

**ADM1100A FALL 2013**  
**PRACTICE FINAL EXAMINATION**

**Student Name:** \_\_\_\_\_ **Student No.:** \_\_\_\_\_

**INSTRUCTIONS**

1. Candidates **must complete and sign the academic attestation below.**
2. This examination consists of **THREE** Parts: Multiple Choice, True & False, (both of which should be answered on the computerized answer sheet provided) and Short Answer. Specific instructions are provided in each part.
3. Candidates must return the examination question paper, your computerized answer sheet, and all examination booklets to the professor
4. The time limit for this examination is two & a half hours
5. No notes, references or dictionaries are permitted
6. No electronic devices are permitted accept for a non-programmable calculator
7. Read the entire examination question paper BEFORE proceeding

**Academic Integrity :**

Integrity is a basic value of our society and of the business world. Academic integrity is also a key value of the Telfer School of Management. To underline its importance, all assignment, report, project, or other work submitted in partial fulfillment of the requirements of a course at the School of Management must include on its front page the following signed statement (signed by each member of a team in the case of a group assignment or team work):

***Statement of Academic Integrity:***

**This work conforms to the rules on academic integrity of the University of Ottawa:**

**Signature:** \_\_\_\_\_

For more information on what constitutes a breach of academic integrity, please consult the following web sites:  
[http://www.uottawa.ca/academic/info/regist/crs/home\\_5\\_ENG.htm](http://www.uottawa.ca/academic/info/regist/crs/home_5_ENG.htm) and <http://www.uottawa.ca/plagiarism.df>

**Please note** that any submission in a course (homework, assignment, report, etc) that does not include that signed statement will not be corrected and will get a grade of zero.

**Part 1 – Multiple Choice** (50 marks – each question carries 1 mark)

Please choose the one alternative that best completes the statement or answers the question and **enter your answer in the computerized answer sheet.**

*Note – There will be 50 questions in this section and all of the questions must be completed. In this example section there are not 50 questions but a sample of questions for each of the sessions covered.*

1. Which of the following is the first step in the employee recruitment process?
- a. review applications and résumés
  - b. interview candidates
  - c. conduct employment tests
  - d. identify job requirements

ANS: d

2. Antonio is paid \$55,000 per year as a research analyst. This type of compensation is called a(n) \_\_\_\_\_.
- a. employee benefit
  - b. time wage
  - c. wage
  - d. salary

ANS: d

3. Vroom's Expectancy Theory states that:
- a. Employees assess the probability of accomplishing a task, the value of the reward, and the likelihood that successful performance leads to a desirable reward.
  - b. Employees compare their results with those of coworkers and decrease their efforts if they feel they are under-rewarded for similar work.
  - c. People are motivated to the extent to which they accept challenging goals and receive feedback on their progress.
  - d. People's needs are arranged on a hierarchy of importance.

ANS: a

4. \_\_\_\_\_ utility is created when the business firm converts raw materials into finished goods and services.

a.	Place
b.	Exchange
c.	Ownership
d.	Form

ANS: d

5. Maria is campaigning for city council and talks with prospective voters in her ward about their concerns. Maria is engaged in \_\_\_\_\_ marketing.

a.	person
b.	place
c.	cause
d.	idea

ANS: a

6. An organization's \_\_\_\_\_ is the group of potential customers toward whom it directs its marketing efforts.

a.	marketing demographic
b.	target market
c.	market segment
d.	product market

ANS: b

7. Only a few Jaguar dealers are located in the Toronto metropolitan area. For buyers who will accept no substitute, Jaguar automobiles are \_\_\_\_\_.

- a. specialty products
- b. convenience products
- c. shopping products
- d. capital items

ANS: a

8. Coke, Diet Coke, Cherry Coke, Coke Zero, and Coke with Lime constitute Coca Cola's \_\_\_\_\_ of soft drinks.
- a. distribution strategy
  - b. product mix
  - c. product line
  - d. product cluster

ANS: c

9. In which stage of the product life cycle do sales reach a saturation level, making further sales expansion difficult?
- a. Maturity stage
  - b. Growth stage
  - c. Introductory stage
  - d. Decline stage

ANS: a

10. Integrated marketing communications would include all of the following EXCEPT \_\_\_\_\_.

a.	direct mail
b.	sales promotions
c.	public relations
d.	distribution

ANS: d

11. A paid, non-personal sales communication usually directed at a large number of potential buyers is \_\_\_\_\_.

a.	the media mix
b.	sales promotion
c.	advertising
d.	publicity

ANS: c

12. Shannon sells furniture, and a couple in her store tells her they're impressed with a particular living room couch. Shannon should \_\_\_\_\_.

a.	show them a more expensive model
b.	persuade them to buy furniture for their entire home
c.	point out less-than-stellar aspects of the model
d.	attempt to close the sale

ANS: d

13. \_\_\_\_\_ activities focus on providing valuable assets to a business.

