



Dr.G.R.Damodaran College of Science

(Autonomous, affiliated to the Bharathiar University, recognized by the UGC) Re-accredited at the 'A' Grade Level by the **NAAC** and ISO 9001:2008 Certified
CRISL rated 'A' (TN) for MBA and MIB Programmes

I B.Com PA [2017 - 2020]

Semester : I

Core: ACCOUNTANT IN BUSINESS – 118A

Multiple Choice Questions.

1. The form of business organization that has the largest sales volume is the
- A. partnership
 - B. corporation
 - C. cooperative
 - D. multinational

ANSWER: B

2. The simplest form of business ownership is a
- A. proprietorship
 - B. partnership
 - C. corporation
 - D. cooperative

ANSWER: A

3. Which of the following is an advantage of a sole proprietorship?
- A. ease of starting a business
 - B. being your own boss
 - C. pride of ownership
 - D. all the above

ANSWER: D

4. The main disadvantage of a general partnership is
- A. disagreement among partners
 - B. the unlimited liability of the partners
 - C. shared management
 - D. difficulty of termination

ANSWER: B

5. A _____ is a business with two or more owners
- A. corporation
 - B. conglomerate
 - C. partnership
 - D. public corporation

ANSWER: C

6. A partner who is not actually involved in the partnership but lends his name for public relations purposes is a _____

- A. silent partner
- B. general partner
- C. nominal partner
- D. dominant partner

ANSWER: C

7. A _____ partner is an owner who has unlimited liability and is active in managing the firm

- A. senior partner
- B. general partner
- C. silent partner
- D. limited partner

ANSWER: B

8. Which of the following is an example of a public corporation?

- A. Imperial Oil
- B. Hospital for Sick Children
- C. Mouvement Caisse Desjardin
- D. YMCA

ANSWER: A

9. Which of the following is probably the most important reason for incorporating?

- A. limited liability of shareholders
- B. more money for investment
- C. increased flexibility
- D. shared management

ANSWER: A

10. Which of the following is an example of a non profit organization?

- A. Royal Bank.
- B. BCE
- C. YMCA.
- D. Air Canada.

ANSWER: C

11. A _____ provides for the greatest degree of continuity

- A. general partnership
- B. joint venture
- C. corporation
- D. sole proprietorship

ANSWER: C

12. The major advantage of a franchise is

- A. training and management assistance.
- B. personal ownership.
- C. nationally recognized name.
- D. all of the above.

ANSWER: D

13. Which of the following is a characteristic of a co-operative?

- A. profits are not subject to income tax.
- B. one vote per share.

- C. dividends are paid on a per share basis.
- D. all of the above.

ANSWER: A

14. The most effective form of business organization for raising capital is the:

- A. joint venture.
- B. partnership.
- C. corporation.
- D. proprietorship.

ANSWER: C

15. Co-operatives play an important role in:

- A. aerospace.
- B. agriculture
- C. manufacturing
- D. all of the above

ANSWER: B

16. Which of the following apply to key success factors (KSF)?

- A. KSF may be established by the industry in which a company operates.
- B. KSF may be indicated by customers.
- C. KSF may be indicated by suppliers.
- D. All of the above.

ANSWER: D

17. In which of the following basic categories can business environment be divided?

- A. Local and Regional
- B. Internal and External
- C. Regional and National
- D. Financial and Non financial

ANSWER: B

18. ____ is a statement Which derives the role that an organisation plays in a society.

- A. Goals.
- B. Mission.
- C. Objective
- D. Success.

ANSWER: B

19. Economic environment refers to all forces which have a _____.

- A. political.
- B. natural
- C. economic
- D. social

ANSWER: C

20. _____environment is with in the control of the business.

- A. Internal.
- B. External.
- C. Micro.
- D. Macro

ANSWER: A

21. ____ environment is beyond the control of the business.
- A. Internal.
 - B. External.
 - C. Micro.
 - D. Macro

ANSWER: B

22. Micro environment is also called as _____.
- A. general environment.
 - B. operating environment.
 - C. economics environment.
 - D. political environment.

