**CHAPTER 1**

**THE CHANGING FACE OF BUSINESS**

**CHAPTER LEARNING OBJECTIVES**

***LO 1.1 Distinguish between business and not-for-profit organizations.***

Business consists of all profit‐seeking activities that provide goods and services necessary to an economic system. Not‐for‐profit organizations are business‐like establishments whose primary objectives involve social, political, governmental, educational, or similar functions instead of profits.

***LO 1.2 Identify and describe the factors of production.***

The factors of production have four basic inputs: natural resources, capital, human resources, and entrepreneurship. Natural resources include all productive inputs that are useful in their natural states. Capital includes technology, tools, information, and physical facilities. Human resources include anyone who works for the firm. Entrepreneurship is the willingness to take risks to create and operate a business.

***LO 1.3 Describe the private enterprise system, including basic rights and entrepreneurship.***

The private enterprise system is an economic system that rewards firms for being able to perceive and serve the needs and demands of consumers. Competition in the private enterprise system means success for firms that satisfy consumer demands. Citizens in a private enterprise economy enjoy rights to private property, profits, freedom of choice, and competition. Entrepreneurship drives economic growth.

***LO 1.4 Identify the seven eras in the history of business.***

The seven historical eras are the colonial period, the Industrial Revolution, the age of industrial entrepreneurs, the production era, the marketing era, the relationship era, and the social era. In the colonial period, businesses were small and rural, emphasizing agricultural production. The Industrial Revolution brought factories and mass production to business. The age of industrial entrepreneurs built on the Industrial Revolution through an expansion in the number and size of firms. The production era focused on the growth of factory operations through assembly lines and other efficient internal processes. During and following the Great Depression, businesses concentrated on find­ing markets for their products through advertising and selling, giving rise to the marketing era. In the relationship era, businesspeople focus on developing and sustaining long‐term relationships with customers and other businesses. The social era of business can be described as a new approach to the way businesses and individuals interact, connect, communicate, share, and exchange information with each other in virtual communities and networks around the world. Technology promotes innovation and communication, while alliances create a competitive advantage through partnerships. Concern for the environment also helps build strong relationships with customers.

***LO 1.5 Explain how today’s business workforce and the nature of work itself are changing.***

The workforce is changing in several significant ways: (1) It is aging and the labour pool is shrinking and (2) it is becoming increasingly diverse. The nature of work has shifted toward services and a focus on information. More firms now rely on outsourcing, offshoring, and nearshoring to produce goods or to fulfill services and functions that were previously handled in‐house or in‐country. Today’s workplaces are also becoming increasingly flexible, allowing employees to work from different locations and through different relationships. Companies promote innovation through teamwork and collaboration

***LO 1.6 Identify the skills and attributes managers need to lead businesses in the twenty-first* century.**

Today’s managers need vision, which is the ability to perceive both marketplace needs and the way their firm can satisfy those needs. Critical thinking skills and creativity allow managers to pinpoint problems and opportunities and plan novel solutions. Finally, managers are dealing with rapid change, and they need skills to help lead their organizations through shifts in external and internal conditions.

***LO 1.7 Outline the characteristics that make a company admired by the business community.***

A company is usually admired for its solid profits, stable growth, a safe and challenging work environment, high‐quality goods and services, and business ethics and social responsibility.

## TRUE-FALSE STATEMENTS

1. Large corporations are defined as businesses, whereas small companies are more of an investment.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Reflective Thinking

2. Companies are NOT required to be ethical to succeed in the long run.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Ethics

3. In order to remain viable, not-for-profit organizations need to focus on profits even more than the public service they provide.

Answer: False

Bloomcode: Application

Difficulty: Medium

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Ethics

4. Not-for-profit organizations are commonly exempt from federal, provincial, and local taxes.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

5. Just as with a for-profit business, the first priority for a not-for-profit organization is making a profit.

Answer: False

Bloomcode: Application

Difficulty: Medium

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Reflective Thinking

6. An accountant’s view of profit is the difference between revenue and the cost incurred in generating the revenue. This view is shared by all business owners and the general public.

Answer: False

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

7. Employees and founders of not-for-profit organizations do NOT usually earn any income from their operations.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

8. All factors of production are found in equal amounts in all businesses.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

9. Capital includes money, machines, tools, buildings, and human resources.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Analytic

10. Natural resources are essential for certain companies but are NOT required for all economic systems.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Analytic

11. Technology is considered to be capital.

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Technology

12. High-end technology, such as the Global Positioning Satellite System offered in some new cars, is considered a capital resource.

Answer: True

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Technology

13. When farmers rent land in order to increase crop production, they are acquiring capital.

Answer: False

Bloomcode: Application

Difficulty: Easy

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Reflective Thinking

14. Entrepreneurship is synonymous with “risk-taking.”

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Technology

15. An entrepreneur and a manager are the same.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Analytic

16. The owner of a small business is part of the human resources of his/her organization.

Answer: True

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Analytic

17. The private enterprise system encourages government intervention.

Answer: False

Bloomcode: Application

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Reflective Thinking

18. Canada functions under the private enterprise system.

Answer: True

Bloomcode: Application

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Reflective Thinking

19. Adam Smith’s “invisible hand” refers to the battle among businesses for consumer acceptance.

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

20. Profits are guaranteed by the private enterprise system for every entrepreneur with good management skills.

Answer: False

Bloomcode: Application

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Reflective Thinking

21. Private property is considered the most important right in the private enterprise system.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

22. When customers enter a supermarket and select their favourite brand of laundry detergent, they are exercising their right to freedom of choice.

Answer: True

Bloomcode: Application

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Reflective Thinking

23. When the government sets ground rules for competitive activity, the intent is to increase freedom of choice for consumers.

