HARAMBEE UNIVERSITY

FACULTY OF BUSINESS AND ECONOMICS

DEPARTMENT OF MANAGEMENT & BUSINESS ADMINISTRATION

Fundamental of Management and Marketing Theme Model Exam

Time Allowed; 2:00

General Direction:

- Make sure that the exam paper contains three parts (Part I – Introduction to Management, Part II – Principle of Marketing and Part III – International Marketing).
- Attempt all questions
- Follow the instructions in each part and write your answers in **Capital letters only** on the answer sheet provided.
- Switch off your mobile phone
- **Any kind of cheating or attempting to cheat or/and letting others to cheat will disqualify your result (F) on the course.**

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO!

Feb. /2023

Part I: Introduction to Management

Instruction: Choose the correct answer among the alternatives

1. Which one of the following statements is not correct?

A. Management is a goal-oriented process.
B. Management is a continuous process.
C. Management is a dynamic process.
D. Management is a rigid process.

2. Which one of the following is not an importance of management?

A. Integrating various interest groups
B. Developing society
C. Disciplining employees
D. Inculcating creativity

3. *M*anagement is not

A. An applied science.
B. A pure science.
C. An art.
D. An art and science both

4. In which category does management fall?

a) Well-established profession
b) Semi-profession
c) Emerging profession
d) Marginal profession

5. Top management is concerned with formulation of

A. Guidelines for supervisors.
B. Long-term plans.
C. Short-term plans.
D. None of these

6. Coordination is

A. A management function.
B. The essence of management.
C. An objective of management.
D. A social objective

7. The element that aims at integrating group efforts to achieve group objectives is called

A. Cooperation
B. Coordination
C. Management
D. Directing

8. Managing Director is the position of_____level of management in a large company.

A .Top
B. Middle
C. Lower
D. Middle and Lower

9. Management is a _____directed process as it aims at achieving specified goals.

A. Continuously
B. Future
C. Goal
D. Deliberately

10.___ is a systematized body of knowledge that explains certain general truths or operation of general laws.

A. Science
B. Art
C. Profession
D. Art and Profession both

11. Identify the feature of co-ordination being highlighted in the given statement: "Coordination is not a onetime function; it begins at the planning stage and continue till controlling."

A. Coordination ensures unity of action

B. Coordination is an all pervasive function

C .Coordination is a continuous process

D. Coordination is a deliberate function

12. This function of Management related to placing the right person at the right job is

A. Organizing

B. Staffing

C. Planning

D .Controlling

13. This function of management relating to laying down the foundation for carrying out the other functions of management successfully is

A .Organizing

B .Staffing

C. Planning

D. Controlling

14. Organizing as a function of management involves deciding

A. What activities and resources are required

B. Who will do a particular task

C. Where will it be done

D .All of the above

15. The main task of this level of management is to determine the overall organizational objectives and strategies for their realization.

