

1. Why is it important for businesses to follow local health ordinances?
 - A. To prevent accidents in the workplace
 - B. To reduce the risk of widespread illness
 - C. To protect the natural environment
 - D. To lower the need for medical care facilities

2. It is appropriate for an employee to report his/her employer's noncompliance with health and safety regulations when
 - A. a coworker blocks the fire escape route with boxes of old files.
 - B. the housekeeping staff disposes of the company's hazardous materials.
 - C. the employer does not take steps to correct the issue.
 - D. a vendor does not have a ventilation system that meets code.

3. Which of the following actions is most likely to contribute to the creation of a safe business environment:
 - A. Running extension cords across main walkways in the business
 - B. Salting icy patches on the sidewalk outside the business entrance
 - C. Storing inventory in stairwells and in front of emergency exits
 - D. Keeping file drawers in high traffic areas open throughout the day

4. While Ken was heating up his lunch in the company's kitchen microwave oven, his food caught on fire. What is the most appropriate action for Ken to take?
 - A. Call 411 and request assistance from the fire department
 - B. Leave the kitchen to report the fire to his supervisor
 - C. Use the kitchen fire extinguisher to put out the fire
 - D. Open the window for evacuation purposes

5. Businesses may prevent burglaries by checking every room in the building at night to make sure that the
 - A. telephones are transferred.
 - B. public areas are clean.
 - C. electrical equipment is turned off.
 - D. windows and doors are locked.

6. Although your coworker Edward has always been a pessimistic person, his attitude has been very negative lately. He obviously has an extreme dislike for the new manager, and recently, his favorite topics of conversation have been guns and knives. Knowing all this, what should you do?
 - A. Say nothing because Edward will probably calm down soon
 - B. Share this information with your supervisor or the HR department
 - C. Call the local sheriff or police chief to discuss Edward's mood
 - D. During a staff meeting, accuse Edward of plotting to kill the manager

7. Which of the following restaurant assets would be considered intangible:
 - A. The waiter's uniforms
 - B. An expensive oven
 - C. The building
 - D. A secret recipe

8. In searching out suppliers, industrial purchasers should obtain _____ from potential vendors.
 - A. resource files
 - B. purchase orders
 - C. buying plans
 - D. price quotations

9. What might a business do if it is running out of a popular product?
 - A. Order substitutes
 - B. Reduce the price
 - C. Hold a sale
 - D. Place a reorder

10. Filipe is a chef at a restaurant. He always starts with his resources, such as raw vegetables and meats, and then turns them into a fully-cooked meal. When Filipe turns his ingredients into a complete meal, he's taking part in
- A. mass production.
 - B. dispatching.
 - C. the conversion process.
 - D. resource transformation.

1. B

To reduce the risk of widespread illness. The purpose of health regulations is to protect the population from widespread illnesses. Depending on the industry or business type, most localities require businesses to follow certain rules to reduce the risk of illness. For example, various levels of government are likely to require that restaurants handle, store, and cook foods in certain ways to prevent illnesses such as e coli. Safety regulations intend to reduce the risk of accidents. The purpose of environmental regulations is to protect the natural environment from such issues as air pollution and waste management. Following health ordinances does not lower a community's need for medical care facilities.

SOURCE: OP:004

SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [p. 688]. Tinley Park, IL: The Goodheart-Willcox Co.

2. C

The employer does not take steps to correct the issue. Businesses must follow certain health and safety regulations to ensure a safe working environment for employees. When employers do not follow regulations, it is important to take action to correct the situation. In many situations, the issue can be resolved easily. For example, an employee might notice that boxes are blocking an exit and tell his/her supervisor about the infraction. Then, the supervisor can take steps to ensure the boxes are moved to an appropriate location. When the employer does not take steps to correct the issue, employees should report the infraction to the appropriate government agency. There is not enough information provided to determine if housekeeping personnel are violating the regulations that govern the way businesses must dispose of hazardous-materials. The vendor is not the employee's employer.

SOURCE: OP:005

SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [pp. 687-688]. Tinley Park, IL: The Goodheart-Willcox Co.

3. B

Salting icy patches on the sidewalk outside the business entrance. A significant number of workplace injuries are the result of slipping, tripping, and falling on unsafe walking and work surfaces (e.g., floors, stairs, sidewalks, loading docks, etc.). One way that businesses can reduce these accidents is by salting or sanding icy patches on their sidewalks, parking lots, loading docks, and outdoor wheelchair ramps during winter weather. Employees and customers are likely to trip or fall on extension cords that run across main walkways in the business, boxes of inventory stored in stairwells and in front of emergency exits, and protruding file drawers in high traffic areas.

