WEST AFRICAN SENIOR SCHOOL CERTIFICATE EXAMINATION

BUSINESS MANAGEMENT — 2010 (PRIVATE)

PAPER ONE

Multiple Choice Questions • Choose the best answer for each question.

1. Directives and job instructions are examples of

A. informal communication
B. upward communication
C. downward communication.
D. horizontal communication

2. A contract may be terminated in all of the following ways except by

A. agreement.
B. lapse of time
C. performance
D. fraud

3. The rule for acceptance by post is that acceptance is complete if

A. the envelope is stamped
B. it is posted.
C. it is received
D. the post box is opened

4. The ownership of ordinary shareholders in a company is guaranteed by their

A. voting rights
B. variable rate of dividends.
C. fixed rate of interest
D. level of patronage

5. Which of the following shows the formal diagrammatic structure of a firm?

A. chain of command
B. organization chart
C. bar chart
D. organization manual

6. A promotion letter sent by a personnel manager to an account cleric is an example of

A. lateral communication
B. vertical communication
C. diagonal communication
D. horizontal communication

7. The operational decisions of a business are made by the

A. production managers
B. lower level managers
C. top level managers
D. middle level managers

8. Which of the following principles states that a subordinate should not report to more than one supervisor?

A. unity of function
B. scalar chain
C. span of control
D. unity of command

9. An instruction to a bank to effect periodic transfer of fixed amount of money on behalf of a customer is referred to as a

A. standing order
B. credit transfer
C. telegraphic transfer
D. postal order

10. Trade fairs, gifts and exhibitions are activities of

A. sales promotion
B. marketing mix
C. advertising
D. personal selling

11. The gross wages of workers refer to

A. take-home pay
B. the amount of wages before deductions.
C. the total allowance in a pay packet.
D. deductions made from workers' wages

12. A contract may not be discharged by

A. agreement
B. frustration
C. necessity
D. performance

13. Which of the following attributes prevents juveniles from making a valid contract?

A. consideration
B. offer.
C. capacity.
D. acceptance

14. When the total value of exports exceed imports it will lead to

A. deficit balance of payments
B. deficit balance of trade
C. surplus balance of trade.
D. surplus balance of payment.

15. Market segmentation involves the

A. division of large markets into groups
B. connection of all customers in large markets
C. identification of markets for goods
D. study of consumers in all markets

16. The monies contributed by owners of a company to start business is referred to as

A. premium
B. debenture
C. equity.
D. credit

17. Additional payment to workers to supplement their regular salary is known as

A. interest
B. dividend
C. bonus
D. profit

18. Prompt and regular payment of taxes is the responsibility of a business towards

A. consumers
B. government
C. society
D. shareholders

19. The reward received by commercial banks for granting loans is referred to as

A. profit
B. bonus.
C. commission.
D. interest

20. Custom duty levied according to the weight of a product is

A. export duty
B. ad valorem duty
C. excise duty
D. specific duty

21. Which of the following is not a feature of a cheque issued to a bank for payment?

A. account number.
B. date
C. payee’s name
D. account balance

22. An individual wishing to buy shares on the stock exchange should first contact a

A. manufacturer
B. jobber
C. shareholder
D. broker

23. In which of the following business units would there be more flexibility in decision-making?

A. public corporation
B. company
C. partnership
D. sole-proprietorship

24. An alternative name for authorized capital is

A. reserved capital
B. nominal capital
C. called-up capital
D. issued capital

25. The returns on shareholding is known as

A. a dividend
B. a commission
C. a profit
D. an interest

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26. Strategic decisions deal with

A. the whole organization and its stakeholders
B. top management and supervisors only.
C. lower management and stakeholders only
D. the individual employees only.

27. Radio broadcasting is an example of

A. audio communication
B. visual communication
C. grapevine communication
D. audio-visual communication

28. Which of the following is not a factor in determining the location of a firm?

A. proximity to market
B. cost and availability of amenities
C. ethnic background
D. availability of labour

29. To obtain maximum productivity from factory workers, the best method of remuneration should be

A. time rate
B. piece rate
C. production bonus
D. overtime allowance

30. The legitimate power of a senior staff to delegate assignment is referred to as

A. Accountability
B. discipline
C. responsibility
D. authority

31. A method by which a group of people interview a candidate at a time is known as

A. board interview.
B. individual interview
C. patterned interview
D. unstructured interview.

32. Customs duty at a reduced rate is known as

A. specific duty
B. ad valorem duty
C. excise duty
D. preferential duty.

33. The liability of sole traders is

A. guaranteed
B. unlimited
C. limited
D. unguaranteed

34. Which of the following is not an advantage of internal recruitment? It

A. leads to internal conflict
B. leads to job security
C. ensures job satisfaction
D. creates avenues for promotion

35. An organization that wants to know how to satisfy customers' needs must engage in

A. marketing research
B. product differentiation
C. production
D. merchandizing

36. The functions of a wholesaler does not include

A. transporting
B. manufacturing
C. warehousing
D. discounting

37. Critical survey and close examination of the nature and qualifications for a job is called

A. job description
B. job specification
C. job analysis.
D. job classification.

38. Monotony of work is a disadvantage of

A. commercialization
B. socialization
C. specialization
D. standardization

39. Which of the following is not a quality of money?

A. portability
B. durability
C. accessibility.
D. divisibility

40. Extractive producers are represented by a

A. factory worker and a banker
B. farmer and a carpenter
C. miner and an insurance agent
D. fisherman and a miner.

41. The marketing function which anticipates demand ahead of production is

A. selling
B. buying
C. warehousing
D. distribution

42. Which of the following systems of taxation is indirect?

A. income tax
B. poll tax
C. company tax
D. value-added tax

43. A disadvantage of personnel training is that it

A. makes employees more skilful
B. reduces employees' responsibilities
C. increases the firm's productivity
D. reduces supervision

44. The management function which provides guidance to subordinates and ensures the achievement of organizational objectives is

A. controlling
B. directing
C. planning
D. organizing

45. A form of business owned and controlled by its members called

A. co-operative society
B. limited liability company
C. partnership.
D. public corporation

46. An agreement which does not have legal effect is described as

A. a valid contract
B. an enforceable contract
C. an avoidable contract
D. a void contract

47. When government takes complete control over the ownership of a business from a private businessman, it is called

A. nationalization
B. joint venture
C. privatization
D. business entity

48. All the following activities fall under labour relations except

A. drawing up and implementing industrial relations policies
B. advising management on how to handle employees' needs.
C. regulating trade union and management relations
D. organizing meetings for collective bargaining.

49. Which of the following influences employees to strive for higher performance in an organization?

A. job description
B. job analysis
C. job enlargement
D. job evaluation

50. The control of a co-operative society lies in the hands of the

A. management committee
B. board of directors
C. shareholders
D. promoters