ANSWER: B

23. Macro environment is also called as _____.
- A. general environment.
 - B. operating environment.
 - C. economics environment.
 - D. political environment

ANSWER: A

24. The environment which is close to business and affect its capacity to work is known as _____environment.
- A. internal.
 - B. external.
 - C. micro.
 - D. macro.

ANSWER: C

25. Factors that create opportunities and threats to business units is known as _____.
- A. internal environment.
 - B. external environment.
 - C. micro environment.
 - D. macro environment.

ANSWER: D

26. Internal factors affecting a business environment also are referred to ____factors.
- A. controllable.
 - B. uncontrollable factors
 - C. relevant.
 - D. global.

ANSWER: A

27. External factors affecting a business environment also be referred to ____factors.
- A. controllable.
 - B. uncontrollable factors
 - C. relevant.
 - D. global.

ANSWER: B

28. Study of human population is called as _____ environment.

- A. political.
- B. social.
- C. demographic
- D. economic

ANSWER: C

29. In which year the essential commodities act introduced_____

- A. 1955
- B. 1959
- C. 1956
- D. 1957

ANSWER: A

30. Which is the one not included in national culture?

- A. Language.
- B. Internet.
- C. Belief.
- D. Attitude.

ANSWER: B

31. Culture spreads from one place to another and such transmission is called as _____.

- A. difference.
- B. reputation.
- C. adoption.
- D. heritage.

ANSWER: A

32. An attitude composed of effect_____.

- A. flextime
- B. cognition
- C. relationship
- D. culture

ANSWER: B

33. What is the main occupation of Kshatriyas?

- A. engage in cleaning
- B. engaged in trade
- C. engaged in army work
- D. none of the above

ANSWER: C

34. A systematic application of scientific knowledge to practical task is known as_____.

- A. technology.
- B. culture.
- C. demographic
- D. Legal

ANSWER: A

35. The interest of shareholders in an organisation arises from which of the following?

- A. Wage levels, costs and prices.
- B. Profit levels, dividend payments and share price.
- C. Interest paid, corporation tax and VAT.
- D. Costs, contracts and profits.

ANSWER: B

36. Dissatisfied stakeholders may behave in which of the following ways?

- A. Leave the organisation.
- B. Seek to change things in the organisation.
- C. The first and second answers only.
- D. The second answer only.

ANSWER: C

37. What should organisations seek to do with stakeholders who have high interest and low power?

- A. Invest minimal effort
- B. Do nothing
- C. Keep informed
- D. Keep satisfied

ANSWER: C

38. A 'key player' is a stakeholder with which of the following?

- A. Low interest and low power.
- B. Medium interest and high power.
- C. High interest and low power.
- D. High interest and high power.

ANSWER: D

39. Which of the following is an ethical issue for organisations?

- A. Health and safety.
- B. Climate change.
- C. Global poverty.
- D. Charitable donations.

ANSWER: A

40. Which of the following is a corporate social responsibility issue for organisations?

- A. Global poverty.
- B. Dishonesty.
- C. Corruption.
- D. Bribery.

ANSWER: A

41. Which of the following have a role to play in corporate governance?

- A. Managing director.
- B. Non-executive director.
- C. Other directors on the board.
- D. All of the above.

ANSWER: D

42. Which of the following accurately depicts the components of an accounting information system?

- A. People, forms, and reports
- B. People, procedures, and information technology

- C. People, procedures, and paper
- D. Procedures, paper, and information technology

ANSWER: B

43. Which of the following is not one of the three important functions that an accounting information system performs?

- A. It collects and stores data about activities and transactions so that the organization can review what has happened in the business.
- B. It processes data into information that is useful for making decisions that enable management to plan, execute, and control activities.
- C. It assures that management's decisions optimize the profitability of the company.
- D. It provides adequate controls to safeguard the organizations assets, including its data.