A. Operational management C. First line managers

B. Middle level management D. Top level management

16. Which of the following statements is not true for lower level management?

A. Analyze the business environment and its implications for the survival of the business.

B .Ensure the quality of the output

C. They strive to reduce the wastage of resources

D. They ensure that the safety standards are maintained within the organization

17. Which of the following is a function of top level management?

A .Ensuring quality of output

B. Assigning necessary duties and responsibilities to their departments

C. Taking responsibility for all the activities of the business and its impact on the society

D. Ensuring that the safety standards are maintained within the organization

18. Which of the following is not a designation related to middle level management?

A. Operations Head C. Chief Operating Officer

B. Sales Manager D. Divisional Manager

19. Management principles can be applied to all types of activities."

A. True

B. False

20. Management involves the decisions by a manager and it is not a group activity."

A. True

B. False

21. Top management level is responsible for implementing plans and strategies of the organization.

A. True

B. False

22. Efficiency is concerned with

A. Doing the right thing

B. Doing things right

C. Achieving end results

D. None of the above

23. Management is said to be poor if it is

a) Efficient but ineffective

b) Effective but inefficient

c) Both inefficient and ineffective

d) All of the above

24. Which factor doesn't describe management as science:-

A. Systematized body of knowledge

B. Universal validity

C. Ethical code of conduct

D. Principles based on experimentation

25. Which of the following management functions are closely related?

A. Planning and organizing

B. Staffing and control

C. Planning and control

D. Planning and staffing

26. The last function in the sequence, which culminates in the attainment of organization objectives, is:

A. Organizing

B. Coordinating

C. Controlling

D. Planning

27. In terms of the sequential relationship, the first function requiring managerial attention is:

A. planning

B. coordinates

C. directing

D. controlling

28. Main functions of administrative management are:

A .planning, organizing , staffing, directing and controlling

B .planning , organizing, directing and controlling

C .planning , organizing, staffing and directing

D .planning, organizing, controlling and representation

29. Control function of management cannot be performed without:

A. planning

B. organizing

C. staffing

D. motivation

30. Which level of management is responsible for establishing a vision for the organization, developing broad plans and strategies, and directing subordinate managers?

A. First level managers

B. Middle managers

C. Executive managers

D. Second level managers

31. Which level of management is responsible for implementing programs that are intended to carry out the broader objectives of an organization set by executives?

A. Supervisory managers

B. Middle managers

C. First level managers

D. Chief financial managers

32. Which types of managers are responsible for reporting to middle managers?

A. Employees

B. Managers

C. Executive managers

D. Second level managers

33. Which of the following characterize a manager as being efficient?

A. They use a minimum amount of resources for the amount of outputs produced.

B. The devote a large amount of time to planning

C. They achieve their goals.

D. They interview, select, and train people who are most suitable to fill open jobs.

34. Which of the following characterize a manager as being effective?

A. They use a minimum amount of resources for the amount of outputs produced.

B. They devote a large amount of time to planning.

C. They achieve their goals.

D. They interview, select, and train people who are most suitable to fill open jobs.

35. Find the odd one out

A. Board of directors

B. Chief executive

C .Foremen

D. Shareholders

36. Scientific management is comprised one of the following two elements.

A. Technology assessment and environmental design

B. Method study and work measurement

C .Method study and job design

D. Work measurement and job design

37. The „father“ of Scientific Management is:

A. Henri Gantt

B.W. Edwards Deming

C. Tom Peters

D .Henry Ford

E. Frederick W. Taylor

38. Which of the following statement best described the principle of „Division of work"?

A. Work should be divided into small tasks

B .Labor should be divided

C. Resource should be divided among jobs

D. It leads to specialization

39. Which of the following is not a principle of management given by Taylor?

a) Science, not rule of Thumb
b) Functional foremanship
c) Maximum ,not restricted output
d) Harmony not discord

40. Who is known as 'the Father of Modern Theory of Management"?

A. Harold Koontz.
B. Henry Fayol
C.F.W. Taylor
D. Max Weber

Answer Sheet

Name _____ ID No. _____

Department _____ Section _____

Course Name_____

Multiple Choice

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10.	20	30.	40.

Part II – Principle of Marketing

Instruction: Choose the appropriate answer for the following questions.

1) All of the following are accurate descriptions of modern marketing, EXCEPT
A) Marketing is the creation of value for customers.
B) Marketing is managing profitable customer relationships.
C) Selling and advertising are synonymous with marketing.
D) Marketing involves satisfying customers' needs.
E) Marketing is used for-profit and not-profit organizations.

2) According to the opening scenario, the Tide marketing team is MOST concerned about
A) Maintaining its brand share
B) Fostering customers' emotional connections with their product
C) Advertising their product's benefits
D) Comparing the effectiveness of their product to other brands
E) Incorporating consumer-generated marketing in the marketing mix

3) According to management guru Peter Drucker, "The aim of marketing is to _____."
A) Create customer value
B) Identify customer demands
C) Make selling unnecessary
D) Set realistic customer expectations
E) Sell products

4) _____ is defined as a social and managerial process by which individuals and organizations obtain what they need and want through value creation and exchange.
A) Selling
B) Advertising
C) Bartering
D) Marketing
E) Negotiating

5) Which steps of the five-step marketing process are about understanding customers, creating customer value, and building strong customer relationships?

A) The first two only
B) The first three only
C) The first four only
D) The last three only
E) The last four only

6) According to the simple five-step model of the marketing process, a company needs to _____ before designing a customer-driven marketing strategy.
A) Determine how to deliver superior value
B) Build profitable relationships with customers
C) Use customer relationship management to create full partnerships with key customers
D) Understand the marketplace and customer needs and wants
E) Construct key components of a marketing program

7) _____ are human needs as shaped by individual personality and culture.

