



SAMPLE EXAM

BUSINESS MANAGEMENT + ADMINISTRATION CAREER CLUSTER

THE BUSINESS MANAGEMENT + ADMINISTRATION
CAREER CLUSTER EXAM IS USED FOR THE
FOLLOWING EVENTS:

BUSINESS LAW AND ETHICS TEAM DECISION MAKING **BLTDM**

HUMAN RESOURCES MANAGEMENT SERIES **HRM**

These test questions were developed by the MBA Research Center. Items have been randomly selected from the MBA Research Center's Test-Item Bank and represent a variety of instructional areas. Performance indicators for these test questions are at the prerequisite, career-sustaining, and specialist levels. A descriptive test key, including question sources and answer rationale, has been provided.

Copyright © 2025 by MBA Research and Curriculum Center®, Columbus, Ohio. Each individual test item contained herein is the exclusive property of MBA Research Center. Items are licensed only for use as configured within this exam, in its entirety. Use of individual items for any purpose other than as specifically authorized in writing by MBA Research Center is prohibited.

Posted online March 2025 by DECA Inc.

1. Which of the following statements best describes the difference between a traditional supply chain and a supply chain network (SCN):
 - A. A supply chain network uses advanced technology to enhance information sharing.
 - B. A traditional supply chain is typically managed by the retail business, not the manufacturer.
 - C. A traditional supply chain involves a higher level of interdependence among businesses.
 - D. A supply chain network includes many more businesses to allow for global distribution.
2. A workload analysis assesses
 - A. current and future human resources needs.
 - B. the human resources that are available.
 - C. how many hours each job task takes to complete.
 - D. the number of staffing tasks each manager completes.
3. What attitude would be most likely to support long-term relationships between businesses and their suppliers?
 - A. Collaborative
 - B. Influential
 - C. Creative
 - D. Reflective
4. If a country with a developing economy participates in free trade, it can expect to encounter
 - A. better relationships with other countries.
 - B. job loss.
 - C. fewer resources.
 - D. limited access to new markets.
5. Which of the following business analysis techniques focuses on how to approach and achieve an organization's goals:
 - A. M.O.S.T.
 - B. Six Thinking Hats
 - C. S.W.O.T.
 - D. P.E.S.T.L.E.
6. Entrepreneurs protect the profitability of their businesses by developing which of the following skills:
 - A. Passive and technical
 - B. Language and operations
 - C. Domestic and team-building
 - D. Financial and problem-solving
7. An important aspect of managing the project team is
 - A. monitoring the work effort.
 - B. carrying out members' work tasks.
 - C. interpreting external data.
 - D. evaluating the stakeholders' interests.

8. Knowledge management allows companies to
- A. improve their technology.
 - B. spend less time on information management.
 - C. increase sales revenue.
 - D. better answer customer questions.
9. What is a major difference between the critical path method and the critical chain method for project management?
- A. The critical path method considers uncertainty more than the critical chain method.
 - B. The critical path method includes buffers; the critical chain method does not.
 - C. The critical chain method considers resource constraints; the critical path method does not.
 - D. The critical chain method accounts for total float; the critical path method does not.
10. Nonjudgmental, immediate, and nonthreatening are all characteristics of
- A. internal feedback.
 - B. destructive criticism.
 - C. constructive criticism.
 - D. positive feedback.
11. Which of the following is a technological tool that a business uses to store, update, and access various types of information:
- A. Newsletter
 - B. Instruction manual
 - C. Relational database
 - D. Microfilm
12. When natural resources are used to produce a good or service, they become _____ resources.
- A. economic
 - B. monetary
 - C. financial
 - D. capital
13. When prioritizing work, employees should place the most importance on work that involves
- A. interactive tasks.
 - B. tight deadlines.
 - C. interpersonal communication.
 - D. routine activities.
14. Which of the following is a reason to apply knowledge management processes:
- A. To reduce innovation
 - B. To increase specialization
 - C. To manage information overload
 - D. To promote an affective culture

