



**California
Subject
Examinations for
Teachers®**

TEST GUIDE

**BUSINESS
SUBTEST I**

**Sample Questions and Responses
and Scoring Information**

Copyright © 2005 by National Evaluation Systems, Inc. (NES®)

"California Subject Examinations for Teachers," "CSET," and the "CSET" logo are registered trademarks of the California Commission on Teacher Credentialing and National Evaluation Systems, Inc. (NES®).

"NES®" and its logo are registered trademarks of National Evaluation Systems, Inc.™

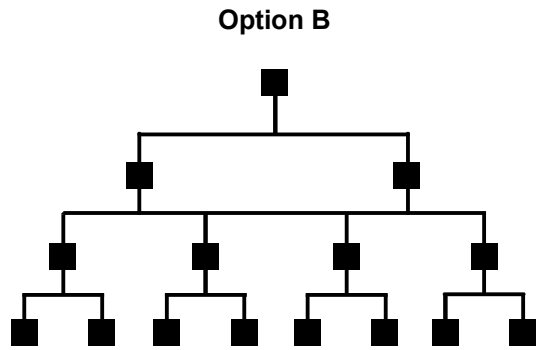
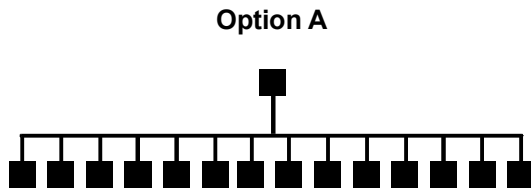
CS-TG-QR175X-01

Sample Test Questions for CSET: Business Subtest I

Below is a set of multiple-choice questions and constructed-response questions that are similar to the questions you will see on Subtest I of CSET: Business. You are encouraged to respond to the questions without looking at the responses provided in the next section. Record your responses on a sheet of paper and compare them with the provided responses.

1. Which of the following best defines the managerial control function?
 - A. the activities implemented to position an organization for future growth
 - B. the process in which organizational resources are aligned with projected needs
 - C. the strategies employed to ensure that workers strive to meet organizational goals
 - D. the process by which outputs or results are compared against a desired standard
2. According to Maslow's hierarchy of needs theory, which of the following is most likely to be true?
 - A. Unskilled workers will be more motivated by a job's extrinsic rewards and benefits than high-skilled workers.
 - B. Workers who have safe and secure jobs are more likely to care about quality-of-work-life issues than workers whose jobs are insecure.
 - C. Job expectations play a larger role in job satisfaction for newly hired workers than for long-time employees.
 - D. Workers who can tolerate ambiguity are more likely to be satisfied with complex jobs than workers who have a low tolerance for ambiguity.

3. Use the diagrams below to answer the question that follows.



Which of the following is an advantage of the organizational structure of Option A over the structure of Option B?

- A. Departments will have more functional similarity with Option A than with Option B.
- B. Employees will have more opportunities for advancement with Option A than with Option B.
- C. Employees will receive more guidance during new projects with Option A than with Option B.
- D. Communication and decision making will be faster with Option A than with Option B.

4. Which of the following actions on the part of a corporate officer would be considered unethical rather than illegal?
 - A. misleading a supplier on the amount of future business in order to receive a price reduction
 - B. trading the corporation's stock based upon information that is not available to the public
 - C. making misleading public statements about the corporation's likely future revenues and profits
 - D. agreeing with competitors to adjust simultaneously the prices of each company's products
5. Which of the following environmental situations in an organization is most likely to lead to illegal or unethical conduct on the part of employees?
 - A. a workplace in which there are strong control and audit mechanisms in place
 - B. a workplace in which employees are given a great deal of responsibility for their own work
 - C. a workplace in which employees feel frustrated and have little control over their work
 - D. a workplace in which adherence to a code of ethics is stressed and frequently reinforced
6. The Sherman Act, Clayton Act, and Robinson-Patman Act were created to promote:
 - A. equal pay.
 - B. competition.
 - C. employee safety.
 - D. union participation.
7. Employing the PERT (program evaluation review technique) of planning would be most appropriate for which of the following types of task?
 - A. when the anticipated processes will involve outside suppliers or vendors
 - B. when many interrelated processes must be integrated to achieve a goal
 - C. when more than one individual will be involved in the work process
 - D. when the work process consists of a series of sequential steps