Answer: True

Bloomcode: Application

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

24. In the private enterprise system, government has no role to play in ensuring fair competition.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

25. Unfair or “cutthroat” competition, designed to eliminate competitors, is prohibited by the U.S. government.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

26. Finding unique ways to use the factors of production is a common characteristic of most entrepreneurs.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Reflective Thinking

27. Entrepreneurs are very conservative and usually invest only in sure winners.

Answer: True

Bloomcode: Application

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Reflective Thinking

28. The Canadian Radio-television and Telecommunications Commission (CRTC) has made a decision that has increased the cost charged to small internet service providers that buy access from larger internet services providers such as Bell. This decision is a violation of the private enterprise system in Canada.

Answer. False

Bloomcode: Application

Difficulty: Hard

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

29. Successful entrepreneurs usually create large corporations.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

30. During the colonial period, the focus was on agriculture and other rural activities.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

31. The Industrial Revolution began in Germany and quickly spread to the rest of Europe.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

32. The Industrial Revolution began in the United States with the development of the automobile.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

33. One factor that led to the Industrial Revolution was the mechanization of agriculture.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

34. A key element of the production era was the use of consumer research.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

35. The production era preceded the age of industrial entrepreneurs.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

36. In consumer orientation, a company creates a product first, and then determines if the consumer will likely purchase the product.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

37. The Nike swoosh is NOT considered a brand; only the company name can be a brand.

Answer: False

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

38. The current philosophy among managers today is best described as transaction management.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

39. Information technology has been the key driver behind the relationship era.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Technology

40. Technology has revolutionized business communications.

Answer: True

Bloomcode: Application

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Technology

41. Relationship management refers to ongoing, mutually beneficial ties between a company and its vendors.

Answer: False

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Technology

42. Technology can make some products obsolete.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Technology

43. Relationship management concentrates on short-term interactions with customers.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

44. The number of companies forming partnerships and strategic alliances has declined in recent years.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

45. The use of blogs as a link between companies and their customers is on the decline.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Technology

46. Assume Motorola and Microsoft work on developing a new cell phone that also is a PDA. This is an example of a strategic alliance.

Answer: True

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

47. The need to develop environmentally friendly products and processes is becoming a major new force in business today.

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

48. A strategic alliance is a partnership formed to create competitive advantage for the businesses involved.

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

49. The use of assembly lines became popular during the colonial era.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Technology

50. Relationship management is important in the relationship era and the social era.

Answer: True

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Ethics

51. The needs of older workers are similar to those of younger workers.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Reflective Thinking

52. During the next few years, the average age of the workforce is expected to increase.

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

53. Although the number of college-educated workers has doubled in the last 20 years, the demand for workers is still greater than the supply.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

54. Research indicates that work teams consisting of a diverse group of individuals often are more productive than less diverse work teams.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Diversity

55. Outsourcing is the relocation of business activities to lower-cost locations overseas.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

56. Today, workers are much less likely to remain with the same employer throughout their entire careers.

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

57. The new employer-employee relationship requires firms to establish rigid rules to govern employee activities.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

58. The managerial quality of vision is the ability to see all of the problems that might occur.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

59. The retirement of baby boomers CANNOT create a shortage in the Canadian workforce since students are graduating each year.

Answer: False

Bloomcode: Application

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

60. Skilled and knowledgeable employees are essential resources that could help an organization to create change in today’s dynamic business environment.

Answer: True

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

61. Critical thinking skills and creativity are essential qualities for today’s managers.

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

62. Critical thinking is the ability to analyze and assess information to pinpoint problems and opportunities.

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

63. Creativity is the capacity to develop well-tested solutions to common organizational problems.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

64. A manager’s only obligation is to create an environment for creativity and critical thinking. The implementation of those ideas is carried out by other departments.

Answer: False

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

65. Mental exercises like brainstorming often foster creativity.

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

66. Decreased consumer loyalty is an example of an external force that requires change.

Answer: True

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

67. For a company to be successful, the vision and mission statements should align.

Answer: True

Bloomcode: Application

Difficulty: Easy

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

68. Force of change can only come from external sources.

Answer: False

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

69. Business ethics deal with the right-versus-wrong actions that arise in a work environment.

Answer: True

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

70. The most important factor for determining whether or NOT a company is admired is profitability.

Answer: False

Bloomcode: Application

Difficulty: Easy

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

71. By supporting local charities, a firm is demonstrating social responsibility.

Answer: True

Bloomcode: Application

Difficulty: Easy

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

72. Social responsibility is another way of saying ethics.

Answer: False

Bloomcode: Application

Difficulty: Easy

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

73. Companies that are serious about ethical operations are likely to be socially responsible.

Answer: True

Bloomcode: Application

Difficulty: Easy

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

**MULTIPLE CHOICE QUESTIONS**

74. Which of the following are organized for-profit and provide goods and services?

a) public schools

b) churches

c) government

d) businesses

Answer: d

Bloomcode: Application

Difficulty: Easy

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Reflective Thinking

75. All of the following statements are correct EXCEPT

a) successful businesses seek to meet their social and ethical responsibilities.

b) business is the economic pulse of a nation.

c) business includes not-for-profit organizations that provide services to the public.

d) business provides goods and services necessary to an economic system.

