**BUS 324 F22 Quiz 4 (Optional) Th 11/25/22**

00:30:00

Last Name:  


First name  


email address  


University's ID last four digits  


When you click the "next" button the quiz will begin. Please remember that you can only take this quiz one time. Also, please remember to be careful when you are on the page with the last question. When you click "next", you will not be able to get back and check your answers. Good Luck!

**Question 1 of 30**

1. ANOVA is a technique used to test simultaneously whether the means of several populations are equal. It uses the F distribution as the distribution of the test statistic:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 2 of 30**

2. The F-distribution is: used to test whether two samples are from populations having equal variances:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 3 of 30**

3. A Chi-square distribution is based on the random sample from a normally distributed population. It is applied to test the standardized sample variances:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 4 of 30**

4. Expected Monetary Value: is the weighted differences of possible payoffs for each decision note:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 5 of 30**

5. Alternative is a course of action or a strategy that must be chosen by a decision-maker:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 6 of 30**

6. Risk neutral is a person who seeks risks. In other words, the decision-maker gets more pleasure for a greater risk and higher potential returns:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 7 of 30**

7. Risk seeker is a person who avoids risks. In other words, the decision-maker gets less utility for a greater risk and higher potential returns:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 8 of 30**

8. Utility theory is a theory that allows the decision-maker to incorporate their risk preference and other factors into the decision- making process. The shape of a person’s utility curve depends on many interwoven factors:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 9 of 30**

9. Conservative approach is an approach to choosing alternative without using probabilities. For a maximization problem, it leads to choosing the decision alternative that maximizes the minimum payoff; for a minimization problem, it leads to choosing the decision alternative that minimizes the maximum payoff:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 10 of 30**

10. Expected utility is the weighted average of the utilities associated with a decision alternative. The weights are the state-of-nature probabilities:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 11 of 30**

11. Expected value approach is an approach to choosing a decision alternative based on value of each decision alternative. The recommended decision alternative the one that supplies the lowest expected value:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 12 of 30**

12. Expected value for a decision node is the weighted average of the payoffs associated with a decision alternative. The weights are the state-of-nature probabilities:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 13 of 30**

13. Risk Analysis is the study of the possible payoffs and probabilities associated with decision alternative or a decision strategy in the face of certainty:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 14 of 30**

14. Utility is a measure of the total worth of a consequence reflecting a decision maker’s attitude toward considerations such as profits, loss, and risk:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 15 of 30**

15. Utility function for money is a curve that depicts the relationship between monetary value and utility:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 16 of 30**

16. States of nature are the possible outcomes for chance events that affect they payoff associated with a decision alternative:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 17 of 30**

17. Monte Carlo Simulation is a simulation method that uses repeated random sampling to represent uncertainty in a model while representing a real system that computes the values of model outputs:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 18 of 30**

18. Validation is the process of determining that a computer program implements a simulation model as it is intended:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 19 of 30**

19. Verification is the process of determining that a simulation model provides an accurate representation of a real system:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 20 of 30**

20. Net Present Value: The present value of future cash flows, discounted at the appropriate market interest rate, plus the present value of the cost of investment:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 21 of 30**

21. Internal Rate of Return: a discount rate at which the NPV of the investment is zero:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 22 of 30**

22. Discount Rate: rate used to calculate present value of future cash flows

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 23 of 30**

23. Capital Budgeting Process: planning and managing expenditures for long-lived assets:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 24 of 30**

24. Present Value: the value of the future cash stream discounted at the appropriate market interest rate:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 25 of 30**

25. Present Value of Money: the value of the sum after investing it over one or more periods. Same as compound value:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 26 of 30**

26. Agency Costs: Costs of conflicts of interests among stockholders, bondholders, and managers. Agency costs are costs of resolving these conflicts. They include the cost of providing managers with the incentive to maximize shareholder wealth and then monitoring their behavior, and then monitoring their behavior, and the cost of protecting bondholders from shareholders. Agency costs are born by stockholders:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 27 of 30**

27. Income statement: is a statement showing a firm’s accounting value on a particular date. It requests the equation, Assets=Liabilities +Stockholders’ Equity:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 28 of 30**

28. Balance sheet: is a financial report that summarizes a firm’s Gross Income over a specified time period:

* True (0 points)
* False (10 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 29 of 30**

29 : Cash flow Statement shows: cash from operations, cash from changes in fixed assets, cash from changes in working capital.

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

**Question 30 of 30**

30. The Perfect Information cannot be secured, no matter how much you are willing to pay for it or how much time you are willing to dedicate to collect it:

* True (10 points)
* False (0 points)

***(10 points) | \_\_\_***

Correct

Incorrect

You have reached the end of the quiz. Click next when you are sure you want to move on.