ANSWER: C

44. Identify the two basic strategies noted in the text.

- A. Low cost producer strategy and high quantity producer strategy
- B. High quantity producer strategy and loss leader strategy
- C. Product/service differentiation strategy and loss leader strategy
- D. Low cost producer strategy and product/service differentiation strategy

ANSWER: D

45. Identify the three strategic positions which an organization might adopt.

- A. Variety-based, access-based, and needs-based
- B. Customer-based, product-based, location-based
- C. Customer-based, product-based, access-based
- D. Access-based, needs-based, and product based

ANSWER: A

46. Which of the following is not one of the primary activities in the value chain of an organization?

- A. Operations
- B. Service
- C. Inbound Logistics
- D. Purchasing

ANSWER: D

47. Which of the following is not one of the support activities in the value chain of an organization?

- A. Purchasing
- B. Service
- C. Firm Infrastructure
- D. Technology & Human Resources

ANSWER: B

48. While an accounting information system supports each of the organization's primary activities in the value chain as well as many of the support activities, it can only be categorized into one of the activities. Into which activity is the accounting information system categorized?

- A. Purchasing
- B. Service
- C. Firm Infrastructure
- D. Technology

ANSWER: C

49. What is data?

- A. All of the debit and credit information about each transaction
- B. A character in the Star Trek series
- C. The same thing as information
- D. All of the facts that are collected, stored, and processed by an information system

ANSWER: D

50. In order for an accounting information system to meet the needs of systems users, one must take into account the types of decisions that are made. Decisions vary from repetitive and routine to nonrecurring and nonroutine. How would you classify a decision where no framework or model exists for the decision?

- A. Structured
- B. Semistructured
- C. Unstructured
- D. All the above

ANSWER: D

51. While more is often considered better, we reach a point at which our human minds cannot effectively absorb and process more information. This condition is called:

- A. Information Overload
- B. Strategic Capacity
- C. Neural Collapse
- D. None of the above

ANSWER: A

52. Which of the following statements concerning the rational and emotional aspects of leadership is false?

- A. Leaders can use rational techniques and/or emotional appeals in order to influence followers
- B. Leadership includes actions and influences based only on reason and logic
- C. Aroused feelings can be used either positively or negatively
- D. Good leadership involves touching others feelings

ANSWER: D

53. To many, the word management suggests

- A. Dynamism
- B. Risk-taking
- C. Efficiency
- D. Creativity

ANSWER: C

54. According to the text, leadership is often more associated with

- A. Consistency
- B. Planning
- C. Paperwork
- D. Change

ANSWER: D

55. This is a conventional distinction made between managers and leaders.

- A. Managers maintain while leaders develop
- B. Managers innovate while leaders administer
- C. Managers inspire while leaders control
- D. Managers originate while leaders imitate

ANSWER: A

56. Which of the following statements about leaders versus managers is false?
- A. Leadership is a value-laden, activity, management is not
 - B. Leaders focus on risk taking; managers perform functions such as planning and controlling
 - C. Leaders are thought to do things right, managers do the right things
 - D. Leaders develop, managers maintain

ANSWER: C

57. Because leading is one of the four basic managerial functions, _____ leaders.
- A. all managers should be
 - B. all managers are
 - C. some managers are
 - D. some managers should be

ANSWER: A

58. Early Leadership trait research looked to find characteristics that might ____
- A. distinguish ordinary leaders from great leaders
 - B. define charisma
 - C. identify the physical traits of leaders
 - D. differentiate leaders from non leaders

ANSWER: D

59. Leaders are ____.
- A. Individual people, while leadership is a process.
 - B. the first step in the leadership process
 - C. individual people who study the leadership process
 - D. the final step in the leadership process

ANSWER: A

60. Behavioral theories of leadership focused on ____.
- A. who effective leaders
 - B. what characteristics effective leaders had
 - C. how to identify effective leaders
 - D. what effective leaders did

ANSWER: D

61. The promise of behavioral theories of leadership held that this would be possible.
- A. picking a leader out of the crowd
 - B. being able to train a person to be a leader
 - C. explaining why successful leaders are so successful
 - D. Eliminating ineffective leaders

ANSWER: B

62. Which leadership style tends to centralize authority and make unilateral decisions?
- A. cultural style
 - B. autocratic style
 - C. democratic style
 - D. laissez-faire

ANSWER: B

63. A democratic consultative leader

- A. seeks input and shares the final decision
- B. makes the final decision without input
- C. seeks input but makes the final decision by oneself
- D. shares the final decision without input

ANSWER: C

64. A democratic participate leader _____.

- A. seeks input and shares the final decision
- B. shares the final decision without input
- C. makes the final decision without input
- D. seeks input but makes the final decision by oneself