Answer: c

Bloomcode: Application

Difficulty: Hard

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Reflective Thinking

76. In accounting terms, profits are \_\_\_\_\_\_.

a) the difference between revenues and expenses

b) the difference between commissions earned and receipts

c) the difference between sales and expenses

d) the sum of sales and expenses

Answer: a

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

77. In the Canadian economy, \_\_\_\_\_\_ are considered the reward for the risk of entering business.

a) revenues

b) profits

c) sales

d) generated income amounts

Answer: b

Bloomcode: Application

Difficulty: Hard

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Ethics

78. \_\_\_\_\_\_ is essential because it serves as a primary incentive for people to start companies, expand them, and provide consistently high-quality competitive goods and services.

a) Vision

b) Profit

c) Market research

d) Philanthropy

Answer: b

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Reflective Thinking

79. All of the following are businesses EXCEPT \_\_\_\_\_\_.

a) U.S. Postal Service

b) UPS

c) FedEx

d) AOL Time Warner

Answer: a

Bloomcode: Application

Difficulty: Easy

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

80. All of the following are typically part of the not-for-profit sector EXCEPT \_\_\_\_\_\_.

a) hotels

b) political parties

c) religious organizations

d) labour unions

Answer: a

Bloomcode: Application

Difficulty: Medium

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

81. A public-sector not-for-profit organization would include which of the following?a) library

b) museum

c) charitable

d) labour union

Answer: d

Bloomcode: Application

Difficulty: Medium

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

82. \_\_\_\_\_\_ are a public not-for-profit profit organization.

a) Religious organizations

b) Charitable organizations

c) Trade associations

d) Political parties

Answer: d

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

83. To be successful in the long run, business must be socially responsible toward

a) customers.

b) employees.

c) suppliers.

d) all of the stakeholder group above

Answer: d

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

84. The factors of production in an economic system are \_\_\_\_\_\_.

a) land, rent, capital, and human resources

b) capital, perseverance, natural resources, and human resources

c) rent, wages, interest, and profit

d) natural resources, human resources, capital, and entrepreneurship

Answer: d

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

85. Timber Trails, a northwest lumber company, utilizes \_\_\_\_\_\_ as its primary production factor.

a) natural resources

b) capital

c) entrepreneurship

d) human resources

Answer: a

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Reflective Thinking

86. Donovan Corporation’s sources of capital can include all of the following EXCEPT

a) investments from stockholders.

b) reinvested profits.

c) cash dividends declared by Donovan’s board of directors and paid to the stockholders.

d) investments from venture capitalists.

Answer: c

Bloomcode: Application

Difficulty: Hard

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Reflective Thinking

87. Technology, tools, information, and physical facilities for the operation of a business are examples of \_\_\_\_\_\_.

a) profits

b) wages

c) capital

d) interest

Answer: c

Bloomcode: Application

Difficulty: Easy

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Technology

88. A company that values employees as sources of ideas and innovation is utilizing its \_\_\_\_\_\_.

a) entrepreneurship

b) natural resources

c) capital

d) human resources

Answer: d

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Technology

89. The human resources of a firm refer to \_\_\_\_\_\_.

a) top management

b) everyone over 18 years of age

c) full-time employees

d) everyone who works for the business

Answer: d

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Analytic

90. Tarek, a former middle manager from Alexander Manufacturing, owns and operates a Subway franchise. Tarek is demonstrating \_\_\_\_\_\_.

a) social responsibility

b) socialism

c) entrepreneurship

d) pure competition

Answer: c

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Reflective Thinking

91. As a factor of production, capital includes all of the following EXCEPT

a) technology.

b) physical facilities.

c) market system.

d) information.

Answer: c

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Analytic

92. If Exxon Mobil drills oil from land belonging to the Native community in Texas, what would be the corresponding factor payment for the resources being used by the company?

a) free supply of gas to everyone in Texas

b) free education for all children in Texas

c) rent or royalties to the owners of the land

d) taxes to the federal government

Answer: c

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Analytic

93. Businesses that operate in an environment where success or failure is determined by how well they match and counter the offerings of competitors are operating under \_\_\_\_\_\_.

a) the private enterprise system

b) a social democracy

c) a monopoly

d) socialism

Answer: a

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

94. Capitalism is founded on \_\_\_\_\_\_.

a) the social changes that followed the Industrial Revolution

b) the idea that 80 percent of the nation’s wealth should be owned by no more than 20 percent

of the people

c) the idea that the government must own all factors of production

d) the belief that competition among business firms best serves the needs of society

Answer: d

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

95. In his book *The* *Wealth of Nations*, the Scottish economist Adam Smith was the first person to describe \_\_\_\_\_\_.

a) socialism

b) communism

c) capitalism

d) entrepreneurship

Answer: c

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

96. By offering a lifetime warranty on its products, Warner Electronics has set itself apart from its competition. This difference is known as Warner Electronics’ \_\_\_\_\_\_.

a) private enterprise system

b) competitive differentiation

c) capitalism

d) natural resources

Answer: b

Bloomcode: Application

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

97. When Greenlawn Inc. finds itself losing contracts because Lo-Price Lawn Co. charges less money, Greenlawn responds by lowering its bids. This reaction demonstrates \_\_\_\_\_\_.

a) the right to private property

b) the “invisible hand” of competition

c) collusion

d) social responsibility

Answer: b

Bloomcode: Application

Difficulty: Hard

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Reflective Thinking

98. Namesh recently sold his Ford Taurus to a personal friend. Namesh’s sale of his automobile illustrates the right to \_\_\_\_\_\_.