8. The Hawthorne Effect discovered by Elton Mayo suggested which of the following about the social dynamics of the workplace?
- A. Workers are likely to be more productive when they are treated in a positive manner.
 - B. Socialization in the workplace leads to competition and ultimately conflict.
 - C. Higher levels of social activity in the workplace lead to greater job satisfaction.
 - D. If unmonitored, workers will place social activity above business goals.

9. Before terminating an employee for poor job performance, it is most important for the human resources department to take which of the following actions in order to protect the interests of the company?
- A. Have the employee sign an agreement promising to abide by the company's employment policies.
 - B. Document in writing the employee's performance history.
 - C. Verbally warn the employee that termination is likely unless job performance improves.
 - D. Provide the employee with additional formal job training.

10. According to the Americans with Disabilities Act, businesses that employ 15 or more persons are required to do which of the following with respect to qualified employees with disabilities?
- A. provide specialized training to help the individuals overcome their disabilities
 - B. provide the individuals with full medical insurance at no cost to the employee
 - C. provide reasonable workplace accommodations for known disabilities
 - D. provide positions with duties specifically tailored to known disabilities

11. Which of the following should be the first step in developing a marketing plan?
- A. analyzing competitive products
 - B. developing an appropriate marketing mix
 - C. examining consumer wants and needs
 - D. preparing budgets for marketing expenses

12. Using bar-code scanners to analyze individual customers' buying patterns at a supermarket is likely to be most useful to the store's marketing department in which of the following ways?
- A. providing information on price points that will trigger consumer purchases
 - B. allowing the store to target promotional materials to specific customers
 - C. allowing managers to make better decisions on in-store product placements
 - D. helping managers better control and anticipate product inventory needs
13. Which of the following situations best exemplifies the prospecting component of the selling process?
- A. An insurance agent provides free insurance seminars at a community center.
 - B. An office products salesperson calls on existing clients every two weeks.
 - C. A machine tool salesperson makes follow-up calls to all recent customers.
 - D. A real estate agency gives away calendars that advertise its services.
14. A U.S. company is considering selling its consumer home kitchen products in a country where a language other than English is spoken. Which of the following would be the best approach to designing a marketing campaign?
- A. Emphasize visual images and minimize written communication.
 - B. Translate an advertising campaign that the company has used successfully in the past.
 - C. Use a variety of media outlets to promote the products.
 - D. Consult with native speakers in the new country to create the advertising campaign.
15. One of the most important factors for companies to consider when selling in international markets through the Internet is the:
- A. cost of transporting materials to manufacturing facilities located in other countries.
 - B. possible substantial product modifications needed for different cultures.
 - C. differing international laws involving taxes on e-commerce.
 - D. education level and training needed for employees in other countries.

16. Use the information below to complete the exercise that follows.

An automobile manufacturer is planning to introduce a new sports car model. The company is targeting financially secure middle-aged men and women who enjoy driving and are looking for a high-performance automobile. The company's marketing team has been asked to help in the new product planning.

Using your knowledge of business marketing, write a response in which you:

- describe two strategies the marketing team could use to market the product to their target population; and
- explain why you believe the strategies would be effective in reaching the target audience.

17. Use the case study below to complete the exercise that follows.

Carl Mason has been hired as general manager of a busy metropolitan restaurant. Carl has a bachelor's degree in hotel and restaurant management and has recently completed an online master's degree program in management. He has worked at a number of restaurants as a cook, waiter, and dishwasher, but this is his first management position. The owner, who has little day-to-day involvement in the restaurant, has told Carl that the business needs to earn a consistent profit or it will be sold.