SOURCE: OP:008

SOURCE: Industrial Accident Prevention Association. (2008, May). *Walking and working surfaces*. Retrieved May 16, 2014, from <http://www.iapa.ca/Main/documents/pdf/walking.pdf>

4. C

Use the kitchen fire extinguisher to put out the fire. For safety purposes, most localities require that businesses have fire extinguishers placed throughout their facilities. Business facilities that have kitchens should keep fire extinguishers in a prominent space of the kitchen so that they are easily available to put out small fires that are contained in pans, microwaves, etc. In the situation presented, the fire is small and contained to a limited location, so Ken should be able to use the fire extinguisher to put it out. If Ken leaves to tell his supervisor about the fire, the fire may spread. Ken should leave the kitchen and follow the company's fire evacuation policies if the fire is spreading. The company's policies may involve leaving the kitchen and to advise others to evacuate, opening a window, or calling 911 (rather than 411) to request assistance from the fire department after everyone has evacuated the building.

SOURCE: OP:010

SOURCE: ABC Fire Systems. (2009). *Fire safety*. Retrieved May 16, 2014, from <http://www.abcfiresys.com/fire-safety.php>

5. D
Windows and doors are locked. Businesses may prevent burglaries by making a physical check of every room in the business to make sure no one is left in the building and that all windows and doors are locked. The simple procedure of locking all windows and doors may deter burglars because it will be difficult for them to gain access to the business. Cleaning public areas, turning off electrical equipment, and transferring telephones will not prevent burglaries.
SOURCE: OP:013
SOURCE: Kimiecik, R.C., & Thomas, C. (2006). *Loss prevention in the retail business* (pp. 2-5). Hoboken, NJ: John Wiley & Sons.
6. B
Share this information with your supervisor or the HR department. Discussing weapons at work and displaying obvious signs of anger or hostility are indicators of potentially dangerous behavior. While there is some chance that Edward will calm down soon, it would be wise to share your observations with your supervisor or the HR department, especially given his recent attitude and behavior. Your supervisor or the HR department can then decide how to handle the situation. Rather than contacting the local sheriff or police chief to discuss Edward's mood, you should start by sharing your knowledge with someone inside your company, such as your supervisor or a member of the HR department. Accusing Edward of plotting to kill the manager during a staff meeting is likely to antagonize Edward, making the situation worse.
SOURCE: OP:152
SOURCE: Occupational Safety & Health Administration. (n.d.). *Workplace violence*. Retrieved May 16, 2014, from <https://www.osha.gov/SLTC/workplaceviolence/>
7. D
A secret recipe. An intangible asset is one that's not physical. For example, intellectual property, trade secrets, customer lists, and business plans are all intangible assets. Even though intangible assets aren't physical, they're sometimes the most valuable thing a company owns. A secret recipe may be what differentiates one restaurant from another. Ovens, buildings, and waiter's uniforms are all tangible, physical business property.
SOURCE: OP:153
SOURCE: USLegal.com. (2001-2014). Intangible asset law and legal definition. Retrieved May 16, 2014, from <http://definitions.uslegal.com/i/intangible-asset/>
8. D
Price quotations. In searching out and selecting suppliers, purchasers should obtain price and delivery quotations from potential suppliers. These quotations should be analyzed and a vendor selected on the basis of this analysis. Purchasers issue purchase orders to obtain goods. Purchasers should also maintain resource files and have buying plans.
SOURCE: OP:015
SOURCE: OP LAP 2—Buy Right (Purchasing)
9. D
Place a reorder. Businesses place reorders to obtain additional quantities of products that were ordered previously. If they are running out of a popular product, they often place reorders to replenish the supply of an item that is selling well. If additional quantities are not available, they might consider ordering substitutes; but their first choice would be to reorder the same item. The stores would not reduce the price or hold a sale on popular items that were selling well.
SOURCE: OP:016
SOURCE: Cash, R. P., Thomas, C., Wingate, J. W., & Friedlander, J. S. (2006). *Management of retail buying* (p. 206). Hoboken, NJ: John Wiley & Sons.

10. C

The conversion process. During the conversion process, inputs turn into products. Any activity that takes resources and turns them into something usable is considered a conversion process. In Filipe's case, this includes cooking. He starts with resources (raw vegetables and meats) and turns them into something usable (a fully-cooked meal). Dispatching involves issuing orders for production to start. Dispatches are usually written orders that tell employees what their job assignments are, when to move materials from storage to the work area, or which tools and equipment to assemble. Mass production means producing products in large quantities. Mass production typically involves assembly lines, robotics, automation, and computer-controlled equipment. This is not what Filipe's doing when he prepares one meal at a time. Resource transformation is not a term commonly used to refer to the conversion process.

SOURCE: OP:017

SOURCE: OP LAP 4—Can You Make It? (Nature of Production)