15. As the size and power of United States businesses have increased over time, the federal government's involvement in the U.S. economy has
- A. decreased.
 - B. stayed the same.
 - C. become unimportant.
 - D. increased.
16. According to the statement of cash flows in a company's annual report, its cash flow from operations last year was \$5,260,300 and its capital expenditures were \$980,200. What was the company's free cash flow?
- A. \$4,280,100
 - B. \$5,397,164
 - C. \$1,863,391
 - D. \$6,240,500
17. Mara recently accepted a job with the Sweet Treat Cookie Company. Her new employer required her to sign a document stating that she will not reveal the ingredients in the company's cookie recipes to external sources. This is an example of a(n)
- A. nondisclosure agreement.
 - B. indictment.
 - C. injunction.
 - D. noncompete provision.
18. The primary reason that people lose or leave their jobs is that they have
- A. difficulty understanding their jobs.
 - B. difficulty getting along with others.
 - C. poor self-esteem.
 - D. poor job performance.
19. Which of the following are results of properly using analytical reports:
- A. Better flexibility and damaged reputation
 - B. Improved adaptability and greater independency
 - C. Improved productivity and enhanced communication
 - D. Increased collaboration and decreased adaptability
20. One of the most basic requirements of demonstrating honesty and integrity is to
- A. report any dishonest behavior you hear about.
 - B. know how to avoid answering some questions.
 - C. learn from others' conversations.
 - D. tell the truth in all situations.
21. Which of the following is most likely to occur as a result of a weak dollar in the United States:
- A. Americans will buy fewer imports.
 - B. Americans will experience higher unemployment rates.
 - C. Americans will pay higher interest rates.
 - D. Americans will sell fewer exports.

22. What type of law addresses issues that interfere with a firm's right to do business?
- A. Criminal
 - B. Judiciary
 - C. Tort
 - D. Environmental
23. Which of the following statements regarding the relationship between a business and its supply chain is true:
- A. If a business's supply chain is poorly managed, customer satisfaction is likely to suffer.
 - B. A business's supply chain has very little impact on the business's overall success.
 - C. Supply chains with organizational problems tend to boost members' overall success.
 - D. Effective supply chain management results in lower customer satisfaction.
24. Ariel keeps all of her clients' information on her company's server. What method can Ariel use to ensure the information is unreadable to unauthorized users?
- A. Installing antivirus software
 - B. Posting a security policy
 - C. Creating strong passwords
 - D. Encrypting the information
25. The Maxwell Manufacturing Company regularly inspects its production equipment and conducts regular maintenance activities to ensure that the equipment works correctly and is not a danger to employees. By conducting these activities, Maxwell is complying with laws that relate to
- A. workplace safety.
 - B. chemical emissions.
 - C. discrimination.
 - D. technical security.
26. Which of the following is an example of ethical behavior:
- A. Building relationships
 - B. Bending the rules
 - C. Honoring your promises
 - D. Imitating what others do
27. What should you include in the conclusion section of a research report?
- A. A detailed analysis of your argument
 - B. New information to make your argument stronger
 - C. Background information about your topic
 - D. Reasons why your research findings are significant
28. What management function establishes a business's goals and objectives?
- A. Directing
 - B. Organizing
 - C. Planning
 - D. Staffing

