

Quiz: The Business of Business

Question 1a of 10 (1 Types of businesses 210056)

Maximum Attempts: 1

Question Type: Text Fill In Blank

Maximum Score: 2

Is Case Sensitive: false

Correct Answer: sole proprietorship

A business that is owned and operated by a single individual is known as a _____ proprietorship.

Attempt | Incorrect Feedback

1st

Correct Feedback

Correct! A sole proprietorship is a one-person business.

Global Incorrect Feedback

The correct answer is: sole. A sole proprietorship is a one-person business.

Question 1b of 10 (1 Types of businesses 210057)

Maximum Attempts: 1

Question Type: Text Fill In Blank

Maximum Score: 2

Is Case Sensitive: false

Correct Answer: unlimited

The owner of a sole proprietorship has _____ liability.

Attempt | Incorrect Feedback

1st

Correct Feedback

Correct! Sole proprietors have complete financial responsibility for their businesses' debts.

Global Incorrect Feedback

The correct answer is: unlimited. Sole proprietors have complete financial responsibility for their businesses' debts.

Question 1c of 10 (1 Types of businesses 210058)

Maximum Attempts: 1

Question Type: Text Fill In Blank

Maximum Score: 2

Is Case Sensitive: false

Correct Answer: debts, debt

Unlimited liability means that sole proprietors are completely responsible for all of the _____ of their business.

Attempt | Incorrect Feedback

1st

Correct Feedback

Correct! Sole proprietors have complete financial responsibility for their businesses' debts.

Global Incorrect Feedback

The correct answer is: debts. Sole proprietors have complete financial responsibility for their businesses' debts.

Question 2a of 10 (2 Types of businesses 210059)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following describes an important difference between general partnerships and limited partnerships?

Choice

Feedback

A. A general partnership has stockholders while a limited partnership has a small group of investors.

B. A general partnership has unlimited liability for all partners while a limited partnership has limited liability. Limited partnerships protect each partner against full responsibility for the business's debts.

C. There are a maximum of three partners in a limited partnership while a general partnership can have any number of partners.

D. Shares in a general partnership can be purchased anywhere while shares in a limited partnership can only be purchased through a stock exchange.

Global Incorrect Feedback

The correct answer is: A general partnership has unlimited liability for all partners while a limited partnership has limited liability. Limited partnerships protect each partner against full responsibility for the business's debts.

Question 2b of 10 (2 Types of businesses 210060)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following explains one way that a general partnership differs from a limited partnership?

Choice

Feedback

A. In a general partnership, each partner may own as much of the company's stock as they want.

B. A general partnership requires all partners to make the business decisions collectively.

C. Each partner in a general partnership is fully responsible for all of the business's debts.

D. In a general partnership, there is only one partner who is responsible for all of the business's debts.

Global Incorrect Feedback

The correct answer is: Each partner in a general partnership is fully responsible for all of the business's debts. A general partnership has unlimited liability for each partner.

Question 2c of 10 (2 Types of businesses 210061)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Because of the unlimited liability of all partners, a general partnership most closely resembles which other business type?

Choice

Feedback

A. Sole proprietorship

B. Board of directors

C. Public corporation

D. Limited partnership

Global Incorrect Feedback

The correct answer is: Sole proprietorship. In both a general partnership and a sole proprietorship, each owner is fully responsible for all business debts.

Question 3a of 10 (3 Types of businesses 210062)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following is an advantage of partnerships over sole proprietorships?

Choice

Feedback

A. Partnerships establish a democratic system for making business decisions.

B. Partnerships involve less paperwork and fewer legal fees.

C. Partnerships generally have more money to invest in starting or expanding a business.

D. Partnerships protect their investors against business debts incurred by the managers.

Global Incorrect Feedback

The correct answer is: Partnerships generally have more money to invest in starting or expanding a business. Two or more people have greater financial resources than a single owner.

Question 3b of 10 (3 Types of businesses 210063)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following is a disadvantage of partnerships compared to sole proprietorships?

Choice

Feedback

A. It is sometimes difficult for partners to agree on every business decision.

B. Partners have to pay partnership taxes, corporate taxes, and personal income taxes.

C. Sole proprietors have an easier time raising money to start or expand a business.

D. Partnerships usually end up with much larger business debts.

Global Incorrect Feedback

The correct answer is: It is sometimes difficult for partners to agree on every business decision. Partners have to work together and come to agreement on the operation of the business.

Question 3c of 10 (3 Types of businesses 210064)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following is not an advantage of a limited partnership?