A) Needs
B) Wants
C) Demands
D) Values
E) Exchanges

8) When backed by buying power, wants become _____.
A) Social needs
B) Demands
C) Physical needs
D) Self-esteem needs
E) Exchanges

9) What do companies call a set of benefits that they promise to consumers to satisfy their needs?

A) Market offering
B) Value proposition
C) Demand satisfaction
D) Need proposition
E) Evoked set

10) Which of the following refers to sellers being preoccupied with their own products and losing sight of underlying consumer needs?

A) Selling myopia
B) Marketing management
C) Value proposition
D) Marketing myopia
E) The product concept

11) When marketers set low expectations for a market offering, the biggest risk they run is _____.
A) Disappointing loyal customers
B) Decreasing customer satisfaction
C) Failing to attract enough customers
D) Failing to understand their customers' needs
E) Incorrectly identifying a target market

12) _____ is the act of obtaining a desired object from someone by offering something in return.
A) A value proposition
B) Exchange
C) Bribery
D) Value creation
E) Donation

13) A (n) _____ is the set of actual and potential buyers of a product.
A) Market
B) Audience
C) Group
D) Segment
E) Exchange

14) Consumer research, product development, communication, distribution, pricing, and service are all core _____ activities.
A) Exchange
B) Marketing
C) Management
D) Production
E) Customers relationship management

15) Which of the following is the most likely result of a marketing strategy that attempts to serve all potential customers?
A) All customers will be delighted.
B) Customer-perceived value will increase.
C) Customer evangelists will become unpaid salespersons for the service or product.
D) Not all customers will be satisfied.
E) The company will need to follow up with a demarcating campaign.

16) In the case of excess demand, _____ may be required to reduce the number of customers or to shift demand temporarily or permanently.
A) Marketing
B) Demarcating
C) Value marketing
D) Surplusing
E) Negotiating

17) The art and science of choosing target markets and building profitable relationships with them is called _____.

A) Marketing management
B) Positioning
C) Segmentation
D) Selling
E) Differentiation

18) Selecting which segments of a population of customers to serve is called _____.
A) Market segmentation
B) Positioning
C) Customization
D) Target marketing
E) Managing the marketing effort

19) Which of the following is the set of benefits a company promises to deliver the customer to satisfy their needs?
A) A money-back guarantee
B) Low pricing
C) Good customer service
D) a value proposition
E) An attribute

20) Which customer question is answered by a company's value proposition?
A) "Why should I buy your brand rather than a competitor's?"
B) "How does your brand benefit me and society?"
C) "What are the costs and benefits of your brand?"
D) "What kind of experience will I have with products and services associated with this brand?"
E) "What are the benefits of being a loyal consumer of your brand?"

21) Which of the following marketing management orientations focuses primarily on improving efficiencies along the supply chain?
A) Production concept
B) Product concept
C) Selling concept
D) Marketing concept
E) Social marketing concept

22) Which of the following marketing management concepts is most likely to lead to marketing myopia?
A) customer-driven marketing
B) customer-driving marketing
C) Social marketing
D) Selling
E) Production

23) The _____ concept is aligned with the philosophy of continuous product improvement and the belief that customers will choose products that offer the most in quality, performance, and innovative features.
A) product
B) Production
C) Customer
D) Marketing
E) Promotion

24) The product concept says that a company should do one of the following.
A) Improve marketing of its best products
B) Market only those products with high customer appeal
C) Focus on the target market and make products that meet those customers' demands
D) Focus on making continuous product improvements
E) Make promoting products the top priority

25) "Build a better mousetrap and the world will beat a path to your door" reflects the _____ concept.
A) Production
B) Marketing
C) Selling
D) Product
E) Target marketing

26) Which concept calls for aggressive selling and focuses on generating transactions to obtain profitable sales?
A) Marketing
B) Production
C) Product
D) Selling
E) Societal marketing

27) Which concept holds that achieving organizational goals depends on knowing the needs and wants of target markets and delivering the desired satisfactions better than competitors do?

A) product
B) Production
C) Selling
D) Marketing
E) Equity

28) A firm that uses the selling concept takes a (n) _____ approach.

A) outside-in
B) Myopic
C) inside-out
D) Societal
E) Customer service

29) According to the production concept, consumers will favor products that are _____ and _____.