29. One of the most important, fundamental keys to successful change management is
- A. minimizing use of resources.
 - B. involving everyone in the organization.
 - C. ensuring changes do not impact competitiveness.
 - D. focusing on processes over people.
30. The use of sorting techniques to capture knowledge involves
- A. obtaining and storing confidential information.
 - B. documenting relevant facts.
 - C. comparing and ordering concepts.
 - D. setting long-term objectives.
31. Which of the following statements accurately describes the relationship between innovation, learning, and change:
- A. Innovation triggers internal and external changes, leading to new learning.
 - B. Internal and external changes trigger new learning, leading to innovation.
 - C. Internal and external changes trigger innovation, leading to new learning.
 - D. New learning triggers innovation, leading to internal and external changes.
32. Rachel says to the audience, "Now that you have some insight about the nature of the problem, I'll discuss the methodology that our firm used to conduct the research." This statement is an example of a(n)
- A. gesture.
 - B. transition.
 - C. introduction.
 - D. conclusion.
33. The ability of an individual to influence the actions of other people is known as
- A. charisma.
 - B. leadership.
 - C. authority.
 - D. power.
34. How does having a customer-service mindset benefit a business's employees?
- A. It creates a competitive work environment.
 - B. It increases the employees' efficiency levels.
 - C. It helps the business achieve its profit goals.
 - D. It helps employees advance in their careers.
35. What is the first step of the litigation process?
- A. The defendant answers a complaint.
 - B. The defendant files a complaint.
 - C. The plaintiff answers a complaint.
 - D. The plaintiff files a complaint.

36. Cameron knows that lying to clients is wrong, but his supervisor encourages it and acts like it is a necessary part of the project's success. Cameron is tempted to act unethically because of
- A. the pressure to hit key deadlines.
 - B. his power and authority.
 - C. his lack of ethical principles.
 - D. the organizational culture.
37. By cleaning up their work areas at the end of each day, employees usually are able to
- A. lead change.
 - B. complete work accurately.
 - C. cope with problems.
 - D. stay organized.
38. Jorge was hired by a company to establish a plan to protect its digital assets. What is the first thing Jorge should do in this process?
- A. Purchase a cyber insurance policy
 - B. Back up all digital assets
 - C. Register for ownership of digital assets
 - D. List all of the company's digital assets
39. Which of the following is a strategy to help manage risks in a global supply chain:
- A. Accept lower quality levels
 - B. Work only within the same time zone
 - C. Work with experienced partners abroad
 - D. Hire only local workers
40. To secure confidential financial data that are transmitted online, businesses often use
- A. bots.
 - B. debuggers.
 - C. cross-platform technology.
 - D. encryption techniques.
41. The main difference between arbitration and mediation is that
- A. mediation involves a third party.
 - B. mediation applies to criminal cases.
 - C. arbitration is a nonbinding process.
 - D. arbitration involves a judgment.
42. Operating costs that are fixed until the business reaches a certain level of production and then become variable are known as _____ expenses.
- A. unfixed
 - B. fluctuating
 - C. semi-variable
 - D. capital

43. Rita knows she will get a bonus if she pushes for her company to go through with a merger, but she also knows that in the long term, this merger might threaten her job. If Rita supports the merger, she is likely motivated by
- A. sunk costs.
 - B. incrementalism.
 - C. short-term gratification.
 - D. overoptimism and overconfidence.
44. One activity associated with the directing function of management is
- A. interviewing applicants.
 - B. establishing goals.
 - C. instructing employees.
 - D. determining tasks.
45. The first step in the control process that management should follow to determine if the company is achieving planned annual sales and profits is to
- A. take corrective action.
 - B. set monthly or quarterly sales and profit goals.
 - C. monitor sales and profit performance.
 - D. determine causes of lagging sales or profits.
46. Why would a business's stockholders be interested in the business's accounting records?
- A. To find out whether the business plans changes
 - B. To know when to send in their next dividend
 - C. To know whether they have made a good investment
 - D. To find out what benefits employees receive
47. The final step of change management is to
- A. create a vision.
 - B. undo the change.
 - C. implement the change.
 - D. analyze results.
48. While a U.S. company conducts business in Chile, the value of the Chilean peso fluctuates and depreciates against the U.S. dollar. This is an example of which of the following types of risk:
- A. Foreign exchange
 - B. Security and fraud
 - C. Geopolitical
 - D. Competition
49. Which of the following tools can be used to reduce information redundancy, control access to information, and share and back up data:
- A. Database management systems
 - B. Financial accounting software
 - C. Social networking websites
 - D. Cloud-based storage applications