a) freedom of choice

b) private property

d) profit

d) set ground rules for competitive activity

Answer: b

Bloomcode: Application

Difficulty: Hard

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Reflective Thinking

99. All of the following are basic rights within a private enterprise system EXCEPT \_\_\_\_\_\_.

a) private property

b) guaranteed profits

c) freedom of choice of investment

d) freedom of choice of employment

Answer: b

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

100. The right to profit means the \_\_\_\_\_\_.

a) risk taker is guaranteed the right to all profits (after taxes) that are earned by the business

b) right to go into or out of business at any point and for any reason

c) government will guarantee a profit

d) right to all benefits resulting from the ownership of property

Answer: a

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

101. Which of the following is considered to be the most fundamental right of the private enterprise system?

a) the right to private property

b) the right to guaranteed profits

c) freedom of choice

d) the right to fair competition

Answer: a

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

102. Citizens in a private enterprise system have the right to choose their employment, purchases, and investments, illustrating their right to \_\_\_\_\_\_.

a) profit

b) credit

c) freedom of choice

d) private property

Answer: c

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

103. All of the following are rights granted to citizens and to the government in a private enterprise system EXCEPT the right to \_\_\_\_\_\_.

a) fair competition

b) permit price discrimination

c) select from among a variety of goods and services

d) own property

Answer: b

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

104. Which of the following is a benefit of entrepreneurship?

a) flexibility

b) guaranteed profit

c) low risk

d) reduced competition

Answer: a

Bloomcode: Application

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

105. Which of the following is the most basic right in the private enterprise system?

a) the right to competition

b) free speech

c) the right to private property

d) the right to choose

Answer: c

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

106. Since smaller companies are more flexible than larger companies, they are able

a) to change their products and process quickly than larger companies.

b) to employ the most competent employees.

c) to raise more funds for the operations.

d) to use improved technology in their operations.

Answer: a

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

107. In colonial society, real economic and political power was centred in \_\_\_\_\_\_.

a) cities

b) rural areas

c) areas west of the Mississippi River

d) metropolitan areas

Answer: b

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

108. The Industrial Revolution in England transformed America’s economy by introducing \_\_\_\_\_\_.

a) the concept of each worker producing one complete product

b) labour unions

c) the factory system

d) the continuously moving assembly line

Answer: c

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

109. The American Industrial Revolution did NOT make real progress until \_\_\_\_\_\_.

a) a railroad system was built providing fast, economical transportation

b) a good relationship was formed with England

c) the introduction of the automobile occurred

d) a reliable system of telephone communication was established

Answer: a

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

110. Inventors such as Robert McCormick and Eli Whitney were part of the \_\_\_\_\_\_.

a) marketing era

b) colonial era

c) age of industrial entrepreneurs

d) relationship era

Answer: c

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

111. Henry Ford is noted in business history for introducing the moving assembly line, which greatly reduced the cost of producing a car. Assembly lines first became common during the \_\_\_\_\_\_.

a) relationship era

b) marketing era

c) Industrial Revolution

d) production era

Answer: d

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

112. Which of the following best distinguishes the philosophy of the marketing era from the philosophy of the production era?

a) The production era was more consumer-oriented.

b) The marketing era advocated price discrimination.

c) The production era occurred after World War II.

d) The marketing era was more consumer-oriented.

Answer: d

Bloomcode: Application

Difficulty: Hard

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

113. The business philosophy that advocates determining what consumers want and need, and then designing products to satisfy those needs, is known as \_\_\_\_\_\_.

a) consumer orientation

b) the self-sufficiency concept

c) the work ethic

d) the production concept

Answer: a

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

114. The concept of branding first emerged during the \_\_\_\_\_\_.

a) production era

b) relationship era

c) age of the industrial entrepreneur

d) marketing era

Answer: d

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

115. Blogs and social networking use \_\_\_\_\_\_ to manage relationships.

a) technology

b) marketing research

c) strategic alliances

d) business etiquette

Answer: a

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Technology

116. Technology has resulted in all of the following EXCEPT \_\_\_\_\_\_.

a) product obsolescence

b) the creation of new industries

c) the opening of new business opportunities

d) less business efficiency

Answer: d

Bloomcode: Application

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

117. Concentrating on building and promoting products in hopes that enough customers will buy them in order to cover costs and earn acceptable profits is called \_\_\_\_\_\_.

a) relationship management

b) transaction management

c) a strategic alliance

d) marketing management

Answer: b

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

118. Nurturing customer loyalty by gathering knowledge of customer needs and preferences is an approach known as \_\_\_\_\_\_.

a) relationship management

b) transaction management

c) a strategic alliance

d) marketing management

Answer: a

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

119. Apple iPods sold on Amazon’s website signify the formation of a \_\_\_\_\_\_ to increase profits.

a) transaction alliance

b) brand partnership

c) strategic alliance

d) marketing agreement

Answer: c

Bloomcode: Application

Difficulty: Easy

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

120. The Great Depression led Canadian businesses to enter a new business era referred to as the \_\_\_\_\_\_.

a) marketing era

b) colonial era

c) social responsibility ear

d) production era

Answer: a

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

121. Loyalty/points cards used by companies such as Shoppers Drug Mart, Loblaw’s and Metro, are typical examples of business practices in the \_\_\_\_\_\_.

a) production era

b) relationship era

c) industrial entrepreneurs era

d) all the business eras

Answer: b

Bloomcode: Application

Difficulty: Hard

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

122. Which of the following statements is NOT correct?

a) The Canadian population is getting older.

b) The size of the labour pool is decreasing.

c) The Canadian population is becoming more diverse.

d) Workers change jobs less frequently today.