ANSWER: A

65. Industrial relations cover the following area(s)

- A. Collective bargaining
- B. Labour legislation
- C. Industrial relations training
- D. All of the above

ANSWER: D

66. Under unitary approach, industrial relation is grounded in

- A. Mutual co-operation
- B. Individual treatment
- C. Team work and shared goals
- D. All of the above

ANSWER: D

67. Pluralistic approach perceives _____ as legitimate representative of employee interests

- A. Board of Directors
- B. Management
- C. Trade unions
- D. None of the above

ANSWER: C

68. In Marxist approach, concerns with wage related disputes are

- A. Primary
- B. Secondary
- C. Tertiary
- D. Not considered

ANSWER: B

69. For the Marxists, all strikes are

- A. Political
- B. Social
- C. Legislative
- D. None of the above

ANSWER: A

70. Which of the following is (are) not acceptable to Marxists?

- A. Enterprise bargaining
- B. Employee participation

- C. Co-operative work culture
- D. All of the above

ANSWER: D

71. Elton Mayo and his team believed in the positive nature of

- A. Managers
- B. Management
- C. Employees
- D. All of the above

ANSWER: C

72. Which of the following department has major interest in harmonious industrial relations

- A. HR
- B. Production
- C. Finance
- D. Marketing

ANSWER: A

73. The following is (are) included in ILOs standards with regard to industrial relations

- A. Right of association
- B. Right to organize and collective bargaining
- C. Tripartite consultants
- D. All of the above

ANSWER: D

74. According to Indian Labour Commission (ILC) major recommendations, Union once recognised should be valid for a period of _____ years to be co-terminus with the period of settlement.

- A. 4
- B. 3
- C. 2
- D. 5

ANSWER: A

75. In case of retrenchment, worker is entitled to _____ months notice or notice pay in lieu of notice.

- A. 1
- B. 2
- C. 3
- D. 4

ANSWER: B

76. Strike should be called only if at least _____ percent of workers are in support of strike.

- A. 15
- B. 10
- C. 25
- D. 20

ANSWER: A

77. A proactive industrial relations programme must cover the following decision(s)

- A. Communication
- B. Competence
- C. Discipline and conflict

D. All of the above

ANSWER: D

78. Which of these is not a key feature of a team?

- A. Mutual independence
- B. Mutual purpose
- C. Shared responsibility
- D. Working in the same department that is called a team

ANSWER: D

79. What is social loafing?

- A. A process where individuals in teams work less hard than they would individually
- B. A process where individuals work harder when they are in teams.
- C. When someone hangs around with others and enjoys the camaraderie of being part of a team
- D. Team building activities

ANSWER: A

80. Which of the following is a particular benefit of teamwork to the organization as a whole, rather than the individual?

- A. Increased motivation
- B. Learning skills from others
- C. Job enrichment
- D. Transfer of skills and technical expertise

ANSWER: D

81. According to Katzenbach and Smith (1993), why is a high performance team hard to achieve?

- A. People are motivated by their own careers
- B. People are on different pay scales
- C. It involves higher levels of trust and commitment
- D. High achievers get promoted out of the team

ANSWER: C

82. What is it to be de-individualized?

- A. Dehumanization that occurs by being part of a team
- B. A person who is not allowed a personality
- C. Transformed thinking and the feeling to feel psychologically intertwined with the group
- D. Made to do the same as everyone else

ANSWER: C

83. Stages of team formation go in what order?

- A. Norming, storming, forming, performing, adjourning
- B. Forming, storming, norming, performing, adjourning
- C. Founding, storming, norming, performing, adjourning
- D. Forming, storming, norming, performing, adjourning

ANSWER: B

84. What is groupthink?

- A. Negotiation a solution as part of the group
- B. Learning to compromise to fit within the group
- C. A meeting where everyone shares their ideas
- D. Social pressure put on individuals to think in a particular way

ANSWER: D

85. _____ is a systematic examination of the books and records or a business.
- A. Vouching
 - B. Checking
 - C. Verification
 - D. Auditing
- ANSWER: D