50. The production manager of a company that produces wrenches, hammers, and electric drills would most likely report to the
- A. operations assistant.
 - B. quality control line supervisor.
 - C. director of purchasing.
 - D. vice president of manufacturing.
51. Operations managers must work closely with managers and employees in
- A. the marketing department only.
 - B. all other parts of the business.
 - C. foreign markets.
 - D. competing businesses.
52. To help ensure that its records will survive a large scale disaster such as a flood or hurricane, the ABC Company should store its records
- A. in a remote location.
 - B. on desktop computers.
 - C. in a locked file room.
 - D. in digital formats
53. Department manager, small business manager, and regional manager are _____ positions.
- A. supply chain management
 - B. general management
 - C. business analytics
 - D. operations management
54. When the meeting leader asked the group participants if they had any suggestions for the new product catalog, Lily pulled out a list of notes that she had compiled and talked for the remaining 20 minutes of the hour-long meeting. In this situation, Lily
- A. followed parliamentary procedure.
 - B. monopolized the discussion.
 - C. expressed her opinions clearly.
 - D. provided positive feedback.
55. To provide transparency for investors and customers, entrepreneurs should
- A. separate their business and personal finances.
 - B. use personal money for business purposes.
 - C. open a joint bank account for all employees.
 - D. use business money for personal purposes.
56. A hotel wants to purchase computer software that would store, manage, and retrieve customer information in order to better serve customer needs and increase sales. What type of software should the hotel buy?
- A. Computer-aided design
 - B. Spreadsheet
 - C. Database
 - D. Word processing

57. Mark works in the research and development department of a large snack food company. It is his job to develop products that consumers will buy and make changes to already existing products to benefit the company. What marketing function is Mark fulfilling?
- A. Product/Service management
 - B. Marketing-information management
 - C. Pricing
 - D. Purchasing
58. Which of the following is a question that should be answered when developing the lessons learned document:
- A. Who are our stakeholders?
 - B. What are the risks?
 - C. What equipment should we use?
 - D. How can we improve?
59. A business is being sued and is afraid of the negative press coverage that the lawsuit will bring. What might the business choose to do to avoid negative press?
- A. Launch a new product
 - B. Offer a settlement
 - C. Hire stronger lawyers
 - D. File its own lawsuit
60. A primary purpose of preparing a work breakdown structure for a project is to
- A. set the project goals.
 - B. identify the project deliverables.
 - C. streamline the workload.
 - D. evaluate the quality of resources.
61. Ranga wants to save for retirement. Ideally, he would like a retirement plan that allows him to make tax-free withdrawals from his account during retirement. What retirement plan would be best for Ranga?
- A. 401(k) plan
 - B. Roth IRA
 - C. Traditional IRA
 - D. 403(b) plan
62. Filipe is a chef at a restaurant. When Filipe turns his ingredients into a complete meal, he's taking part in
- A. mass production.
 - B. resource transformation.
 - C. dispatching.
 - D. the conversion process.
63. Which of the following is a common characteristic of an inspired individual:
- A. Open to new experiences
 - B. Less satisfied with their life
 - C. More extrinsically motivated
 - D. High levels of self-doubt

64. When businesses in a particular industry carry risks that commercial insurance companies typically do not cover, they often form _____ to _____ risk.
- A. independent life insurance agencies; minimize
 - B. insurance brokerage firms; assume
 - C. captive insurance companies; transfer
 - D. insurance rating companies; avoid
65. Rather than doing them all himself, Sam asked a classmate to create a few of the slides for their group presentation. Sam recognized that he could not do everything himself and instead decided to
- A. prioritize.
 - B. overcommit.
 - C. divulge.
 - D. delegate.
66. A store's written policy concerning returns states that "Refunds will be issued when a receipt is presented; other returns will be given store credit." Mrs. Garcia, a regular customer, returns a product without a receipt, complains about the store's return policy, and is given a full refund even though she doesn't have a receipt. Another customer overhears the conversation and asks for a refund without a receipt, but the store denies that request. How would enforcing the return policy have a positive impact on the business?
- A. Reduce misunderstanding and ill will
 - B. Ensure fair treatment of employees
 - C. Guide customers' actions and protect their decisions
 - D. Eliminate consistent behavior
67. Before a business begins negotiating with a vendor, it carefully plans the specific points or terms that it is willing to give up that will benefit the vendor. What is the business planning?
- A. The vendor's purchasing power
 - B. Desired shipping terms
 - C. Targeted discount rates
 - D. Its concession strategy
68. Which of the following is an example of intangible inventory:
- A. The number of works-in-process in the company's warehouse
 - B. The amount of raw goods on hand according to the company's database
 - C. The total amount of finished goods currently waiting to be shipped
 - D. The quantity of finished goods currently in transit to distributors
69. A characteristic of a simple written report is that it usually is
- A. abstract.
 - B. detailed.
 - C. formal.
 - D. short.