Answer: d

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Analytic

123. The number of people age 65 and over will \_\_\_\_\_\_ by 2030.

a) decrease by approximately 10 percent

b) increase by approximately 10 percent

c) increase by approximately 50 percent

d) double

Answer: d

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Analytic

124. Diverse employee teams tend to perform \_\_\_\_\_\_ and develop \_\_\_\_\_\_ than do homogenous employee groups.

a) less effectively; better solutions

b) more effectively; better solutions

c) less effectively; worse solutions

d) more effectively; worse solutions

Answer: b

Bloomcode: Application

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Diversity

125. Outsourcing \_\_\_\_\_\_.

a) reduces the diversity of the workforce

b) can make a firm more competitive

c) increases staffing requirements

d) increases costs

Answer: b

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Analytic

126. When a business employs an outside company to handle all customer correspondence and phone calls, the business is \_\_\_\_\_\_ its customer service department.

a) multitasking

b) shrinking

c) outsourcing

d) branding

Answer: c

Bloomcode: Application

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Analytic

127. When Google opened offices in Tokyo, London, and Sydney, they were utilizing \_\_\_\_\_\_ by relocating business activities to lower-cost locations overseas.

a) nearshoring

b) outsourcing

c) offshoring

d) employee sourcing

Answer: c

Bloomcode: Application

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Reflective Thinking

128. The work-comes-first lifestyle is exemplified by

a) Generation X.

b) Generation Y.

c) Baby Boomers.

d) The EU.

Answer: c

Bloomcode: Application

Difficulty: Easy

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Reflective Thinking

129. The new employer-employee partnership has led to all of the following EXCEPT \_\_\_\_\_\_.

a) increased job security

b) sharing of financial information with employees

c) increased emphasis on listening to and respecting employees

d) helping employees improve skills and knowledge

Answer: a

Bloomcode: Application

Difficulty: Easy

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Reflective Thinking

130. When a Canadian company contracts work to Mexico, it is \_\_\_\_\_\_.

a) offshoring

b) nearsourcing

c) nearshoring

d) exporting

Answer: c

Bloomcode: Application

Difficulty: Easy

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Communication

131. McDonalds have many young employees born between 1982 and 2005. This group of employees are categorized as which generation?

a) General X

b) General Y

c) Generation Z

d) Children of baby boomers

Answer: b

Bloomcode: Application

Difficulty: Easy

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Analytic

132. Which of the following is seen as the future of productive work outcomes in firms?

a) international expansion

b) young managers

c) higher education

d) team work

Answer: d

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Analytic

133. For today’s managers, which of the following is least important?

a) the ability to work by strict rules

b) vision

c) critical thinking skills

d) creativity

Answer: a

Bloomcode: Application

Difficulty: Easy

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Reflective Thinking

134. \_\_\_\_\_\_ is the ability to perceive marketplace needs and what an organization must do to satisfy these needs.

a) Critical thinking

b) Social responsibility

c) Vision

d) Creativity

Answer: c

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Analytic

135. Emily works for a pharmaceutical company and gives a presentation on the need to expand the company’s geriatric division within the next ten years. Emily is helping to establish the company’s \_\_\_\_\_\_.

a) creativity

b) productivity

c) vision

d) critical thinking

Answer: c

Bloomcode: Application

Difficulty: Easy

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Reflective Thinking

136. In business, \_\_\_\_\_\_ refers to the ability to see better and different ways of doing business.

a) critical thinking

b) social responsibility

c) vision

d) creativity

Answer: d

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Analytic

137. Restating issues in reverse, such as naming ways to lose customers, is a method of developing \_\_\_\_\_\_.

a) critical thinking

b) social responsibility

c) vision

d) creativity

Answer: a

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Reflective Thinking

138. When 3M managers decided to manufacture Post-it notes, a new product was born. This was an example of \_\_\_\_\_\_ in action.

a) vision

b) creativity

c) social responsibility

d) critical thinking skills

Answer: b

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Reflective Thinking

139. Alejandro is seeking to revitalize his graphic design company with new innovations and has called a brainstorming meeting with his top designers. Alejandro is practising \_\_\_\_\_\_.

a) creativity

b) vision

c) critical thinking

d) productivity

Answer: a

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Reflective Thinking

140. Feedback from customers is an example of a(n) \_\_\_\_\_\_ that requires organizational change.

a) internal force

b) external force

c) change agent

d) marketing issue

Answer: b

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Reflective Thinking

141. Which of the following is NOTan example of an internal force that requires organizational change?

a) labour union demands

b) production problems

c) new technologies

d) new company goals

Answer: c

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Analytic

142. \_\_\_\_\_\_ is an example of external forces that can course change to happen in an organization.

a) Management issues

b) Government regulations

c) Employee demands

d) Shareholders demands

Answer: b

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Analytic

143. Steve Jobs is a business leader who was able to anticipate what customers are looking for, and led his company to create products that meet those needs. This is an example of \_\_\_\_\_.

a) decision making

b) market research

c) outsourcing

d) critical thinking

Answer: d

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Analytic

144. \_\_\_\_\_\_ refers to standards of conduct and moral values of a firm.

a) Business ethics

b) Social responsibility

c) A social audit

d) Creativity

Answer: a

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

145. “Newman’s Own” is a food product line that gives 100 percent of its after-tax profits to charity. This company is practiscing \_\_\_\_\_\_.

a) business ethics

b) social responsibility

c) customer satisfaction

d) creativity

Answer: b

Bloomcode: Application

Difficulty: Medium

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

146. When management adheres to a set of standards involving the right and wrong actions arising in the work environment, management is practising \_\_\_\_\_\_.

a) social responsibility

b) business ethics

c) social welfare

d) creativity

Answer: b

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

147. When management’s decisions align with social and economic issues, the company is

practising \_\_\_\_\_\_.

a) social responsibility

b) business ethics

c) social welfare

d) creativity

Answer: a

Bloomcode: Knowledge

Difficulty: Easy

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

148. Social responsibility would include all of the following EXCEPT \_\_\_\_\_\_.

a) supporting the local United Way

b) buying goods and services from minority-owned vendors

c) making campaign contributions to politicians in the hope of obtaining a government contract

d) making contributions to the local public radio station

Answer: c

Bloomcode: Application

Difficulty: Medium

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

149. \_\_\_\_\_\_ is NOT a criteria for making the list of Fortune’s most admired companies.

a) People management

b) Social responsibility

c) Quality management

d) All of the above are part of Fortune’s criteria.