86. Which of the following are not objectives of auditing?
- A. Ascertain the profit and preparation of P/L Account, Balance sheet
 - B. Detection and prevention of frauds and errors
 - C. Give a true and fair view of financial amount
 - D. To submits the accounts to Government of India
- ANSWER: D

87. An audit which is compulsory by the law is _____.
- A. Government Audit
 - B. Internal Audit
 - C. Statutory Audit
 - D. Cost Audit
- ANSWER: C

88. Instruction of audit issued by controller and auditor general of India _____.
- A. Government audit
 - B. Final Audit.
 - C. Management audit
 - D. Statutory audit
- ANSWER: A

89. Audit done by the employees of the business undertaking is called _____.
- A. Final audit
 - B. Management audit
 - C. Government audit
 - D. Internal Audit
- ANSWER: B

90. Internal auditor is appointed by _____.
- A. The Management
 - B. The Shareholders
 - C. The Government
 - D. The Statutory Body
- ANSWER: A

91. Auditing begins where _____ ends.
- A. Selling
 - B. Inventory Valuation
 - C. Accounting
 - D. Purchases
- ANSWER: C

92. A kind of audit conducted for a part of the accounting year is called _____.

- A. Periodical Audit
- B. Partial Audit
- C. Cost Audit
- D. Interim Audit

ANSWER: A

93. For which of the following, Audit is optional?

- A. Trusts
- B. Joint stock companies
- C. Proprietorship
- D. Private Limited Companies

ANSWER: C

94. The audit that is made compulsory under statute is called _____.

- A. Statutory audit
- B. Partial audit
- C. Complete Audit
- D. Continuous Audit

ANSWER: A

95. The receipt of goods must be entered in _____.

- A. Goods inward book
- B. Goods outward book
- C. Receipt of Stores & Goods outward book
- D. Receipt issue and balance of stores

ANSWER: A

96. Which of the following is not true about opinion on financial statements?

- A. The auditor should express an opinion on financial statements
- B. His opinion is no guarantee to future viability of business
- C. He is responsible for detection and prevention of frauds and errors in financial statements
- D. He should examine whether recognized accounting principles have been consistently

ANSWER: A

97. Audit means _____.

- A. recording business transactions
- B. preparing the final accounts
- C. examination of books, accounts, vouchers etc.
- D. preparing final accounts

ANSWER: C

98. Audit programme is prepared _____.

- A. to help the auditor and his staff about the work to be done while auditing
- B. to help the accountant to prepare the balance sheet
- C. to help the company to submit its accounts
- D. to help the shareholders to file the returns

ANSWER: A

99. Auditor shall report on the accounts examined by him _____.

- A. to the proprietor

- B. to the court
- C. to the bank
- D. to the general public

ANSWER: A

100. Management is the art and science of decision making and leadership _____.

- A. Harold Koontz
- B. Donald J. Clough
- C. Louis Allan
- D. Terry

ANSWER: B

101. A chronological sequence of steps to be undertaken to enforce a policy and to attain an objective is known as _____.

- A. objective
- B. strategies
- C. rules
- D. procedures

ANSWER: D

102. A statement of expected results expressed in numerical terms for a definite period of time in the future is known as _____.

- A. objective
- B. strategies
- C. procedures
- D. budgets

ANSWER: D

103. The process of establishing a time sequence for the work is known as _____.

- A. objective.
- B. schedules
- C. procedures
- D. budgets.

ANSWER: B

104. A rigid plan, no scope for discretion _____.

- A. schedules.
- B. rule.
- C. budgets
- D. procedures.

ANSWER: B

105. Goal or target to be achieved is known as _____.

- A. objective.
- B. schedules.
- C. procedures.
- D. budgets.

ANSWER: A

106. Employees will be promoted on the basis of seniority is an example of _____.

- A. rules.

- B. procedures
 - C. policy
 - D. methods
- ANSWER: C

107. Steps to be taken for selecting sales persons is an example of _____.

- A. rules.
- B. procedures
- C. policy
- D. methods

ANSWER: B

108. An identified group of people contributing their efforts towards the attainment of goals is called an _____.

- A. organization
- B. business
- C. management
- D. department.