70. Which of the following is a technique that companies can use to promote a work-life balance:
- A. Give all of the most stressful tasks to the most qualified person
 - B. Expect employees to reply to emails and phone calls promptly
 - C. Offer a generous amount of paid time off
 - D. Discourage telecommuting and working remotely
71. Economic activities can be impacted by _____ changes like droughts, floods, and blizzards.
- A. political
 - B. climatic
 - C. psychological
 - D. demographic
72. After developing a plan for an advertising campaign, a manager is ready to delegate responsibilities to specific employees. Which management function should the manager focus on?
- A. Controlling
 - B. Directing
 - C. Organizing
 - D. Planning
73. Harley is an excellent graphic designer, but she doesn't want to share her tips and tricks with her team members. She's afraid they'll become better designers than her. Harley's organization is being hindered by her
- A. data privacy.
 - B. transparency.
 - C. self-interest.
 - D. intentionality.
74. The usefulness of a product to consumers is referred to as product
- A. allocation.
 - B. scarcity.
 - C. consumption.
 - D. utility.
75. Assessing personal strengths and weaknesses is a(n) _____ process.
- A. onetime
 - B. competitive
 - C. ongoing
 - D. easy
76. The primary ethical conflict in operations is to find ethical ways to cut costs and
- A. keep employees safe.
 - B. maximize profits.
 - C. develop new products.
 - D. hire new employees.

77. The ONT Company is a very large firm that handles many types of projects. What type of project-management software program would be the best choice for ONT to use?
- A. Costing
 - B. Scheduling
 - C. Individual-level
 - D. Corporate-level
78. Kerry always obtains and saves receipts for her _____, which are a tax-deductible expense.
- A. charitable gifts
 - B. lunch with coworkers
 - C. rent payments
 - D. political contributions
79. Which of the following is an acceptable file name for a word-processing document:
- A. Office Calendar *3/30/2024*
 - B. Office Calendar: 3/30/2024
 - C. Office Calendar 3 30 2024
 - D. Office Calendar <3 30 2024>
80. When changing data, it is important to
- A. erase all previous data.
 - B. make changes quickly.
 - C. send a memo to all company employees.
 - D. make identical changes in all locations.
81. Your teacher gives you a take-home test, and you're not supposed to use your book to find the answers. You didn't study very much, and now you are tempted to open your book. You know you'd never get caught for cheating. This is a(n) _____ dilemma.
- A. social
 - B. ethical
 - C. legal
 - D. educational
82. Which process group includes analyzing and measuring project performance?
- A. Initiating
 - B. Executing
 - C. Closing
 - D. Monitoring and controlling
83. Reynolds Uniform Supplier agreed to sell 500 customized polo shirts to a fast-food restaurant chain at a price of \$10 each. After receiving the shirts, however, the fast-food restaurant was surprised to find that the order was missing 100 shirts—and that the supplier charged them \$12 per shirt instead of \$10. Reynolds Uniform Supplier most likely violated _____ law.
- A. tax
 - B. contract
 - C. sales
 - D. property