Answer: a

Bloomcode: Application

Difficulty: Medium

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

150. For businesses to behave ethically and responsibly, their employees need

a) higher salaries.

b) good benefits.

c) higher education.

d) strong moral guidance from the leadership.

Answer: d

Bloomcode: Application

Difficulty: Hard

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

**MATCHING QUESTIONS**

151. Complete the following using the terms listed below.

|  |  |
| --- | --- |
| a) | outsourcing |
| b) | diversity |
| c) | entrepreneur |
| d) | competitive differentiation |
| e) | strategic alliance |
| f) | capital |
| g) | vision |
| h) | factors of production |
| i) | brand |
| j) | relationship management |
| k) | not-for-profit organizations |
| l) | business ethics |

1. \_\_\_\_\_ are businesslike establishments that have primary objectives other than returning profits to their owners.

2. To operate effectively, certain inputs called \_\_\_\_\_ systems are required for all economic systems.

3. \_\_\_\_\_ refers to technology, tools, information, and physical facilities.

4. A person who seeks a profitable opportunity and then devises a plan to achieve that profit is called a(n) \_\_\_\_\_.

5. \_\_\_\_\_ is the unique combination of organizational abilities, products, and approaches that sets a company apart from competitors in the minds of consumers.

6. A partnership formed to create a competitive advantage for the businesses involved is known as a(n) \_\_\_\_\_.

7. A(n) \_\_\_\_\_ is a name, terms, sign, symbol, design, or combination that identifies the products of one firm.

8. \_\_\_\_\_ is a collection of activities that build and maintain ongoing, mutually beneficial ties between a business and its customers and other parties.

9. A company that contracts with another business to perform functions previously handled by internal staff is participating in \_\_\_\_\_.

10. \_\_\_\_\_ involves blending different genders, ethnic backgrounds, cultures, religions, ages, and physical and mental abilities in order to enhance a firm’s chances of success.

11. The ability to perceive future marketplace needs and what an organization can do to satisfy them is referred to as \_\_\_\_\_.

12. \_\_\_\_\_ refers to the standards of conduct and moral values involving decisions made in the work environment.

**ANSWERS TO MATCHING QUESTIONS**

1) Answer: k

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Distinguish Between Business and Not-For-Profit Organizations.

Section Reference: Not-for-Profit OrganizationsAACSB: Analytic

2) Answer: h

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of ProductionAACSB: Analytic

3) Answer: f

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of ProductionAACSB: Analytic

4) Answer: c

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

5) Answer: d

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

6) Answer: e

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

7) Answer: i

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

8) Answer: j

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

9) Answer: a

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Analytic

10) Answer: b

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Analytic

11) Answer: g

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Analytic

12) Answer: l

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Analytic

**ESSAY QUESTIONS**

152. Define profit. Explain why you agree or disagree with the following statement: “The success of a business is measured only by the profit it earns.”

Answer: Profit is the financial reward received by successful businesspeople who take the risks involved in blending people, technology, and information to create and market want-satisfying goods and services. In order to be successful in a private enterprise system, a business must earn a satisfactory profit; otherwise, the owners and investors will turn to more attractive opportunities. However, businesses today are expected to do more than earn a satisfactory profit—they also have social and ethical responsibilities. In other words, businesses must behave responsibly in their dealings with employees, customers, suppliers, the general public, and even with their competitors.

Bloomcode: Communication

Difficulty: Hard

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Reflective Thinking

153. How do businesses drive the economic pulse of a nation?

Answer: Answers would vary and may include:

By providing a means of exchange for buyers and sellers,

By creating jobs and providing income for households to enable them spend and stimulate the economy,

By creating investment opportunities for investors,

By creating profits for business owners, and enabling them to create more business opportunities in the economy.

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

154. What are not-for-profit organizations and how do they contribute to the Canadian economy?

Answer: Answers would vary and may include:

Not-for-profit organizations are businesslike organizations which have the primary goal of serving the public, not returning profits to its owners. Though these organization do not strive for profits in their operations, they still create jobs, provide needed goods and services to the public and provide an avenue for positive social change in society. With no profit objective, private and public not-for-profit organization are able to offer vital services, for less or no cost to clients/customers. This ensures that the basic necessities of life are accessible to all.

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Distinguish between business and not‐for‐profit organizations.

Section Reference: What Is Business?

AACSB: Analytic

155. List the four factors of production and the corresponding factor payments.

Answer: The four factors, and the factor payment for each, are natural resources (rent), capital (interest), human resources (wages), and entrepreneurship (profit).

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Analytic

156. Explain three ways through which an organization could solicit ideas from its workforce. Why is it important to solicit such ideas from employees?

Answer: Answers would vary and may include:

An organization may solicit employee ideas through:

- traditional staff meetings,

- organizational events,

- employee suggestion boxes set up either online or in their offices.

Soliciting ideas from employees motivate employees since it helps them to feel valued. It also provides an avenue for the employer to gather diverse information which can help in decision making/problem solving.

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Analytic

157. Mention and explain three ways by which a company may fund its operations.

Answer: A company may finance its operations by using: owner’s equity, debt financing, or retained earnings. Owners’ equity is funds provided by the owner(s) of the business with the intention of earning some returns from the investment. Debt financing means that the company borrows money from a financial institution or other sources, with the intention of repaying the amount plus interest. Using retained earning means that the company uses profits generated from its own operations.