ANSWER: A

109. Minimum number of persons required for the formation of a public company

- A. 7
- B. 6
- C. 5
- D. 2

ANSWER: A

110. Which is known as official signature of the company

- A. Common seal
- B. MOA
- C. Articles of association
- D. Prospectus

ANSWER: A

111. Business ethics deals primarily with _____

- A. Social responsibility.
- B. The pricing of products and services
- C. Moral obligation
- D. Being unfair to the competition

ANSWER: C

112. Ethics are important because _____

- A. Suppliers prefer to deal with ethical companies
- B. Customers prefer to deal with ethical companies
- C. Employees prefer to deal with ethical companies
- D. All of the choices

ANSWER: D

113. According to the concept of moral intensity, a worker is most likely to behave ethically and legally when _____

- A. A manager observes his or her behavior closely

- B. The worker has intense morals
- C. The consequences of the act are minor
- D. The consequences of the act are substantial

ANSWER: D

114. Benefits derived from social responsibility include _____

- A. Enhanced organizational efficiency
- B. Producing better products
- C. Attracting people who want to work for the firm
- D. both a & c

ANSWER: D

115. According to concept of moral laxity, workers will often behave unethically because _____

- A. They have planned to be unethical.
- B. They come from dysfunctional families.
- C. Other issues seem more important at the time
- D. Management pressures them into unethical behavior

ANSWER: C

116. Building a sustainable environment includes _____

- A. Developing a green supply chain
- B. Omitting hazardous emissions
- C. Both a & b
- D. Writing a code of ethics

ANSWER: C

117. Fairness in employment practices centers on _____

- A. Hiring no family members or friends.
- B. Giving people equal rewards for accomplishing the same tasks.
- C. Obeying equal employment opportunity legislation.
- D. Avoiding conflicts of interest

ANSWER: B

118. The stakeholder view of social responsibility states that organizations must respond to the needs of _____

- A. Employees and customers
- B. Shareholders and owners
- C. All interested parties
- D. All those who might sue the organization

ANSWER: C

119. A firm is said to have good corporate social performance when _____

- A. Stockholders invest in socially responsible causes
- B. Charitable deductions are automatically deducted from pay without the consent of employees
- C. The company has not been convicted of ethical violations for five consecutive years
- D. Stakeholders are satisfied with its level of social responsibility

ANSWER: D

120. A socially responsible mutual fund will only purchase stocks in companies that _____

- A. Have a no-smoking policy in place.

- B. Have a culturally diverse management team
- C. Hire some job candidates who are HIV positive
- D. Have good social performance.

ANSWER: D

121. A whistle blower is an employee who _____

- A. Exposes organizational wrongdoing.
- B. Complains a lot to company management
- C. Engages in unethical behavior
- D. Referees disputes with other employees

ANSWER: A

122. A recommended way of minimizing unethical behavior is for employees to _____

- A. Write anonymous notes to ethical violators
- B. Immediately report all suspicious behavior to top management
- C. Spend part of their vacation preparing a personal philosophy of ethics
- D. Confront fellow employees about ethical deviations

ANSWER: D

123. Circumstances that stymie or confuse the counselor because there are conflicting or competing ethical standards; there is a conflict between what is ethical and what is moral; the situation is such that complexities make the application of ethical standards unclear; or some circumstance prevents clear application of standards are considered to be

- A. Ethical standards
- B. Ethical dilemmas
- C. Morality
- D. Virtue ethics

ANSWER: B

124. The application of ethical principles rather than actual specified actions would refer to

- A. Ethical standards
- B. Ethical dilemmas
- C. Morality
- D. Virtue ethics

ANSWER: C

125. In the United States professionals such as counselors or psychologists are directed and bound by ethical standards by

- A. The clients they serve
- B. Conscience
- C. Conscience
- D. Professional organizations to which they belong

ANSWER: D

126. The most basic level of ethical functioning is guided by _____. This focus is on compliance with the law and dictates professional codes that apply to practice.