A) Satisfying; quality focused
B) advertised; affordable
C) In high demand; hard to find
D) segmented; convenient
E) Available; affordable

30) Herb Kelleher of Southwest Airlines used the marketing concept in his successful organization. Having a customer department rather than a marketing department, as suggested by Kelleher, is an example of a (n) _____ perspective.

A) outside-in
B) External
C) inside-out
D) modern
E) Traditional

31) Though often criticized, the selling concept is particularly appropriate and effective with which of the following types of products?

A) Convenience
B) Shopping
C) Specialty
D) Unsought
E) Demarcated

32) Which of the following reflects the marketing concept philosophy?
A) "We don't have a marketing department; we have a customer department."
B) "We're in the business of making and selling superior products."
C) "We build them so you can buy them."
D) "When its profits versus customers' needs, profits will always win out."
E) "You won't find a better deal anywhere."

33) Customer-driven marketing usually works well when _____ and when customers _____.

A) A clear need exists; are difficult to identify
B) Customers know what they want; are loyal to the brand
C) A firm can deliver the goods desired; are thoroughly researched
D) A clear need exists; know what they want
E) A need exists; don't know what they want

34) Marie Ortiz enjoys her work at Futuristic Designs, Inc. Her organization understands and anticipates customer needs even better than customers themselves do and creates products and services to meet current and future wants and demands. Marie's firm practices _____ marketing.

A) customer-driven
B) customer-driving
C) Relationship
D) Donor
E) social

35) When customers don't know what they want or don't even know what's possible, the most effective strategy is _____ marketing.

A) customer-driven
B) customer-driving
C) Societal
D) Production
E) Product

36) The societal marketing concept seeks to establish a balance between consumer short-run wants and consumer _____.

A) short-run costs and profits
B) short-run ethics
C) long-run welfare
D) Immediate health
E) Value propositions

37) Which concept holds that firms must strive to deliver value to customers in a way that maintains or improves the consumer's and society's well-being?

A) Marketing
B) Selling
C) Product
D) Societal marketing
E) Equity

38) The three areas of consideration that should be balanced in the societal marketing concept are consumer wants, society's interests, and _____.

A) Human welfare
B) Want satisfaction
C) Company profits
D) short-run wants
E) Long-term needs

39) The set of marketing tools a firm uses to implement its marketing strategy is called the _____.

A) Promotion mix
B) Product mix
C) Marketing mix
D) TQM
E) Marketing effort

40) Of the following, which is the most important concept of modern marketing?

A) Customer relationship management
B) Societal marketing
C) consumer-generated marketing
D) Properly trained salespeople
E) Low prices

Answer Sheet

Name _____ ID No. _____

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Multiple Choice

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Part III – International Marketing

Instruction: <u>Choose the appropriate answer for the following questions.</u>

1. The international market goes beyond the ___ marketer and becomes more involved in the marketing environment in the countries in which it is doing business.

a. Export
b. Import
c. Multinational
d. Domestic

2. The one significant reason for the Trade to become global is –

a. Communication opportunities
b. Technology
c. Improved transportation
d. All of the above

3. The most generic name to describe corporations operating around the world.

a. TNC
b. MNE
c. MNC
d. Global Corporation

4. ‘Microsoft’ is an example of:

a. Horizontally Integrated MNC
b. Vertically Integrated MNC
c. Diversified MNC
d. Global Corporation

5. Structural requirements for definition as an MNC include:-
a. Number of countries in which the firm does business
b. Citizenship of corporate owners and top manager’s

c. The commitment of corporate resources to foreign operations
d. Only a and b

6. State whether the given statement is true or not:
‘International Marketing is not a revolutionary shift, it is an evolutionary process.’

a. True
b. False
c. Not clear
d. cannot say

7. ___ is the principle of organization of a region around several political, social or financial centers.

a. Ethnocentrism
b. Polycentrism
c. marketing expansion
d. Global marketing

8. ___ Brand can convey several levels of Meaning except?

a. Attribute
b. Benefits
c. Values
d. products life cycle

9. It is the act of reducing government-imposed constraints on the behavior of actors in the economy.

a. Privatization
b. Liberalization
c. Deregulation
d. All of the above

10. It is a market model in which trade in goods and services between or within countries flow unhindered by government-imposed

restrictions.

a. Liberalization
b. Free trade
c. Trade barriers
d. All of the above

11. ___ can be described as the economic means to achieve the political goal of an independent nation.