84. How does process thinking help organizations?
- A. Enables them to find out who to blame for issues
 - B. Assists them in separating work between departments
 - C. Helps them avoid documenting workflow
 - D. Lets them know why they succeeded or failed
85. One of the safest and most responsible ways to determine whether an expensive item you're interested in is worth the money is by
- A. contacting the company.
 - B. reading verified customer reviews.
 - C. searching for other advertisements.
 - D. buying the item to see for yourself.
86. What does an accurate income statement often help a business identify?
- A. Excessive income
 - B. Problem vendors
 - C. Trouble spots
 - D. Potential sales
87. Which of the following focuses primarily on preventing defective products from being created:
- A. Quality control
 - B. Quality inspection
 - C. Quality management
 - D. Quality assurance
88. How does the use of GPS tracking and chipping impact supply chain management?
- A. It hinders efficiency.
 - B. It complicates the process.
 - C. It helps with decision-making.
 - D. It increases spending.
89. You ask your teacher, "What did you mean when you said that promotion is an element of the marketing mix?" This is a _____ question.
- A. leading
 - B. hypothetical
 - C. clarifying
 - D. provocative
90. Which of the following is an activity that falls under supply chain management:
- A. Creating advertising campaigns
 - B. Building relationships with vendors
 - C. Hiring new employees
 - D. Managing investments

91. According to the Capability Maturity Model Integration (CMMI) model, the highest level of maturity that an organization can reach is
- A. optimizing.
 - B. initial.
 - C. managed.
 - D. defined.
92. Which of the following scenarios best represents a company trying to achieve aspirational quality with its products:
- A. It aims to meet stakeholder and sponsor expectations.
 - B. It aims to greatly exceed customer expectations.
 - C. It aims to meet standard levels so products can't be deemed failures.
 - D. It aims to do the bare minimum to meet standard levels.
93. Which of the following is a recipient-focused informational message:
- A. "Everything in the store is on sale during the store's 50th anniversary sale!"
 - B. "You'll save at least 50% on everything in the store during this incredible sale!"
 - C. "We're holding a once-in-a-lifetime sale to celebrate our 50th year of business!"
 - D. "Webber Fashions has been in business for 50 years, so we're celebrating!"
94. Human resources managers often walk a fine line between doing what is best for the organization and doing
- A. what their family members want them to do.
 - B. the action that requires the least amount of work.
 - C. what other employees or managers want them to do.
 - D. the least profitable thing for the organization.
95. Without ethical standards, risk management activities can sometimes occur
- A. illegally.
 - B. at the expense of other people.
 - C. too often.
 - D. without a strong leader in place.
96. Elaine, a buyer for a large retail chain, needs to order paper. She chooses Sheets Paper Company because Sheets has the best prices and can ship the order tomorrow. This is an example of a _____ order.
- A. standard
 - B. contract
 - C. blanket
 - D. planned
97. In which component of the project's statement of work (SOW) would the following message most likely appear: "Due to the limited amount of time allocated to complete the study, the survey sample size may need to be reduced."
- A. Deliverables
 - B. Purpose
 - C. Constraints
 - D. Benefits

98. One of the main external factors that may cause a firm to change its business processes is
- A. desire for growth.
 - B. competition.
 - C. high operating costs.
 - D. low employee morale.
99. Under which of the following circumstances is it appropriate for applicants to prepare interview follow-up letters:
- A. After they have submitted application forms
 - B. Before they agree to pre-employment testing
 - C. In order to send information with résumés
 - D. When they are no longer interested in the job
100. Chloe recently took over the family business so that her parents could retire. While reorganizing her dad's desk so that she could use it, Chloe found several compact discs (CDs). She'd like to find out what is stored on each disc, but she doesn't have a computer with a CD drive. She can't access the data on the discs because CDs have become
- A. destructive.
 - B. obsolete.
 - C. decentralized.
 - D. networked.

1. A

A supply chain network uses advanced technology to enhance information sharing. As technology continues to advance, significant changes have been made to the traditional supply chain model. These technological advancements allow for enhanced information sharing and real-time decision-making by supply chain managers within advanced supply chain networks (SCN). There is not any need for additional businesses to be involved in a SCN, except for the possibility of a third-party IT support company. However, the purpose of this third-party IT support company is not to allow for global distribution. SCNs involve a higher level of interdependence among supply chain members than do traditional supply chains. This higher level of interconnectivity has not impacted whether a retailer or manufacturer is in charge of managing a supply chain.