- a. Investing
- b. Marketing
- c. Selling
- d. Operating

ANS: A

14. Raphael works as a tax accountant at a mid-sized manufacturing company. Raphael would be considered a \_\_\_\_\_.

- a. management consultant
- b. management accountant
- c. public accountant
- d. government accountant

ANS: B

15. All of the following are assets EXCEPT \_\_\_\_\_.

- a. Inventory
- b. bank loans
- c. Patents
- d. Cash

ANS: B

16. All of the following are profitability ratios EXCEPT \_\_\_\_\_.

- a. return on equity
- b. inventory turnover
- c. return on assets
- d. gross profit margin

ANS: B

**Part 2 – True/False** (30 marks – each question carries 1 mark)

Please choose the True or False answer for the below questions **entering your answer in the computerized answer sheet. [TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false. The first two columns of the computerized answer sheet are T and F.]**

*Note – There will be 30 questions in this section and all of the questions must be completed. In this example section there are not 30 questions but a sample of questions for each of the sessions covered.*

51. A company should view employee training as an ongoing process throughout each employee's tenure with the firm.

ANS: T

52. Salary is a term that represents compensation based on the number of hours worked.

ANS: F

53. Marketing strategies are not essential for not-for-profit organizations because they do not compete for dollars as commercial businesses do.

ANS: F

54. Market segmentation is the process of dividing a total market into several relatively diverse groups.

ANS: F

55. The early stages of a product's life cycle are generally the most profitable for the company because there is little competition.

ANS: F

56. A brand may be a name, term, sign, symbol, or design used to identify a product.

ANS: T

57. Advertising is the most visible form of nonpersonal promotion.

ANS: T

58. Jamal, the service manager for a local Ford dealer, makes a point of sending out letters to all customers asking whether or not they are satisfied with their purchase. Jamal is conducting a follow-up.

ANS: T

59. Accountants play a role in all three business activities: financing, investing, and operating.

ANS: T

60. The primary role of government accountants is to determine how efficiently their organizations have accomplished their objectives.

ANS: T

61. A firm has \$15 million in assets and \$5 million in owner's equity. Therefore, the firm must also have \$15 million in liabilities.

ANS: F

### Part 3 – Short Answer Questions (20 marks – each question carries 5 marks)

Please complete **ANY FOUR** of the following questions in the examination booklet provided.

- A. Explain the advantages of Internet recruiting.

ANS:

Internet recruiting is a quick, efficient, and inexpensive way to reach a large pool of job seekers. The vast majority of companies currently use the Internet, including social networking sites, to fill job openings. This is also the best way for firms to reach new college graduates and workers in their 20s and 30s.

- B. Explain how a marketing mix is developed.

ANS:

Decisions about marketing involve four major strategies: products, pricing, distribution, and promotion. A firm's marketing mix blends the four strategies to fit the needs and preferences of a specific target market. Marketing success depends not on the four individual strategies, but on their unique and effective combination.

- C. Describe how services differ from goods and provide examples of each.

ANS:

Services, unlike goods, are intangible. Services are perishable, since neither consumers nor firms cannot stockpile them in inventory. Services are also difficult to standardize, since consumer needs, wants, and expectations vary. Finally, from the buyer's perspective, the service provider is the service. A good is product like toothpaste. An example of a service is Netflix.

- D. Describe the follow-up stage of the selling process. Why is this stage important?

ANS:

The follow-up stage comes after the salesperson has closed a sale. It consists of quickly and efficiently processing the order, reassuring the customer about the purchase decision, making sure that delivery is made, the product is satisfactory, and that the customer gets any needed service. This process is vital to building goodwill and developing a long-term working relationship with customers.

25. What is the purpose of the balance sheet? Explain how it is organized.

ANS:

The balance sheet shows a firm's financial position at a particular date. It is similar to a photograph of what the firm owns (its assets), what it owes (its liabilities), and its owners' equity. The balance sheet follows the accounting equation. Assets are reported on the left side, while liabilities and owners' equity are reported on the right side. Assets are listed in descending order of liquidity -- their convertibility into cash. Liabilities and owners' equity indicate the sources of the firm's assets and are listed in the order in which they are due.