

**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

**Open Elective – II SEMESTER**

**SEMESTER EXAMINATION: APRIL 2022**

**(Examination conducted in MAY 2023)**

**BAOE 1 BUSINESS ENVIRONMENT**

**Time: 2 Hours Max Marks: 50**

(50Q × 1M = 50 marks)

1. Primary aim of financial management is to
2. Maximise shareholder’s wealth
3. Wealth maximisation concept
4. Maximisation of the market value of equity shares
5. Maximise public wealth
6. This decision relates to how the firm’s funds are invested in different assets,
   1. Investment decision
   2. Financing decision
   3. Dividend decision
   4. Liquidity decision
7. These decisions affect the liquidity as well as profitability of a business.
   1. Capital budgeting decision
   2. Financing decision
   3. Working capital decision
   4. Dividend decision
8. This decision determines the overall cost of capital and the financial risk of the enterprise,
   1. Dividend decision
   2. Capital budgeting decision
   3. Investment decision
   4. Financing decision
9. 17. Name the financial decision which relates to disposal of profits.
   1. Investment decision
   2. Financing decision
   3. Dividend decision
   4. Capital budgeting decision
10. \_\_\_\_\_\_\_\_\_\_ is responsible for all the activities related to production of goods and services.
    1. Production person
    2. Process workers
    3. Operations manager
    4. Production manager
11. The Production Manager, is also responsible for maintaining a specific\_\_\_\_\_\_ of the product
    1. Quality
    2. Size
    3. Price
    4. Ability
12. \_\_\_\_\_\_\_ involves anticipating bottlenecks in advance and identifying steps that will ensure a smooth flow of production.
    1. Production planning
    2. Production control
    3. Production audit
    4. Production design
13. Which of the following functions of Production Planning and Control is related to the timetable of activities?
    1. Scheduling
    2. Dispatching
    3. Expediting
    4. Routing
14. The meaning of the acronym HRM is
    1. Human Relations Management
    2. Humanistic Resource Management
    3. Human Resource Management
    4. Human Resourceful Management
15. A/An \_\_\_\_\_\_\_\_\_\_ is considered to be a vertical move in terms of rank and responsibilities.
    1. Appraisal
    2. Reward
    3. Increment
    4. Promotion
16. What do you understand by the written record of duties, responsibilities, and conditions of a job?
    1. Job enrichment
    2. Job ranking
    3. Job enlargement
    4. Job description
17. Business risk is not likely to arise due to
    1. Changes in government policy
    2. Good management
    3. Employee dishonesty
    4. Power failure
18. The industries which provide support services to other industries are known as
    1. Primary industries
    2. Secondary industries
    3. Commercial industries
    4. Tertiary industries
19. The occupation in which people work for others and get remunerated in return is known as
    1. Business
    2. Profession
    3. Employment
    4. Vocation
20. Which of the following does not characterize business activity?
    1. Production of goods & services
    2. Presence of risk
    3. Sale or exchange of goods and services
    4. Salary and wages
21. Commerce includes activities relating to trade and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to trade.
    1. Supporting
    2. Subsidiaries
    3. Auxiliaries
    4. None of these
22. Which of the following cannot be classified as an objective of business?
    1. Investment
    2. Productivity
    3. Innovation
    4. Profit earning
23. Which of the broad categories of industries covers oil refinery and sugar mills?
    1. Primary
    2. Secondary
    3. Tertiary
    4. None of these
24. The possibilities of inadequate profits or even losses due to uncertainties are known as \_\_\_\_\_\_\_\_\_\_\_\_
    1. Business contingencies
    2. Business risks
    3. Business ventures
    4. None of these.
25. The \_\_\_\_\_\_\_\_ is a tool for making a systematic evaluation of the enterprises internal factors which are significant for the company in its environment.
    1. Strategic Advantage Profile
    2. SWOT analysis
    3. Pestle analysis
    4. Competitive Analysis
26. In SWOT analysis this is refer to any limitations an organization faces in developing or implementing a strategy.
    1. Strengths
    2. Weaknesses
    3. Opportunities
    4. Threats
27. \_\_\_\_\_\_\_\_\_\_\_\_ is the ability to move up or downs in the social scale.
    1. Social mobility
    2. Economic status
    3. Social status
    4. Family structure
28. A business must be keenly aware of the society's social preferences regarding its needs and wants. This analysis is part of:
    1. Technological Environment
    2. Socio-cultural Environment
    3. Economic Environment
    4. Ecological Environment
29. It is concerned with money supply, inflation rates, interest rates and credit availability.
    1. Monetary policy
    2. Fiscal policy
    3. Industrial policy
    4. Foreign policy
30. Government in the name of God is termed as:
    1. Theocratic Government
    2. Secular Government
    3. Monarchy Government
    4. Religious Fanaticism
31. After studying the business environment, a manager can quickly identify business \_\_\_\_\_\_\_.
    1. Opportunities and Threats
    2. Threats
    3. Opportunity
    4. Objective