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Identify and describe the factors of production.

Section Reference: Factors of Production

AACSB: Analytic

158. Explain how consumers benefit from business competition.

Answer: Competition forces a business that wants to continue to be profitable to constantly find acceptable ways to satisfy customers’ needs. Customers benefit from new products, more services, and more economical strategies and operations that are continuously offered by firms as they strive for customer acceptance. These tactics often bring lower prices, better quality, and more convenience to the customers. The ability to buy more raises the standard of living, increases demand, and subsequently creates more jobs.

Bloomcode: Application

Difficulty: Hard

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Reflective Thinking

159. List and describe the four basic rights in the private enterprise system.

Answer: The right to private property guarantees every participant the right to own, use, buy, sell, and bequeath most forms of property. The right to profits ensures business owners the right to all profits (after taxes) they earn through their activities. Freedom of choice means that a private enterprise system relies on the potential for citizens to choose their own employment, purchases, and investments. Finally, the private enterprise system permits fair competition by allowing the public to set rules for competitive activity, including laws that prohibit “cutthroat” competition.

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

160. What is the private enterprise system? What role does the government play in Canada’s private enterprise system?

Answer: The private enterprise system is an economic system in which firms are reward for their ability to offer the products and services needed/demanded by customers. This means that firms which are able to compete effectively, sustain their customer base and make profits. This system minimizes government interference in business operations and encourages firms to be innovative and creating in meeting the demands of customers. In Canada, the government however plays a key role in ensuring that the private enterprise provides a fair playing field for business. For example, the government has passed laws to prohibit excessive aggressive competitive practices by business, in order to allow fair competition. The government has also set the rules that make the following illegal: price discrimination, fraud in the financial market and deceptive advertising.

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

AACSB: Analytic

161. Explain how entrepreneurship can be used in used in an existing organization, to improve operations. Give two examples of companies that encourage such entrepreneurship (intrapreneurship).

Answer: Entrepreneurship within existing organizations means that workers are given the opportunity to use their creative thinking to modify existing products/service or develop new ones, which will benefit the organization in the long run. This can be done by providing flexibility for employees at work and allowing them time to explore and test their ideas. Google and Apple are examples of companies that encourage such creativity and innovation among employees.

Bloomcode: Application

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Describe the private enterprise system, including basic rights and entrepreneurship.

Section Reference: The Private Enterprise System

AACSB: Analytic

162. List the seven eras of business history. Name and describe the era used by businesses today.

Answer: The seven eras are the colonial period, the Industrial Revolution, the age of industrial entrepreneurs, the production era, the marketing era, the relationship era and the social era. Today’s eras are the relationship era and the social era, which focus on taking a long-term approach to relationships with customers and connecting/interacting with customers through technology. These approaches help firms to seek and use strategies that could ensure customer loyalty.

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

163. What is the basic difference between the production era and the relationship era?

Answer: During the production era, management concentrated on the production process and internal processes rather than external influences. The relationship era uses technology to establish direct links with customers, employees, suppliers, and other organizations. Instead of focusing on production, in the relationship era, businesses focus long-term relationships with customers and customer loyalty.

Bloomcode: Application

Difficulty: Hard

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

164. Explain the difference between transaction management and relationship management.

Answer: Building and promoting products with the hope that the sales will cover costs and earn an acceptable profit is known as transaction management. Actively promoting long-term relationships with customers by carefully managing each interaction is known as relationship management. Potential benefits of relationship management include higher revenues and lower marketing expenses.

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

165. In the context of business, define technology.

Answer: In a business context, technology can be defined as an application of knowledge based on scientific discoveries, inventions, and innovations. In managing relationships with customers, technology most often takes the form of communication.

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Technology

166. Explain how ebusiness has created a new type of strategic alliance among companies.

Answer: An ebusiness strategic alliance enables online companies, such as Amazon.com or Overstock.com, to work with traditional retail stores for the benefit of both companies. Traditional companies bring their merchandise and knowledge of distribution, whereas online companies provide increased opportunities for sales and additional return on their dollars.

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Technology

167. The Industrial Revolution happened in the 1700s, yet there are some characteristics in that era which we still use today. Explain at least three characteristics of the Industrial Revolution which are still used in today’s business world.

Answer: Important characteristics of the Industrial Revolution which we still see today include:

The factory system and mass production which allow companies to reduce cost of production,

Purchasing raw materials in large quantities, resulting in lower cost of materials,

Improving production through specialization of labour,

Mechanized agricultural systems resulting in large scale food production.

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Reflective Thinking

168. Strategic management is important in today’s social era. Explain strategic alliance and give at least one example.

Answer: Strategic alliance is a business practice in which firms form partnerships to create competitive advantage. The firms involved usually use their resources and capabilities to help and support each other, in order to create opportunities for their operations. Amazon, for example, forms strategic alliances with major retailers to benefits both ends: the retailers get to use a well-known online platform to sell their goods for more revenue, and Amazon is able to offer a variety of products through its online distribution channel.

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Identify the seven eras in the history of business.

Section Reference: Seven Eras in the History of Business

AACSB: Analytic

169. Describe how the aging population in the United States and abroad directly affects changes in the workforce.

Answer: Employers must deal with issues such as retirement, disability programs, retraining, and insurance benefits. Additionally, teenagers are entering the workforce sooner, and some seniors are staying longer or seeking new careers after retiring from their primary careers.

Bloomcode: Application

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Reflective Thinking

170. What are the advantages of a diverse workforce?

Answer: Studies show that diverse employee teams and workforces tend to perform tasks more effectively and develop better solutions to business problems than homogeneous employee groups. Also, a diverse workforce may improve management’s understanding of customer needs and relationships with consumer groups.

