

Sample Entrance Test – Economics and Management

Instrukce k testu:

You have 50 minutes for the test. There are 25 questions. Only one answer is correct. Do not close or minimise the window of your browser. Do not forget to submit the test in time. The time is measured from the opening of your test in your browser. If you do not submit the test properly it will not be assessed.

Způsob vyhodnocení: Only correct answers are counted.

1. Managerial continuous functions include 4
Select one from the following options.
 - a) organizing.
 - b) planning.
 - c) leadership.
 - d) decision making.

2. The overall term for all interest groups that affect organizations and their activities is 4
Select one from the following options.
 - a) stakeholders.
 - b) customers.
 - c) shareholders.
 - d) competitors.

3. Secondary activities in the Porter's value chain do not include 4
Select one from the following options.
 - a) workforce management.
 - b) technical development.
 - c) procurement activity.
 - d) marketing and sales.

4. An audit is an examination 4
Select one from the following options.
 - a) performed by managers.
 - b) performed by staff department.
 - c) performed by independent persons.
 - d) performed by superiors.

5. Managerial competencies do not include 4
Select one from the following options.
 - a) social competencies
 - b) technical competencies
 - c) distinctive competencies
 - d) economic competencies

6. When the average product of labour is at its maximum 4
Select one from the following options.
- a) marginal product of labour is rising
 - b) total product is decreasing
 - c) marginal product of labour is equal to average product of labour
 - d) marginal product of labour is maximum
7. An increase in the supply of a good will decrease the total revenue producers receive if 4
Select one from the following options.
- a) the supply curve is elastic.
 - b) the supply curve is inelastic.
 - c) the demand curve is inelastic.
 - d) the demand curve is elastic.
8. When a good is taxed, the burden of the tax falls mainly on consumers if 4
Select one from the following options.
- a) the tax is levied on consumers.
 - b) supply is inelastic, and demand is elastic.
 - c) the tax is levied on producers.
 - d) supply is elastic, and demand is inelastic.
9. A competitive firm's short-run supply curve is its _____ cost curve above its _____ cost curve. 4
Select one from the following options.
- a) average total, marginal
 - b) marginal, average total
 - c) average variable, marginal
 - d) marginal, average variable
10. The vertical distance between the average variable cost and average total cost curves 4
Select one from the following options.
- a) is everywhere equal to marginal cost
 - b) decreases as quantity increases
 - c) is everywhere equal to total fixed costs
 - d) increases at a decreasing rate
11. Marginal propensity to consume 4
Select one from the following options.
- a) increases as marginal propensity to save increases
 - b) plays a role in the calculation of the spending multiplier
 - c) is the change in consumer spending less the change in disposable income
 - d) is higher than 1
12. When aggregate expenditure is greater than aggregate output, there is unplanned inventory _____ causing output to _____. 4
Select one from the following options.
- a) decrease; increase

- b) accumulation; decrease
- c) decrease; decrease
- d) accumulation; increase

13. Based on the theory of efficiency wages, 4

Select one from the following options.

- a) the bargaining power of unions is reduced by right-to-work laws
- b) firms find it profitable paying workers above equilibrium wages
- c) excess supply of labour causes wages to fall
- d) frictional unemployment is a result of sectoral shifts

14. The view that specialization leads to gains from trade is based on which of the following principles? 4

Select one from the following options.

- a) absolute advantage
- b) comparative advantage
- c) market equilibrium
- d) price elasticity

15. The classical principle of neutrality of money states that a change in the money supply does not affect _____ variables and the effect of changes in money supply is applies in the _____ run. 4

Select one from the following options.

- a) real, long
- b) nominal, long
- c) nominal, short
- d) real, short

16. Which one of the following statements is correct concerning to a company's budget 4

Select one from the following options.

- a) overhead costs are divided into global items there
- b) it is related to a product, i.e. products and services
- c) it is related only to cost
- d) it is prepared for a certain period

17. A present value is enumerated via 4

Select one from the following options.

- a) discounting
- b) compounding
- c) calculation of perpetuity
- d) calculation of annuity

18. The main function of short-term financial assets in a company is 4

Select one from the following options.

- a) to assure a liquidity of a company
- b) to assure a minimal indebtedness of a company
- c) to assure a solvency of a company
- d) to assure a maximal profitability

19. Company's assets are divided into two groups according to their 4
Select one from the following options.
- a) liquidity
 - b) resources of acquisition
 - c) profitability
 - d) according to another criteria
20. Increasing profitability of an investment usually means 4
Select one from the following options.
- a) decreasing risks
 - b) increasing risks
 - c) increasing amount of financial resources needed
 - d) decreasing amount of financial resources needed
21. The primary goal of a business entity is 4
Select one from the following options.
- a) businesses do not set any primary goals
 - b) to maximize profitability – return on equity, return on assets
 - c) to maximize value for shareholders
 - d) to have balanced entrepreneurial activities, i. e. neither losses nor profits
22. Internal financial resource is not 4
Select one from the following options.
- a) retained profit
 - b) profit of the current year
 - c) provisions
 - d) owner's contribution
23. Technical demandingness of company's operations influences especially 4
Select one from the following options.
- a) the rate of financial assets in capital structure
 - b) the rate of debt in the capital structure
 - c) the rate of fixed assets in the property structure
 - d) the rate of equity in the property structure
24. The main function of short-term financial assets in a company is 4
Select one from the following options.
- a) to assure a maximal profitability
 - b) to assure a solvency of a company
 - c) to assure a liquidity of a company
 - d) to assure a minimal indebtedness of a company
25. A low amount of current assets usually means 4
Select one from the following options.
- a) funding of short term assets with long term resources
 - b) risk of insolvency
 - c) low employment of fixed assets
 - d) high amount of working capital

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