Carl quickly arranges a meeting with his three managers—the head chef, the dining room manager, and the business manager. While they are somewhat resentful of their new boss and concerned about his lack of managerial experience, they are heartened by his professed commitment to participative management and teamwork. Carl explains to them the owner's goal and asks them to come up with ideas on how to work toward it for their next meeting.

Two days later, Carl meets with the rest of the staff, specifically excluding the three managers. He outlines his goals and some new procedures, including an announcement that he will now be handling all staff scheduling, freeing up time for his managers to work on other things. While there is some grumbling, Carl is certain a centralized scheduling process will be more efficient.

At the next management meeting, Carl is surprised when the three managers complain about the new scheduling process and about the way they learned about it. They claim he is unaware of many issues about who can work when and who the managers want working at various times. They are also resistant to producing the new reports about their operations that Carl is requiring, claiming it takes away from time needed for essential business. "Give it a chance," implores Carl. "We'll fine-tune things as we go along."

The following Saturday, when Carl arrives at the restaurant, he discovers that it hasn't been cleaned from the night before. "The custodian you scheduled called in sick," explains the business manager. "I told him he needed to contact you." That night, the food is slow coming out of the kitchen and customers are complaining about both the food and the service. Carl is reluctantly forced to give away several meals to upset diners. He tells his managers to meet him at the restaurant at 8:00 the next morning.

"What's going on here?" demands Carl as the meeting begins. "You scheduled a cook who has never worked during busy times; he couldn't handle the pace," replies the head chef. "And you scheduled Shawn and Donna on the same waitstaff. They were dating but just broke up. We never put them on the same shift," remarks the dining room manager. "You shouldn't give away meals—make it right, or give away a coupon for a future meal, but don't give away our product," adds the business manager. "You people knew all this—why didn't you tell me?" fumes Carl. "How do we fix it?"

Using your knowledge of business management, write an essay in which you analyze this situation. In your response:

- critique Carl's performance in this situation as it relates to the major functions of business management (e.g., goal setting, planning, organizing, leading, and controlling) and organizational behavior and theory (e.g., organizational structure, group dynamics, leadership styles, motivation, legal and ethical behavior); and
- describe appropriate steps that could be taken to resolve this situation and explain why those steps would be effective.

CONTINUE YOUR RESPONSE HERE.

DO NOT WRITE OUTSIDE THESE MARGINS.

DO NOT WRITE OUTSIDE THESE MARGINS.

DO NOT WRITE OUTSIDE THESE MARGINS.

T PAGE 6

STOP. END OF ASSIGNMENT 2

Annotated Responses to Sample Multiple-Choice Questions for CSET: Business Subtest I

Business Management

1. **Correct Response: D.** (SMR Code: 1.1) The managerial control function is a process that helps ensure that an organization's goals are being met. The control function consists of setting performance standards, measuring outputs or results, and comparing those results to the standards.
2. **Correct Response: B.** (SMR Code: 1.2) Abraham Maslow developed a hierarchy of human needs, theorizing that certain needs must be fulfilled before progressing to higher-order needs. The levels of need range from basic physiological needs up to complex self-actualization needs. When one need is satisfied, another, higher-level need emerges and motivates a person to do something to satisfy it. Thus, workers must have their basic physiological needs for safety and security met before progressing to higher-order needs such as quality-of-life issues.
3. **Correct Response: D.** (SMR Code: 1.2) Option A is considered a flat organizational structure, while Option B is considered a tall structure. A flat organizational structure is one in which there are few layers of management. Flat structures are typically much more responsive to customer demands because the power to make decisions may be given to lower-level employees, and managers don't have to make so many decisions. Also, fewer layers of management permit employees to communicate more quickly with key decision makers.
4. **Correct Response: A.** (SMR Code: 1.3) There are no federal or state laws that prohibit a company employee from misleading a supplier; however, intentionally misleading a supplier is dishonest and therefore considered unethical.
5. **Correct Response: C.** (SMR Code: 1.3) Successful businesses typically provide employees with ways to control their environment. Employees need to see that integrity, hard work, goodwill, ingenuity, and talent pays off. Companies must treat employees with respect and fairness. When employees feel that they've been treated unfairly, they typically have a desire to do bad things in order to get even with the company. When employees feel like they have no control or input at their jobs, they are more likely to look for and participate in actions that they *can* control, which may be unethical and/or illegal.
6. **Correct Response: B.** (SMR Code: 1.4) The Sherman Act, Clayton Act, and the Robinson-Patman Act are all antitrust laws that were passed specifically to restrict corporate activities that reduce competition in the marketplace.
7. **Correct Response: B.** (SMR Code: 1.5) PERT (program evaluation review technique) is designed to handle complex projects that have many interrelated processes or tasks. PERT is beneficial for these projects because it can show the effect of a change in schedule in one task on other project tasks.
8. **Correct Response: A.** (SMR Code: 1.5) Elton Mayo studied workers making telephone parts and found that when managers paid attention to the workers in a positive way, the workers' performance improved. This phenomenon became known as the Hawthorne Effect.
9. **Correct Response: B.** (SMR Code: 1.6) Documenting an employee's performance provides written evidence to support the decision to terminate an employee for poor job performance. If the employee were to sue the employer, the employer would have documentation that would help support the decision to terminate the employee.