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Diversity

171. Describe the difference between outsourcing, offshoring, and nearshoring.

Answer: Outsourcing utilizes outside vendors to produce goods or fulfill services and functions that were previously handled in-country or in-house. Offshoring is the relocation of business processes to lower-cost locations overseas, which can include both production and services. Nearshoring involves outsourcing production or services to locations near a firm’s home base.

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Analytic

172. Explain the new employer-employee relationship in business.

Answer: Many firms now recognize the value of a partnership with employees that encourages creative thinking, problem solving, and innovation. Managers are being trained to listen to and respect employees, and companies routinely share financial data and reward employees with benefits, such as stock options. Additionally, employees often receive training geared toward career advancement. Employees are no longer likely to remain with a single company throughout their entire careers and do not necessarily expect lifetime loyalty from the companies they work for. They do not expect to give that loyalty either. Instead, they build their own careers however and wherever they can.

Bloomcode: Application

Difficulty: Medium

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Reflective Thinking

173. Younger workers of today’s generation do NOT have the ‘work-comes-first’ attitude of the baby boomer generation. What that this mean?

Answer: The lack of ‘work-comes-first’ attitude among younger workers means that they are looking for alternative ways to do their work since ‘work-life-balance’ is important to them. Work options they prefer include: telecommuting, job sharing, compressed work hours, and flexible work hours.

Bloomcode: Application

Difficulty: Hard

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Reflective Thinking

174. Outsourcing and offshoring are trends in today’s business environment. Differentiate these two business concepts and identify at least one disadvantage common to both.

Answer: Answers would vary and may include: Outsourcing is a business practice in which a company contracts out a business activity which are usually performed in-house, to external vendors. This could allow the company to tap into the expertise of external vendors and reduce cost at the same time. Outsourcing could be done in any location so long as the firm contracting the external vendors is sure that the work can be done as expected. One disadvantage is that offshoring on the other hand involves the relocation of a firm’s processes to lower-cost locations overseas. The main idea is to reduce cost of operations. Both manufacturing and service companies engage in offshoring activities, with China and India being the major beneficiaries. One disadvantage common to both is that jobs are taken away from the Canadian economy.

Bloomcode: Application

Difficulty: Hard

Learning Objective: Explain how today’s business workforce and the nature of work itself are changing.

Section Reference: Today’s Business Workforce

AACSB: Reflective Thinking

175. Define the term vision. Why is vision an important skill today?

Answer: Vision is the ability to perceive marketplace needs and what an organization must do to satisfy them. Vision and the ability to turn ideas into action enhance a firm’s chances of success.

Bloomcode: Application

Difficulty: Easy

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Reflective Thinking

176. What are some examples of external and internal forces that would require a manager to lead organizational change?

Answer: External forces might include feedback from customers, developments in the international marketplace, economic trends, and new technologies. Internal factors might arise from new company goals, emerging employee needs, labour union demands, or production problems.

Bloomcode: Application

Difficulty: Medium

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Reflective Thinking

177. Critical thinking could lead to creativity. Explain the rationale for this statement.

Answer: Critical thinking involves the ability to analyze and assess information in order to identity opportunities or problems. It involves a deeper review of a situation by examining all the critical issues involved. The process can easily lead creative solutions which could improve an organization’s performance. Creativity is the ability to develop novel solutions to perceived organizational problems. A leader who engages in the critical thinking process looks at a bigger picture and will potentially come up with creative solutions.

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Analytic

178. What kind of action should the management of a firm take in order to nurture new ideas from employees and allow them to find solutions to work-related problems?

Answer: In order to encourage employees to be creative, management should give them the opportunity to take risks and try new solutions. Management could also empower employees by giving them more responsibilities which allow them to apply different skills, and make diverse decisions.

Bloomcode: Knowledge

Difficulty: Hard

Learning Objective: Identify the skills and attributes managers need to lead businesses in the twenty-first century.

Section Reference: The Twenty-First-Century Manager

AACSB: Analytic

179. What makes a company admired?

Answer: Companies that make lists of “most admired” tend to have solid profits, stable growth, a safe and challenging work environment, high-quality products, and strong business ethics and social responsibility.

Bloomcode: Knowledge

Difficulty: Medium

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

180. Explain how business ethics differs from social responsibility.

Answer: Business ethics refers to standards of conduct and moral values involving right and wrong actions in the work environment. Social responsibility is the actions taken by an organization that lead to social and economic benefits to society as a whole, such as supporting charitable organizations and protecting the environment.

Bloomcode: Application

Difficulty: Medium

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

181. Why is social responsibility important in today’s business operations?

Answer: Answers would vary and may include the following: Being socially responsible means that a firm is able to balance its operations in a way that allows it to earn profits whiles taking care of stakeholder’s concerns. Stakeholders today (consumers, investors, the general society, employees, etc.) are concerned about sustaining our environment and using quality products and services. The expect firms to operate within guidelines. Companies which honour these expectations are able to win the admiration of the public, resulting in more sales and higher revenue. Those dishonouring such expectations are seen as bad corporate citizens. Corporation today are therefore taking this seriously, in order to avoid the negative stigma.

Bloomcode: Application

Difficulty: Medium

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

182. Fortune Magazine publishes a list of most admired companies in the world each year. What criteria do companies have to meet in order to make the list?

Answer: Innovation, People management, Use of corporate assets, Social responsibility, Quality management, Quality products and services

Bloomcode: Application

Difficulty: Hard

Learning Objective: Outline the characteristics that make a company admired by the business community.

Section Reference: What Makes a Company Admired?

AACSB: Ethics

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