Choice

Feedback

A. Partnerships can raise a lot of money to invest in starting or expanding a business.

B. Each partner is only responsible for a portion of the business's debts.

C. New partners can be brought in to invest money instead of taking bank loans.

D. All partners have to agree with each other when making business decisions.

Global Incorrect Feedback

The correct answer is: All partners have to agree with each other when making business decisions. Partners have to work together and come to agreement on the operation of the business, and that can often be difficult.

Question 4a of 10 (1 Types of businesses 210065)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: The business decisions of a corporation are made by whom?

Choice

Feedback

A. A board of directors

B. The partners

C. A sole proprietor

D. The stockholders

Global Incorrect Feedback

The correct answer is: A board of directors. The stockholders elect a board of directors to manage the daily business of the corporation.

Question 4b of 10 (1 Types of businesses 210066)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: A corporation is owned by whom?

Choice

Feedback

A. Partners

B. Stockholders

C. Employees

D. Board of directors

Global Incorrect Feedback

The correct answer is: Stockholders. Stockholders own shares of the corporation much the way partners own a portion of a partnership.

Question 4c of 10 (1 Types of businesses 210067)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: A corporation gives out its profits as dividends paid to whom?

Choice

Feedback

A. Partners

B. Board of directors

C. Employees

D. Stockholders

Global Incorrect Feedback

The correct answer is: Stockholders.

Question 5a of 10 (3 Business structures 210068)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Match each type of business with its owners.

Choice Text

Correct Match

Match Text

1. Public corporation

2. Limited partnership

3. Sole proprietorship

A. Two or more persons

B. Stockholders

C. Individual operator

Attempt | Incorrect Feedback

1st

Correct Feedback

Correct!

Global Incorrect Feedback

The correct answers are: Public corporation : Two or more persons; Sole proprietorship : Individual operator.

Question 5b of 10 (1 Business structures 210069)

Maximum Attempts: 1

Question Type: Matching

Maximum Score: 2

Question: Match each type of business with the person or persons who get to keep the business's profits.

Choice Text

Correct Match

Match Text

1. Corporation

2. Partnership

3. Sole proprietorship

A. Individual owner

B. Stockholders

C. Various investors

Attempt | Incorrect Feedback

1st

Correct Feedback

Correct!

Global Incorrect Feedback

The correct answers are: Corporation : Stockholders; Partnership : Various investors; Sole proprietorship : Individual owner.

Question 5c of 10 (1 Business structures 210070)

Maximum Attempts: 1

Question Type: Matching

Maximum Score: 2

Question: Match each type of business with its purpose.

Choice Text

Correct Match

Match Text

1. Sole proprietorship

2. Public corporation

3. Non-profit corporation

A. To benefit a special cause

B. To make dividends for its stock owner

C. To make profit for its owner

Attempt | Incorrect Feedback

1st

Correct Feedback

Correct!

Global Incorrect Feedback

The correct answers are: Sole proprietorship : To make profit for its owner; Public corporation : To make dividends for its stockholders; Non-profit corporation : To benefit a special cause.

Question 6a of 10 (1 Business plans 210071)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: The business model that a company follows is generally spelled out in which of the following?

Choice

Feedback

A. Memo lines

B. Business plan

C. Corporate charter

D. Partnership contract

Global Incorrect Feedback

The correct answer is: Business plan. A business plan is a document that describes the way a company intends to operate.

Question 6b of 10 (1 Business plans 210072)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Before starting a business, many people find it useful to describe the way the company will operate in which of the following?

Choice

Feedback

A. Partnership contract

B. Shares of stock

C. Its advertisements

D. A business plan

Global Incorrect Feedback

The correct answer is: A business plan. A business plan is a document that describes the way a company intends to operate.

Question 6c of 10 (1 Business plans 210073)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: The way a company does business is driven by which of the following?

Choice

Feedback

A. Its business model

B. The type of liability

C. The type of partnership

D. The number of its shares

Global Incorrect Feedback

The correct answer is: Its business model. The business model describes how a company intends to operate its business.

Question 7a of 10 (3 Business plans 210074)

Maximum Attempts: 1

Question Type: Matching

Maximum Score: 2

Question: Match each business model with the type of business that commonly uses it.

Choice Text

Correct Match

Match Text

1. Shopkeeper

2. Subscription

3. Bricks and clicks

A. Retail stores

B. Magazines

C. Grocery stores

Attempt | Incorrect Feedback

1st

Correct Feedback

Correct!

Global Incorrect Feedback

The correct answers are: Shopkeeper : Grocery stores; Subscription : Magazine; Bricks and clicks : Retail stores.

