WASSCE BUSINESS MANAGEMENT 2015

PAPER ONE

1. The reward of a shareholder of a company is known as

A. Profit
B. Dividend
C. Wages
D. Salary

2. A partner who contributes capital but does not take active part in the running of the business is a

A. Nominal partner
B. General partner
C. Dormant partner
D. Limited partner

3. The class of people who are affected by the operation of a business enterprise are collectively known as

A. Volunteers
B. Committee
C. Members
D. Stakeholders

4. Which of the following is an advantage of sole proprietorship?

A. Quick decision-making
B. Large capital
C. Employment of experts
D. Limited liability

5. The process of influencing workers positively to achieve organizational objectives comes under the function of

A. Planning
B. Organizing
C. Directing
D. Controlling

6. The stage in decision-making where critical assessment of the available options is carried out is referred to as

A. Definition of the problem
B. Analytical stage of the problem
C. Gathering of information
D. Evaluation of alternatives

7. In a line-and-staff organization, the line officers are the executives and the staff officers are the

A. Managers
B. Controllers
C. Employers
D. Specialists

8. Job instructions take the form of

A. Horizontal communication
B. Upward communication
C. Downward communication
D. Diagonal communication

9. The management function which is said to be an integral part of all the other functions is

A. Planning
B. Organizing
C. Controlling
D. Directing

10. The purpose of creating functional divisions in an organization is to encourage

A. Centralization
B. Specialization
C. Privatization
D. Decentralization

11. When a manager ensures that the different departments of a company work in harmony, he is performing the function of

A. Directing
B. Co-ordinating
C. Controlling
D. Planning

12. The comparison of actual performance with the stated objectives shows which management function?

A. Planning
B. Organizing
C. Directing
D. Controlling

13. Communication gap exists when

A. Perceived meaning is different from intended meaning
B. Sender and receiver have the same understanding
C. Feedback is received promptly
D. It is a two-way affair between sender and receiver

14. Communication is said to be complete when the

A. Communication is factual
B. Intended meaning is received
C. Recipient does not understand the message
D. Communication is in writing

15. The printer of a computer is an example of

A. Input device
B. Output device
C. Processing device
D. Scanning device

16. Computer software refers to

A. Output unit
B. The instructions that tell the computer what to do
C. The storage unit
D. That part of the computer that is made of plastic

17. An important rule in the law of contract is that

A. Principal should always rectify agent's act
B. All arrangements must be sealed
C. Acceptance must be communicated
D. An offer must move from the promisee

18. A cheque which allows anyone in possession of it to be paid is

A. A crossed cheque
B. An open cheque
C. A stale cheque
D. An endorsed cheque

19. Which of the following is not a negotiable instrument?

A. Crossed cheque
B. Postal order
C. Promissory note
D. Treasury bill

20. Which of the following is a duty of an agent?

A. Disclose vital business information
B. Act on his own in all cases
C. Withhold account from his principal
D. Have conflict of interest

21. A contract that is valid and in which one of the parties to the contract is bound is called

A. Voidable contract
B. Void contract
C. Avoidable contract
D. Null contract

22. Demand-pull inflation favours

A. Pensioners
B. Producers
C. Depositors
D. Creditors

23. Which of the following functions is performed by commercial banks?

A. Issuing of currencies
B. Serving as an agent of payment
C. Regulating activities of other banks
D. Serving as a lender of last resort

24. The aid to trade which deals with the pooling and management of risks is

A. Communication
B. Warehousing
C. Transport
D. Insurance

25. Which of the following is an attribute of a good tax system?

A. Rigidity
B. Transferability
C. Divisibility
D. Flexibility

26. Which of the following is not a source of government revenue?

A. Court fines
B. Tax refund
C. Foreign aid and grants
D. Sale of government property

27. An advantage of international trade is that it increases

A. The cost of domestic firms
B. The power of domestic monopolies
C. International co-operation
D. The import of foreign products

28. The document which enables a consignee to clear goods from the port is

A. Bill of lading
B. Certificate of inspection
C. Delivery note
D. Pro forma invoice

29. One of the effects of an embargo in international trade is to

A. Reduce prices
B. Reduce imports
C. Increase tariffs
D. Control production

30. One way of reversing a country's trade deficit is to

A. Increase exports
B. Adjust its exchange rate upward
C. Revalue its currency upward
D. Increase imports

31. Balance of payments is the record of

A. Payments of a country's imports
B. Importation of goods and services
C. A country's international transactions
D. Exportation of goods and services

32. Which of the following institutions was established to secure financial stability and sustain economic growth among member countries?

A. The World Bank
B. World Trade Organization
C. International Monetary Fund
D. International Maritime Organization

33. The main reason for the formation of the Association of South East Asian Nations was to

A. Introduce different currencies for the member countries
B. Promote free trade among member states
C. Promote social and cultural integration
D. Introduce new taxes to enhance tax revenue

34. Which of the following business units depends on subventions?

A. Public corporations
B. Private company
C. Sole proprietorship
D. Public company

35. One weapon that management may use to make a strike undertaken by workers ineffective is

A. Boycott
B. Picketing
C. Corporate campaign
D. Lockout

36. An advantage of e-commerce is that

A. It is possible to examine the product before buying
B. There is personal interaction between sales staff and customers
C. A faulty product may be difficult to return
D. A person need not leave home in order to shop

37. At which stage of the product life cycle will the company experience low profits, high production and marketing costs?

A. Introduction stage
B. Growth stage
C. Maturity stage
D. Decline stage

38. The use of brand names, trademarks and labelling are all methods of

A. Target marketing
B. Quality control
C. Product differentiation
D. Market research

39. Which of the following is an advantage of outdoor advertising?

A. Repeat exposure
B. Geographic flexibility
C. Audience selectivity
D. Low cost

40. The technique which seeks to provide employees with different work experiences by moving them across jobs is known as

A. Job rotation
B. Job analysis
C. Job enlargement
D. Job enrichment

41. The key function of human resource management is to ensure that the organization

A. Sets product quality standards
B. Recruits, selects and retains quality staff
C. Bargains for salaries required by labour
D. Obtains loans and overdrafts for employees

42. Which of the following sources of funds is primary to labour unions?

A. Donor funds
B. Government contribution
C. Membership dues
D. Employer's contribution

43. The section of a business plan that gives the reader a preview of what the plan contains is

A. Executive summary
B. Mission statement
C. Management audit
D. Industry summary

44. Which of the following stakeholders is a risk bearer in the running of a business?

A. Employee
B. Entrepreneur
C. Debtor
D. Underwriter

45. Which of the following business entities is funded with tax revenue?

A. Private companies
B. Public corporations
C. Limited partnership
D. Co-operative societies

46. A type of share that confers voting rights but not preferential rights to dividends of a company is

A. Ordinary share
B. Cumulative share
C. Bonus share
D. Preference share

47. A speculator at a stock exchange who sells shares in anticipation that prices are about to fall is called a

A. Broker
B. Bull
C. Stag
D. Bear

48. A technique in production in which a fixed number of standard items are produced in a group is

A. Job production
B. Batch production
C. Flow production
D. Process production

49. A written statement that identifies the tasks, duties and performance results required in a job is

A. Job analysis
B. Job description
C. Job specification
D. Job enlargement

50. The funds contributed by the owners of a business is referred to as

A. Loan
B. Debenture
C. Capital
D. Mortgage