10. **Correct Response: C.** (SMR Code: 1.6) Passed in 1990, the Americans with Disabilities Act prohibits discrimination against disabled persons. The act states that employers are prohibited from discriminating against qualified disabled individuals in hiring, advancement, or compensation and requires employers to adapt the workplace if necessary.

Marketing

11. **Correct Response: C.** (SMR Code: 3.1) Marketing is the process of developing, promoting, and distributing goods and services in order to satisfy customers' wants and needs. Until these wants and needs are identified and examined, other marketing analyses cannot be conducted successfully. Thus, this should be the first step in developing a marketing plan.
12. **Correct Response: B.** (SMR Code: 3.1) Supermarkets that are able to identify products that specific customers are purchasing have the ability to customize checkout coupons and other promotional materials to individual consumers and best meet each consumer's wants and/or needs.
13. **Correct Response: A.** (SMR Code: 3.2) Sales personnel typically use the prospecting component of the selling process in an attempt to find individuals who may be interested in purchasing their product. When insurance agents conduct free insurance seminars, they hope to identify consumers who may be interested in purchasing their products.
14. **Correct Response: D.** (SMR Code: 3.3) By consulting a native speaker when creating an advertising campaign for a foreign country, a company can help to ensure that consumers in the target country will receive and understand the intended message. A native speaker from the target country can highlight cultural issues and customs that may influence how the message is received.
15. **Correct Response: C.** (SMR Code: 3.3) Companies that sell products on the Internet are subject to the laws of the countries in which the products are purchased. Thus, these companies must understand and comply with tax laws of many countries when selling items internationally.

Examples of Responses to Sample Constructed-Response Questions for CSET: Business Subtest I

Marketing

Question #16 (Strong Response)

One strategy that would be effective in marketing a new sports car to financially secure middle-aged drivers interested in a high-performance automobile would be to advertise in high-end magazines and auto magazines. Another would be to send direct mailings to past car buyers offering an incentive to test-drive the new sports car.

Advertisements in high-end magazines and auto magazines would reach the target population. They would provide an immediate visual image of the new car and could include detailed information.

Direct mailings to past buyers would target the population closely. These mailings could include attractive, striking images of the new car along with detailed written information. An incentive to test-drive would attract buyers to the dealerships, where they could be exposed to additional information in a more personal way from sales staff.

Question #16 (Weak Response)

It is very important to have a strong marketing campaign for any new product. No matter how good the product is, if it is not marketed effectively it will not sell. The campaign should reach the target population, should get their attention in a forceful way, and should be informative about the product. The goal is to get them to buy the car.

Television, radio, print, and direct mail are all good ways to get the message out. Most adults are exposed to some or all of these media every day. The automobile manufacturer should hire professional marketers to develop a coordinated campaign. The campaign should be tested and people should be asked what they think. Then the various components should be put into place. This will promote sales.

