

1. The type of decision that lacks clear guidelines for reaching a solution is
  - A. non-programmed decision.
  - B. programmed decision.
  - C. operational decision.
  - D. tactical decision.
  
2. A partnership dissolves when a
  - A. loss is made.
  - B. partner commits crime.
  - C. partner is absent.
  - D. partner retires.
  
3. The reward for use of land is
  - A. interest.
  - B. profit.
  - C. rent.
  - D. wages and salaries.
  
4. Which of the following activities is **not** a function of a computer?
  - A. Generating information
  - B. Receiving information
  - C. Retrieving information
  - D. Storing information
  
5. Insurance covers risks like
  - A. losses during war.
  - B. loss of a friend's car.
  - C. speculation.
  - D. theft or burglary.

6. The leadership style that involves subordinates in decision making process is
- autocratic leadership.
  - authoritarian leadership.
  - democratic leadership.
  - laissez-faire leadership.
7. Which of the following documents is sent by the buyer to the seller stating full description and quantity of goods?
- Invoice
  - Order
  - Quotation
  - Receipt
8. The process of introducing new employees to their roles within an organisation is
- apprentice training.
  - employee training.
  - induction training.
  - supervisory training.
9. Communication is said to be complete when the
- intended meaning is received.
  - message come from the superior.
  - message is written.
  - recipient gives a feedback.
10. Which level of management does the production manager belong?
- Lower management
  - Middle management
  - Supervisory management
  - Top management
11. A set of instructions used to execute specific tasks by computers is referred to as
- hardware.
  - keyboard.
  - memory.
  - software.
12. The financial institution which serves as the banker to the government is
- commercial bank.
  - central bank.
  - development bank.
  - merchant bank.
13. A speculator who deals in new shares with the intention of making profit is a
- bear.
  - bull.
  - broker.
  - stag.
14. Direct taxes include
- company tax, income tax and capital gain tax.
  - excise duty, sales tax and import duty.
  - import duty, company tax and income tax.
  - income tax, sales tax and capital gain tax.

**Turn over**

15. The process of importing goods from other countries for re-exporting is referred to as
- counter trade.
  - entrepôt trade.
  - export trade.
  - import trade.
16. The elements of marketing mix include
- packaging, procurement, sales and people.
  - price, product, place and promotion.
  - pricing, production, personnel and place.
  - promotion, advertising, sales and distribution.
17. Which of the following communication channels does not follow official procedure?
- Formal communication
  - Grapevine communication
  - Horizontal communication
  - Vertical communication
18. The motivational needs dealing with belongingness, affection and friendship is
- esteem needs.
  - safety needs.
  - self-actualization.
  - social needs.
19. The type of co-operative society that sells goods to its members at reduced price is
- consumer co-operative.
  - credit co-operative.
  - producer co-operative.
  - thrift co-operative.
20. A source of power based on authority is
- coercive power.
  - expert power.
  - legitimate power.
  - referent power.
21. Which of the following activities is not an objective of advertising?
- Boosting the morale of the buyer
  - Building the image of the product
  - Providing information about the product
  - Promoting the sales of the product
22. When an offeree changes the terms of a contract, he is making
- an acceptance.
  - a counter offer.
  - an invitation to treat.
  - a public offer.
23. The cost of constructing hospitals and schools is classified as
- capital expenditure.
  - recurrent expenditure.
  - recurrent receipts.
  - total expenditure.