- A. Mandatory ethics
- B. Accreditation
- C. Licensure
- D. Portability

ANSWER: A

127. Business ethics deals primarily with
- A. Social responsibility
 - B. The pricing of products and services
 - C. Moral obligation
 - D. Being unfair to the competition

ANSWER: C

128. Ethics are important because
- A. Suppliers prefer to deal with ethical companies
 - B. Customers prefer to deal with ethical companies
 - C. Employees prefer to deal with ethical companies
 - D. All of the choices

ANSWER: D

129. Benefits derived from social responsibility include _____
- A. Enhanced organizational efficiency
 - B. Producing better products
 - C. Attracting people who want to work for the firm
 - D. Both a & c

ANSWER: D

130. Specifying the manner of executing policy is known as _____.
- A. objective
 - B. schedules.
 - C. procedures.
 - D. budgets.

ANSWER: C

131. Set of clear instruction in a clear and logical sequence to perform a particular task_____.
- A. rules.
 - B. programme
 - C. policy.
 - D. methods.

ANSWER: B

132. Ethical issues in business typically arise because of conflicts between an individuals personal moral philosophies and values and
- A. The values and attitudes of the organization in which he or she works.
 - B. The values and attitudes of the society in which he or she lives.
 - C. The values and attitudes of the organization in which he or she works and the society in which he or she lives.
 - D. The laws and regulations of the country in which he or she lives

ANSWER: A

133. F.W. Taylor is associated with_____.
- A. Scientific Management
 - B. Future management.
 - C. Modern management
 - D. Principles of management

ANSWER: A

134. Which financial statement displays the revenues and expenses of a company for a period of time?

- A. Income Statement
- B. Balance Sheet
- C. Cash flow statement
- D. P and L Account

ANSWER: A

135. Which of the following securities proves a burden on finances of the company, when company is not earning profits?

- A. Equity shares
- B. Preference shares
- C. Redeemable preference shares
- D. Debentures

ANSWER: D

136. Control of management of the company mainly vests in_____

- A. equity shareholders.
- B. preference shareholders
- C. debenture holders
- D. share holders.

ANSWER: A

137. The first stock exchange was set up in India in_____

- A. Calcutta
- B. Bombay
- C. New Delhi
- D. Chennai

ANSWER: B

138. Communication between departments or functional units of companies is known as_____

- A. Department communication
- B. Upward communication
- C. Downward communication
- D. Horizontal communication

ANSWER: D

139. Surveys, suggestion boxes, and employee newsletters are considered to be_____types of communication

- A. Downward
- B. Upward
- C. Grapevine
- D. Lateral

ANSWER: B

140. Feedback is a listeners_____

- A. verbal critique of your message
- B. aversion to a message
- C. acceptance of a message
- D. verbal or nonverbal responses to a message

ANSWER: D

141. Communication without words is called

- A. Non- verbal communication
- B. Verbal
- C. Oral communication
- D. Written communication

ANSWER: A

142. By using which of the following methods, employees can be motivated

- A. Monetary incentives
- B. Giving security to work
- C. Building congenial work environment
- D. All of the above

ANSWER: D

143. _____ deals with appointing people and placing them at the appropriate jobs.

- A. Human resources.
- B. Recruitment
- C. Recruitment
- D. Placement.

ANSWER: C

144. Selecting a best course of action among the alternatives is called as _____.

- A. decision making
- B. planning
- C. organizing
- D. controlling

ANSWER: A

145. Scalar chain means _____.

- A. hierarchy levels.
- B. chain of command.
- C. delegation of authority.
- D. span of control.

ANSWER: A

146. The person who sends a message is known as _____.

- A. Sender.
- B. Receiver
- C. Messenger.
- D. Communicator.

ANSWER: A

147. Motivation based on force of fear is called ____.

- A. positive motivation.
- B. negative motivation
- C. extrinsic motivation
- D. intrinsic motivation

ANSWER: B

148. According to Maslow, physiological needs is a ____.

- A. high level needs
- B. medium level needs
- C. lower level needs
- D. psychological needs

ANSWER: C

149. Leadership behaviour is influenced by certain qualities of a person is _____.

- A. Followers theory.
- B. Trait theory.
- C. Situational theory.
- D. Managerial grid

ANSWER: B

150. A leader who serves as the head of the family and treats his followers like his family members is _____.

- A. paternalistic leader
- B. intellectual leader
- C. liberal leader
- D. institutional leader

ANSWER: A

Staff Name
Dr Ravi Shankar C.