32. The business environment is \_\_\_\_\_\_ in nature
    1. Stable
    2. Dynamic
    3. Constant
    4. Subjective
33. Which of the following is part of the External environment?
    1. Product development
    2. Demonetization
    3. Human resource policies
    4. R&D
34. The business has ultimately no control over which of the following environment?
    1. Internal environment
    2. External environment
    3. Operating environment
    4. Functional areas of business
35. Which of the following environment refers to the aggregate of all the characteristics of the society where an organization exists?
    1. Social environment
    2. Economic environment
    3. Political environment
    4. Technological environment
36. \_\_\_\_\_\_\_ environment consists of the total of various legislations passed by the Government and decisions rendered by various commissions and agencies at every level of Government.
    1. Political
    2. Social
    3. Economical
    4. Legal
37. High inflation rate is a problem for the business belongs to which of the following environment?
    1. Economic environment
    2. Technological environment
    3. Social environment
    4. Political environment
38. With the introduction smart LED televisions, the old CRT televisions are disregarded. Which component of the business environment is responsible for it?
    1. Legal
    2. Economical
    3. Political
    4. Technological
39. Mr. Lobo runs a vast shopping mall in city Centre. He found that when the bank’s rate decreases, there is massive increase in the sale of their shopping mall and vice versa. Identify the component of the business environment is the above case.
    1. Economic environment
    2. Internal environment
    3. Political environment
    4. Legal environment
40. During the festival of Diwali, Ram found out that his father was running their sweet-selling shop for 24 hours. He found that sale on that day was the highest in the past six months. People were even coming to shop at midnight to buy sweets. What component of the business environment led his father to open the sweet shop for a whole day?
    1. Social environment
    2. Economic environment
    3. Political environment
    4. Technical environment
41. \_\_\_\_\_\_\_\_ refers to factors that allow a company to produce goods or services better or more cheaply than its rivals. These factors allow the productive entity to generate more sales or superior margins compared to its market rivals.
    1. Intelligence
    2. Market Data
    3. Business intelligence
    4. Competitive advantage
42. \_\_\_\_\_\_\_\_\_\_ is an economic system based on the private ownership of the means of production and their operation for profit.
    1. Capitalism
    2. Socialism
    3. Mixed economy
    4. Free Market
43. \_\_\_\_\_\_\_\_ is the process of transforming privately-owned assets into public assets by bringing them under the public ownership of a national government or state.
    1. Privatization
    2. Nationalization
    3. Domestication
    4. Globalisation
44. Which of the following is not the major elements of social environment?
    1. Concern with quality of life
    2. Political ideology
    3. Life expectancy
    4. Educational system and literacy rates
45. Gross Domestic Product (GDP) is concerned with \_\_\_\_\_\_\_\_\_\_\_\_
    1. Economic Environment
    2. Social Environment
    3. Political Environment
    4. Legal Environment
46. ‘The health-and-fitness trend has become popular among large number of urban dwellers. This has created a demand for products like organic food.’ This is an example of
    1. Customs and traditions
    2. Values
    3. Social trends
    4. Cultural beliefs
47. \_\_\_\_\_\_\_\_state can have an elected or hereditary head.
    1. Democratic
    2. Autocratic
    3. Monarchy
    4. Socialized
48. Competition is beneficial to the competing firms besides benefiting the \_\_\_\_\_\_\_\_\_\_\_\_\_\_.
    1. Producers
    2. Intermediaries
    3. Finances
    4. Consumers
49. \_\_\_\_\_\_\_\_\_\_ plays the watch dog in order to ensure that both function in public interest and within the boundaries of constitution.
    1. Legislature
    2. Executive
    3. Judiciary
    4. Army
50. Which policy is concerned with raising revenue through taxation and deciding on the level and Pattern of expenditure?
    1. Monetary policy
    2. Fiscal policy
    3. Industrial policy
    4. Foreign policy
51. With the introduction of mineral water bottle in India, Bisleri was able to capture the big market share in India. Which importance of Business Environment is highlighted here.
    1. Helps in Policy Making
    2. Identifying threat and getting warning signals
    3. Helps in tapping resources
    4. Help to identify opportunities and getting first mover advantage.
52. Free Flow of goods and services between different countries of the world is an example of:
    1. Globalisation
    2. Privatisation
    3. Liberalisation
    4. Industrialization
53. Business environment includes
    1. Surroundings of business
    2. Forces, factors, institutions which directly or indirectly effect business
    3. Customers and employees
    4. Government policies
54. It is compulsory that advertisement on baby food must inform that mother’s milk is the best is related to
    1. Social Environment
    2. Economic Environment
    3. Political Environment
    4. Legal Environment