Business Management

Question #17 (Strong Response)

Carl begins by telling the three managers that he is committed to participative management and teamwork, communicating the owner's goal, and asking them for ideas. This is a fine start.

However, he next meets with other staff, excluding the managers. He does this before he has given the managers a chance to formulate and present their ideas. He announces a new procedure for centralized scheduling to all staff except the managers.

continued on next page

Question #17 (Strong Response) *continued*

Over the next few days, it becomes clear that Carl's decisions about staffing are unsound.

After a series of setbacks, Carl calls a meeting of his managers and immediately goes on the offensive, criticizing them for various things that went wrong.

Carl is lacking in leadership, planning, and organization. By the time the managers meet with him the second time, his credibility has been compromised. In contrast to his initial professed commitment to participation and teamwork, he has made hasty decisions and implemented changes quickly and in an authoritarian manner. In bypassing his experienced middle managers he has alienated them from him and undermined their authority with their own staff, as well as denying himself the benefit of their insights and experience. He has also initiated a layer of bureaucracy by requiring report writing, which they find cumbersome and irrelevant.

He shows a lack of awareness of what motivates people and a disconnect between what he says and what he does. When things begin to unravel because of his flawed decisions, he is quick to criticize and slow to listen.

Carl should start over with his managers. He should make good on the promises he made at his first meeting with his managers and listen to their ideas about how to improve profitability. He should make changes more deliberately and thoughtfully and with more consultation. By working with the managers and actively seeking their insights and contributions he will show them that he respects them, regain their trust, and improve the quality of his decisions.

Question #17 (Weak Response)

Carl takes a strong stance from the beginning, which is good. He lays out his expectations clearly and makes it clear that he expects support from his subordinates. He is decisive and forceful, and has a strong commitment to carrying out the wishes of the restaurant's owner.

However, he does not exercise strong enough leadership and the restaurant staff resists his authority.

There are a number of steps Carl can take. First, he can make it clear that he expects support and loyalty from all staff and will not tolerate insubordination. He is the manager, and he has a right to make decisions about the restaurant, and to have his decisions carried out. Second, he can institute staff building activities such as social events to promote teamwork. Third, he can put incentives in place (such as Employee of the Week) to motivate staff to implement his decisions.

By being forceful about his expectations, Carl will send a clear message that he is in charge. This will ensure that staff will comply with his directives. Staff building activities will give staff the opportunity to get to know each other outside of work and promote friendships. Incentives will encourage staff to perform at a higher level because their efforts will be rewarded.

Scoring Information for CSET: Business Subtest I

Responses to the multiple-choice questions are scored electronically. Scores are based on the number of questions answered correctly. There is no penalty for guessing.

Responses to constructed-response questions are scored by qualified California educators using focused holistic scoring.

Because the constructed-response questions on CSET: Business Subtest I are of two types—one type requiring a short (focused) response taking approximately 10–15 minutes to complete, and another type requiring an extended response taking approximately 30–45 minutes to complete—two sets of performance characteristics and two scoring scales will be used to score responses to the constructed-response questions. Scorers will judge the overall effectiveness of your responses while focusing on the appropriate performance characteristics that have been identified as important for this subtest (see below and page 18). Each response will be assigned a score based on an approved scoring scale (see pages 18–19).

Your performance on the subtest will be evaluated against a standard determined by the California Commission on Teacher Credentialing based on professional judgments and recommendations of California educators.

Performance Characteristics and Scoring Scales for CSET: Business Subtest I

A. SHORT (FOCUSED)-RESPONSE QUESTION

Performance Characteristics. The following performance characteristics will guide the scoring of responses to the short (focused)-response constructed-response question on CSET: Business Subtest I.

PURPOSE	The extent to which the response addresses the constructed-response assignment's charge in relation to relevant CSET subject matter requirements.
SUBJECT MATTER KNOWLEDGE	The application of accurate subject matter knowledge as described in the relevant CSET subject matter requirements.
SUPPORT	The appropriateness and quality of the supporting evidence in relation to relevant CSET subject matter requirements.