SOURCE: OP:479 Describe supply chain networks

SOURCE: Management Study Guide. (2020). *Supply chain network and technology*. Retrieved August 15, 2024, from <https://www.managementstudyguide.com/supply-chain-network.htm>

2. A

Current and future human resources needs. A workload analysis assesses an organization's human resources needs, both present and future. A workforce analysis assesses the human resources that are available to meet these needs. A workload analysis does not necessarily assess the number of hours each job task takes to complete or the number of staffing tasks each manager completes.

SOURCE: SM:065 Describe managerial considerations in staffing

SOURCE: LAP-SM-065—Dream Team Maker (Staffing)

3. A

Collaborative. A collaborative attitude involves a willingness to work together to achieve mutually beneficial goals. Collaboration requires honest, objective, and ongoing communication. When businesses are willing to work together, they are more likely to build positive long-term relationships. Creative, influential, and reflective (thoughtful) attitudes are helpful and can enhance collaboration, but having a collaborative attitude is the key to fostering successful, long-term relationships with vendors.

SOURCE: OP:241 Maintain vendor/supplier relationships

SOURCE: Wisner, J.D., Tan, K.T., & Leong, G.K. (2019). *Principles of supply chain management: A balanced approach* (5th ed.) [Lesson 3.3]. Boston, MA: Cengage Learning, Inc.

4. A

Better relationships with other countries. Engaging in free trade often leads to better relationships with other countries. Relationships with powerful countries can help protect economically developing countries from international threats. Free trade leads to more resources, new markets, and more job creation.

SOURCE: EC:116 Explain the impact of a country's economic development on world trade

SOURCE: Vitez, O. (2019, February 12). *The benefits of free trade for developing countries*. Retrieved August 15, 2024, from <http://smallbusiness.chron.com/benefits-trade-developing-countries-3834.html>

5. A

M.O.S.T. The business analysis technique M.O.S.T. stands for Mission, Objectives, Strategies, and Tactics. It helps business analysts better understand what an organization hopes to accomplish and any issues connected to these goals. P.E.S.T.L.E. (Political, Economic, Sociological, Technological, Legal, and Environmental) is a technique that analyzes factors affecting the company. The S.W.O.T. technique (Strengths, Weaknesses, Opportunities, and Threats) focuses on a company's strengths and weaknesses. The Six Thinking Hats technique encourages companies to consider different perspectives.

SOURCE: OP:327 Discuss the nature of business analysis

SOURCE: Martin, M. (2023, December 30). *What is business analysis? Process & techniques*. Retrieved August 15, 2024, from <https://www.guru99.com/business-analysis-process-techniques.html>

6. D

Financial and problem-solving. Entrepreneurs need to understand financial or money concepts and how the concepts relate to their businesses. This understanding helps business owners maintain and control business operations and other expenses. Control over expenses can increase the company's profitability. Problem-solving skills can help an entrepreneur protect company profitability by finding new ways or solutions to overcome obstacles, which may affect revenue. Passive is defined as dormant or not active. Skills are learned and practiced and, therefore, cannot be passive. Operations is a business function rather than a skill. Possession of domestic skills (e.g., cooking) does not generally protect a company's profitability. Technical skills are specialized applications used to accomplish business objectives. Language skills refer to the degree a person can communicate with others in a verbal or written manner. Team building refers to the manner in which a person interacts in a group of people to accomplish a goal. Although entrepreneurs can use technical, language, and team-building skills to increase or maintain corporate profitability, they must possess a fiscally responsible mindset.