Question 7b of 10 (3 Business plans 210075)

Maximum Attempts: 1

Question Type: Matching

Maximum Score: 2

Question: Match each business model with the advantage it brings.

Choice Text

Correct Match

Match Text

1. Subscription

2. Bait and hook

3. Cutting out the middleman

A. Attractive prices for basic product

B. Steady revenue and predictable profits

C. Reduction in transaction costs and processing time

Attempt | Incorrect Feedback

1st

Correct Feedback

Correct!

Global Incorrect Feedback

The correct answers are: Subscription : Steady revenue and predictable profit; Bait and hook : Attractive prices for basic product; Cutting out the middleman : Reduction in transaction costs and processing time.

Question 7c of 10 (3 Business plans 210076)

Maximum Attempts: 1

Question Type: Matching

Maximum Score: 2

Question: Match each business model with a real-world example that follows it.

Choice Text

Correct Match

Match Text

1. Subscription

2. Bricks and clicks

3. Cutting out the middleman

A. Gateway Computers

B. New York Times

C. IKEA

Attempt | Incorrect Feedback

1st

Correct Feedback

Correct!

Global Incorrect Feedback

The correct answer is: Subscription : New York Times; Bricks and clicks : IKEA; Cutting out the middleman : Gateway Computers.

Question 8a of 10 (3 Business plans 210077)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: The Google business model is driven by the sale of which of the following?

Choice

Feedback

A. Advertisements

B. Books and records

C. All available products

D. Electronics and computers

Global Incorrect Feedback

The correct answer is: Advertisements. Google sells ads that are targeted by keywords.

Question 8b of 10 (3 Business plans 210078)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: The Google business model is most similar to the model followed by which other industry?

Choice

Feedback

A. Retail

B. Shipping

C. Media

D. E-commerce

Global Incorrect Feedback

The correct answer is: Media. Both Google and media companies rely on the sale of advertisements.

Question 8c of 10 (3 Business plans 210079)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Google's business model relies on which of the following to generate revenue?

Choice

Feedback

A. Instant electronic investment

B. Online subscriptions

C. Click-to-buy purchases

D. The sale of advertisements

Global Incorrect Feedback

The correct answer is: The sale of advertisements. Google sells ads that are targeted by keywords.

Question 9a of 10 (1 Google 210080)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following distinguishes Google's business model from most other businesses?

Choice

Feedback

A. Its success with e-commerce.

B. Its relaxed corporate culture.

C. Its abandonment of the profit motive.

D. Its reluctance to use cost-benefit analysis.

Global Incorrect Feedback

The correct answer is: Its relaxed corporate culture. Google is well known for having a non-traditional way of operating.

Question 9b of 10 (1 Google 210081)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following best characterizes the corporate culture at Google?

Choice

Feedback

A. Unapologetically ruthless

B. Strictly hierarchical

C. Relaxed and non-traditional

D. High-stress and authoritarian

Global Incorrect Feedback

The correct answer is: Relaxed and non-traditional. Google is well known for having a non-traditional and relaxed way of doing business.

Question 9c of 10 (1 Google 210082)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Google's relaxed and non-traditional corporate culture is one aspect of which of the following?

Choice

Feedback

A. Its business model

B. Its profit motive

C. Its revenue source

D. Marginal analysis

Global Incorrect Feedback

The correct answer is: Its business model. Its corporate culture is an important part of how a company operates.

Question 10a of 10 (3 Google 210083)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: The business model that Google has been successful at which of the following business strategies?

Choice

Feedback

A. E-commerce

B. Advertising

C. Branding

D. Production

Global Incorrect Feedback

The correct answer is: Branding. Google is a household word often used to mean "search the Internet."

Question 10b of 10 (3 Google 210084)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following demonstrates a successful effort at branding?

Choice

Feedback

A. The word "google" has been added to the dictionary.

B. Online buying is the fastest-growing form of retail sales.

C. MySpace is a popular company for both advertising and partnerships.

D. Computers were once considered a luxury and are now necessities to many people.

Global Incorrect Feedback

The correct answer is: The word "google" has been added to the dictionary. "Google" is a household word often used to mean "search the Internet."

Question 10c of 10 (3 Google 210085)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following statements indicates why Google has been successful at branding?

Choice

Feedback

A. Google's business model, "Don't Be Evil," has become a famous corporate motto.

B. Google is a popular partner for online partnerships.

C. Google is well-known for its relaxed and non-traditional corporate culture.

D. Google's corporate name that has become a common term for "search the Internet."

Global Incorrect Feedback

The correct answer is: Google is a corporate name that has become a common term for "search the Internet." Google is a household word.