Business Subtest I

Scoring Scale. Scores will be assigned to each response to the short (focused)-response constructed-response question on CSET: Business Subtest I according to the following scoring scale.

SCORE POINT	SCORE POINT DESCRIPTION
3	The "3" response reflects a command of the relevant knowledge and skills as defined in the subject matter requirements for CSET: Business. <ul style="list-style-type: none">• The purpose of the assignment is fully achieved.• There is an accurate application of relevant subject matter knowledge.• There is appropriate and specific relevant supporting evidence.
2	The "2" response reflects a general command of the relevant knowledge and skills as defined in the subject matter requirements for CSET: Business. <ul style="list-style-type: none">• The purpose of the assignment is largely achieved.• There is a largely accurate application of relevant subject matter knowledge.• There is acceptable relevant supporting evidence.
1	The "1" response reflects a limited or no command of the relevant knowledge and skills as defined in the subject matter requirements for CSET: Business. <ul style="list-style-type: none">• The purpose of the assignment is only partially or not achieved.• There is limited or no application of relevant subject matter knowledge.• There is little or no relevant supporting evidence.
U	The "U" (Unscorable) is assigned to a response that is unrelated to the assignment, illegible, primarily in a language other than English, or does not contain a sufficient amount of original work to score.
B	The "B" (Blank) is assigned to a response that is blank.

B. EXTENDED-RESPONSE QUESTION

Performance Characteristics. The following performance characteristics will guide the scoring of responses to the extended-response constructed-response question on CSET: Business Subtest I.

PURPOSE	The extent to which the response addresses the constructed-response assignment's charge in relation to relevant CSET subject matter requirements.
SUBJECT MATTER KNOWLEDGE	The application of accurate subject matter knowledge as described in the relevant CSET subject matter requirements.
SUPPORT	The appropriateness and quality of the supporting evidence in relation to relevant CSET subject matter requirements.
DEPTH AND BREADTH OF UNDERSTANDING	The degree to which the response demonstrates understanding of the relevant CSET subject matter requirements.

Scoring Scale. Scores will be assigned to each response to the extended-response constructed-response question on CSET: Business Subtest I according to the following scoring scale.

SCORE POINT	SCORE POINT DESCRIPTION
4	<p>The "4" response reflects a thorough command of the relevant knowledge and skills as defined in the subject matter requirements for CSET: Business.</p> <ul style="list-style-type: none"> • The purpose of the assignment is fully achieved. • There is a substantial and accurate application of relevant subject matter knowledge. • The supporting evidence is sound; there are high-quality, relevant examples. • The response reflects a comprehensive understanding of the assignment.
3	<p>The "3" response reflects a general command of the relevant knowledge and skills as defined in the subject matter requirements for CSET: Business.</p> <ul style="list-style-type: none"> • The purpose of the assignment is largely achieved. • There is a largely accurate application of relevant subject matter knowledge. • The supporting evidence is adequate; there are some acceptable, relevant examples. • The response reflects an adequate understanding of the assignment.
2	<p>The "2" response reflects a limited command of the relevant knowledge and skills as defined in the subject matter requirements for CSET: Business.</p> <ul style="list-style-type: none"> • The purpose of the assignment is partially achieved. • There is limited accurate application of relevant subject matter knowledge. • The supporting evidence is limited; there are few relevant examples. • The response reflects a limited understanding of the assignment.
1	<p>The "1" response reflects little or no command of the relevant knowledge and skills as defined in the subject matter requirements for CSET: Business.</p> <ul style="list-style-type: none"> • The purpose of the assignment is not achieved. • There is little or no accurate application of relevant subject matter knowledge. • The supporting evidence is weak; there are no or few relevant examples. • The response reflects little or no understanding of the assignment.
U	<p>The "U" (Unscorable) is assigned to a response that is unrelated to the assignment, illegible, primarily in a language other than English, or does not contain a sufficient amount of original work to score.</p>
B	<p>The "B" (Blank) is assigned to a response that is blank.</p>