24. One of the challenges of a developing economy is
- A. excess liquidity.
  - B. high level manpower.
  - C. rapid population growth.
  - D. over-employment.
25. Which of the following conditions is required for promotion in an organization?
- A. Length of service and experience
  - B. Loyalty of an employee
  - C. More work done by an employee
  - D. Respect for authority
26. An example of a regional economic integration is the
- A. Association of South East Asian Nations.
  - B. International Bank for Reconstruction and Development.
  - C. International Monetary Fund.
  - D. United Nations Conference on Trade and Development:
27. A long-term source of finance to businesses is
- A. debenture.
  - B. overdraft.
  - C. stock.
  - D. trade credit.
28. A written statement that outlines the mission and objectives of the business is known as
- A. analysis plan.
  - B. business plan.
  - C. budget plan.
  - D. financial plan.
29. A decision that is repetitive and routine in nature is
- A. non-programmed decision.
  - B. operational decision.
  - C. programmed decision.
  - D. tactical decision.
30. Incentive packages given to employees are meant to
- A. entice and retain them.
  - B. increase their workload.
  - C. control supervision.
  - D. reduce their responsibilities.
31. One advantage of specialization is that, it
- A. brings about monotony.
  - B. discourages job mobility.
  - C. leads to loss of craftsmanship.
  - D. saves time.

**Turn over**

32. The principle that requires both the insured and insurer to disclose all relevant facts to the contract is
- A. insurable interest.
  - B. proximate cause.
  - C. subrogation.
  - D. utmost good faith.
33. The growing interdependence of the world's economies is referred to as
- A. globalization.
  - B. international.
  - C. liberalization.
  - D. nationalization.
34. Welfare services and fringe benefits for workers **excludes**
- A. housing facilities.
  - B. transport facilities.
  - C. vacation with pay.
  - D. wages and salaries.
35. The factor that poses challenge for small businesses is
- A. easy flexibility.
  - B. enjoying privacy.
  - C. inadequate capital.
  - D. quick decision making.
36. The basic functions of management include
- A. directing, planning, organizing and controlling.
  - B. planning, coordinating, controlling and organizing.
  - C. planning, directing, organizing and motivating.
  - D. organizing, supervising, planning and controlling.
37. A grapevine communication is through
- A. circular.
  - B. gossip.
  - C. memorandum.
  - D. report.
38. A rule violating the validity of consideration is that,
- A. it must be definite.
  - B. it must not be past.
  - C. there must be a stipulated time.
  - D. there must be a third party.
39. Which of the following activities is **not** a step in the decision making process?
- A. Evaluating alternative causes of action
  - B. Following up and revisions
  - C. Gathering of information
  - D. Setting of objectives

- 40. The continuous production of a product in large quantity is
  - A. batch production.
  - B. flow production.
  - C. job production.
  - D. stock production.
  
- 41. An agent that is liable for the debts of a third party who fails to pay is called a
  - A. del credere agent.
  - B. factor agent.
  - C. general agent.
  - D. special agent.
  
- 42. Motivation and guiding are part of the management function of
  - A. controlling.
  - B. directing.
  - C. organizing.
  - D. planning.
  
- 43. Which of the following terms is a principle of insurance?
  - A. Accident
  - B. Fire insurance
  - C. Indemnity
  - D. Life assurance
  
- 44. Time management is important because it
  - A. creates more room for management.
  - B. helps to co-ordinates all activities.
  - C. helps to achieve target.
  - D. over burdens management.
  
- 45. The factor of production that bears risk of the business is
  - A. capital.
  - B. entrepreneur.
  - C. labour.
  - D. land.
  
- 46. One of the characteristics of money is that, it must be
  - A. a medium of exchange.
  - B. a credit instrument.
  - C. a store of value.
  - D. generally acceptable.
  
- 47. The type of strike action wherein some workers prevent other workers from entering the workplace is
  - A. boycott.
  - B. lockout.
  - C. picketing.
  - D. work-to-rule.

48. A document that shows ownership and title to the goods after shipment is
- A. bill of lading.
  - B. bill of exchange.
  - C. consular invoice.
  - D. proforma invoice.
49. Flour mill is an example of
- A. constructive production.
  - B. primary production.
  - C. secondary production.
  - D. tertiary production.
50. Which of the following factors is **not** a feature of developing economies?
- A. High level of per capital income
  - B. High level of dependency
  - C. Rapid population growth
  - D. Shortage of highly skilled manpower