a. Liberalization
b. Free trade
c. Trade barriers
d. Protectionism

12. Restrictions to trade include:

a. Taxes & tariffs
b. Legislation & quotas
c. Non-tariff barriers
d. All of the above

13. A ___ is a tax on goods upon importation.

a. Tariff
b. Non-tariff
c. Legislation
d. Quotas

14. ___ can be defined as supreme and independent political authority.

a. Political Risk
b. Sovereignty
c. Ideology
d. Nationalism

15. The ultimate threat a government can pose toward a company is-

a. Expropriation
b. Sovereignty
c. Statue law
d. None of the above

16. ___ established to promote fair competition.

a. Antitrust laws
b. Regulations
c. Both A and B
d. Political risk

17. The development of ___ has gone a long way to reducing the element of “foreignness”.

a. GATT
b. NATO
c. EU
d. All of the above

18. ___ occurs if ownership of the property or assets in question is referred to as confiscation.

a. Privatization
b. Nationalization
c. Expropriation
d. Compensation

19. Potential sources of political complication include:

a. Social unrest
b. Attitudes of nationals
c. Policies of the host
government
d. All of the above

20. All exports operate within an institutional environment, which is made up of a set of ___ ground rules.

a. Political
b. Social
c. Legal
d. All of the above

21. It facilitates marketing agencies and producers by reducing transaction costs.

a. Rules & conventions
b. Licensing
c. Legal environment
d. Norms & standards

22. It is the unauthorized copying and production of a product.

a. Patent
b. Trade secret
c. Counterfeiting
d. Copyrights

23. International law was essentially an amalgam of:

a. Treaties
b. Covenants & Codes
c. Agreement
d. All of the above

24. ___ sources its goods in countries with low wages and poor labor regulations.

a. Nike
b. Adidas
c. Reebok
d. Levi Strauss

25. Culture can be deep-seated and, to the untrained can appear bizarre.

a. Maslow approach
b. Anthropological approach
c. Self-reference criteria
d. Diffusion theory

26. The tendency to view one’s culture to be superior to others.

a. Ethnocentric
b. Ethnocentrism
c. Self reference
d. Material culture

27. ___ reflects the nature & values of the society.

a. Culture
b. Tradition
c. Language
d. Nationalism

28. Education refers to the transmission of ___ as well as training in particular disciplines.

a. Skills
b. Ideas
c. Attitudes
d. All of the above

29. Social institutions include ___ that are concerned with the ways, in which people relate to one another, organize their activities to live in harmony with one another.

a. Social organization
b. Education
c. Political structures
d. All of the above

30. In Muslim tradition ___ is considered as a ‘dirty’ animal, so portraying it as “man’s best friend” in an advertisement is counter-productive.

a. Dog
b. Horse
c. Cat
d. Cow

31. State whether it is true or not:
‘Culture is not genetically based.’

a. False
b. Cannot say
c. True
d. Incomplete

32. Increasingly surfacing cultural trait is-

a. Nationalism
b. Language
c. Ethnocentrism
d. Social needs

33. Served in the palm of the hand.

a. Upside down
b. Platter fashion
c. Crab style
d. Pincer

34. ___ is used in a linear way and it is experienced as being almost tangible in that we save time, waste time, bide time, spend time and lose time.

a. Monochromic time
b. Polyphonic time
c. Monophonic time
d. Polychromic time

35. ___ theory tells that the innovators are a small percentage that likes to be seen to lead, and then the others, increasingly more conservative, take the innovation on.
a. Cross Culture Theory
b. Diffusion Theory
c. Anthropological Theory
d. Maslow theory

36. ___ is the most traditional and well-established form of operating in foreign markets.
a. Importing

b. Exporting
c. Country centered
d. None of the above

37. This method means that organizations with little exporting skill may use the services of one that has.

a. Piggybacking
b. Countertrade
c. Closed-end barter
d. All of the above

38. ___ refers to the idea that the resources held by two firms, when combined, add up to more than the sum of their parts.

a. Shared Knowledge
b. Synergy
c. Strategic Alliance
d. Joint Ventures

39. ___ & ___ promote efficiencies.

a. New Market, Technology
b. Creating projects, disbanding projects
c. Risks, expenses
d. Flexibility, Informality

40. The criteria for outsourcing decisions are:

a. Factors costs, Availability
b. Logistics, Factors costs
c. Both a and b
d. Global strategy, Market Access

Answer Sheet

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