stages for a good or service from introduction to decline are known as the
- A. product life cycle.
 - B. promotional mix.
 - C. marketing mix.
 - D. distribution system.
69. A company that makes products from recyclable goods is exhibiting ethical behavior because it is protecting the
- A. environment.
 - B. law.
 - C. distribution channel.
 - D. market segment.
70. When engaging in the Six Thinking Hats idea-generation technique, the red hat focuses on the
- A. creation of new ideas.
 - B. available facts and data.
 - C. emotions, feelings, and intuition.
 - D. negative aspects of the situation.
71. Uniform standards often are used to _____ products.
- A. order
 - B. market
 - C. grade
 - D. price
72. Which of the following might a business experience if it failed to provide adequate consumer protection:
- A. Personal injury
 - B. Property damage
 - C. Physical harm
 - D. Financial loss
73. When selecting specific product mix strategies, a full-service restaurant must consider its resources and
- A. credit.
 - B. applications.
 - C. staff.
 - D. objectives.
74. What is a primary factor that Jorge's Mexican Restaurant considers when deciding the types of services it plans to offer its customers?
- A. Fixed expenses
 - B. Interest rates
 - C. Revenue benefits
 - D. Inventory costs
75. Full-service restaurants benefit from repeat sales to customers who have brand
- A. loyalty.
 - B. experience.
 - C. resistance.
 - D. objections.
76. Full-service restaurant chains develop specific positioning strategies for their menu items because they want to
- A. create a particular image.
 - B. determine advertising needs.
 - C. increase employee productivity.
 - D. appeal to unknown markets.
77. In a full-service restaurant, which of the following types of lighting can be used to concentrate light on a particular area to create a warm, personal environment:
- A. Incandescent
 - B. Halogen
 - C. Fluorescent
 - D. Neon

78. Planning the dollar amount of inventory to keep in stock is one of the main functions of a full-service restaurant's
- A. merchandising budget.
 - B. operating plan.
 - C. cash flow analysis.
 - D. purchasing procedure.
79. Restaurants plan to purchase the proper variety and quality of food from appropriate vendors who offer the
- A. lowest taxes.
 - B. most rebates.
 - C. best income.
 - D. right price.
80. Which of the following is an effective way for Lee's Chinese Restaurant to promote its new menu items:
- A. Repeating
 - B. Motivating
 - C. Advertising
 - D. Persuading
81. What form of promotion is generally emphasized for products sold to industrial consumers?
- A. Advertising
 - B. Sales promotion
 - C. Publicity
 - D. Personal selling
82. When using electronic display panels for advertising purposes, where would a full-service restaurant that wants to reach a large audience most likely promote its new menu items?
- A. Airplane hangers
 - B. Transit shelters
 - C. Parking meters
 - D. Baseball stadium
83. What are the elements, or parts, of a print advertisement?
- A. Headline, copy, illustration, and business identification
 - B. Standing detail, art, logotype, and white space
 - C. Pictures or drawings, illustrations, copy, and headline
 - D. Typeface, art, layout, and signature
84. One limitation of using a customer database for advertising purposes to a full-service restaurant is that it
- A. does not tell the restaurant what other products customers may want to buy.
 - B. requires a large amount of time to operate and maintain.
 - C. has a limited size and capacity for storing information.
 - D. must be custom built for each restaurant.
85. What type of signs might a full-service restaurant create to use in its windows to introduce a new service?
- A. Departmental
 - B. Promotional
 - C. Structural
 - D. Directional
86. An example of coordinating a full-service restaurant's promotional activities would be
- A. training servers that are hired for a busy time.
 - B. purchasing food products for resale at competitive prices.
 - C. setting up displays of new menu items that are being promoted on TV.
 - D. preparing food items that will be promoted in radio spots.
87. An example of an intangible product for sale would be
- A. a delivery truck.
 - B. automated machinery.
 - C. a computer.
 - D. lawn care.
88. One way that restaurant-supply salespeople can provide quality service and develop successful relationships with full-service restaurant chains is by
- A. criticizing products offered by competitors.
 - B. concentrating on making idle conversation.
 - C. making frequent unannounced sales visits.
 - D. working with key people in the organization.

89. Which of the following statements related to selling policies is true:
- A. Selling policies are developed by the sales staff.
 - B. Selling policies apply to a narrow range of business activities.
 - C. Selling policies are always in writing so that there are no misunderstandings.
 - D. Selling policies ensure that customers are treated fairly and consistently.
90. Which of the following is an example of unethical behavior in a selling environment:
- A. A salesperson includes travel expenses on a reimbursement form after conducting a sales call.
 - B. A salesperson advises a customer about standard price discounts for specific products.
 - C. A sales manager sets extremely high sales goals for the sales staff to lower bonus payouts.
 - D. A sales manager restructures sales territories and sales quotas to benefit all sales personnel.
91. In which of the following situations might a full-service restaurant take legal action against a supplier for misrepresentation:
- A. Salesperson describes an obvious benefit.
 - B. Salesperson offers a standard discount.
 - C. Salesperson points out a feature.
 - D. Salesperson says the product is safe.
92. Which of the following is an example of the type of product information that a restaurant-supply salesperson can obtain from a full-service restaurant customer:
- A. Construction
 - B. Durability
 - C. Design
 - D. Technology
93. In order for restaurant-supply salespeople to successfully point out the features and benefits of substitute goods and services, they need to have
- A. product knowledge.
 - B. shipping information.
 - C. lists of vendors.
 - D. inventory control data.
94. One of the most important points to remember when using suggestion selling is to
- A. encourage customers to purchase high-priced items.
 - B. provide customers with a product warranty.
 - C. ask customers to fill out a customer request form.
 - D. offer customers items that they need and want.
95. A main-dish vegetable salad that also contains strips of meats, cheeses, eggs, or chicken is referred to as _____ salad.
- A. chef's
 - B. side
 - C. pasta
 - D. Waldorf
96. Which of the following might a full-service restaurant add to a check when servicing large groups of people:
- A. Special tax
 - B. Gratuity charge
 - C. Interest rate
 - D. Annual fee
97. Which of the following is required information when processing a credit-card sales transaction in a full-service restaurant:
- A. Server's signature
 - B. Server's identification
 - C. Customer's address
 - D. Customer's signature
98. While working at the Olive Garden Restaurant, Charles opened his cash drawer for the first time and verified the amount of money in the change fund. Charles should put the one-dollar bills in the drawer
- A. in front of the change, on the right-hand side.
 - B. behind the change, on the left-hand side.
 - C. behind the change, on the right-hand side.
 - D. in front of the change, on the left-hand side.

99. When taking reservations over the telephone, what information should the restaurant employee request in addition to the guest's name?
- A. Names of people in the party
 - B. Entree selections
 - C. Dessert preferences
 - D. Number of people in the party
100. One of the reasons full-service restaurant chains must consider the state of the economy is because
- A. economic trends affect consumer spending.
 - B. a slow economy increases investor confidence.
 - C. upturns in the economy are predictable.
 - D. they must meet licensing requirements.