SOURCE: PD:066 Explain career opportunities in entrepreneurship

SOURCE: LAP-PD-066—Own Your Own (Career Opportunities in Entrepreneurship)

7. A

Monitoring the work effort. Project managers must monitor team members' performance to make sure that they carry out project activities correctly and on a timely basis. The stakeholders' interests and needs are primary considerations when determining if the organization has the resources to carry out the project, which occurs during the initiation phase of the project. The type of project determines if the manager or team members need to interpret external data, so this is not a primary project management activity. Effective project managers understand how the work flows but do not carry out the team members' work tasks.

SOURCE: PJ:007 Manage project team

SOURCE: APM. (2024). *What is project management?* Retrieved August 15, 2024, from <https://www.apm.org.uk/resources/what-is-project-management>

8. D

Better answer customer questions. Gathering and managing knowledge from customers is one way that a business can create positive experiences for them. One reason why is because companies can use that knowledge to better answer customer questions. Knowledge management does not allow companies to spend less time on information management; both knowledge management and information management are important to companies. Knowledge management is not necessarily related to a company improving its technology. Finally, knowledge management might help a company boost its sales, but it will not necessarily increase sales revenue.

SOURCE: KM:001 Explain the nature of knowledge management

SOURCE: LAP-KM-001—Know Go (The Nature of Knowledge Management)

9. C

The critical chain method considers resource constraints; the critical path method does not. The critical path method is used to estimate the minimum project duration and determine the amount of scheduling flexibility. The critical chain method is similar, but allows the team to place buffers in the path to account for limited resources and project uncertainties. The critical path method does not include buffers, whereas the critical chain method does. The critical chain method considers these buffer durations instead of total float, which is the focus of the critical path method. Finally, the critical chain method accounts for uncertainty more than the critical path method.

SOURCE: PJ:010 Manage project schedule

SOURCE: APM. (2024). *What is project management?* Retrieved August 15, 2024, from <https://www.apm.org.uk/resources/what-is-project-management>

10. C

Constructive criticism. Constructive criticism is a type of negative feedback that points out mistakes or weaknesses for the purpose of helping a person improve a specific behavior. Constructive criticism is nonjudgmental, immediate, and nonthreatening. Positive feedback is praise or approval. Destructive criticism is a type of negative feedback that points out mistakes and includes a personal attack on the individual. Internal feedback is feedback that comes from within you.

SOURCE: EI:003 Explain the use of feedback for personal growth

SOURCE: LAP-EI-903—Grin and Bear It (Using Feedback for Personal Growth)

11. C

Relational database. A relational database contains various types of data that are organized in tables. By setting a query, the categories of information can be linked together in a variety of combinations to obtain the desired output. The categories might contain data such as the customers' names, addresses, phone numbers, order dates, payment dates, etc. For example, a business might want to know which customers have overdue accounts within a certain time frame, such as 60 days. By setting a query, the business can retrieve the data in a report, which it can use to follow up with the customers. The same database may also contain sales information. The sales manager can set a query to obtain the names of the customers who have ordered a certain dollar-volume range (e.g., \$5,000 - \$10,000) within a certain period (e.g., September 1, 2009 - December 31, 2009). The sales manager can use the data to prepare forecasts, analyze customer buying habits, etc. Newsletters, instruction manuals, and microfilm are not technological tools that a business can use to store, update, and access various types of information

SOURCE: KM:003 Explain the use of technology in knowledge management

SOURCE: IBM. (2024). *What is a relational database?* Retrieved August 15, 2024, from <https://www.ibm.com/topics/relational-databases>

12. A

Economic. Economic resources are the human and natural resources and capital goods used to produce goods and services. When a natural resource such as land is used to grow crops or to provide a location for factories or stores, it becomes an economic resource because it is helping produce goods and services. Capital, financial, and monetary refer to the money needed to run a business.

SOURCE: EC:003 Explain the concept of economic resources

SOURCE: LAP-EC-903—Be Resourceful (Economic Resources)

13. B

Tight deadlines. Prioritizing involves ranking things in the order of their relative importance. Individuals evaluate many factors when prioritizing their work, including the task's deadline and the time that it will take to complete the task. If an important report is due in one hour and it takes 30 minutes to prepare, the employee will need to complete the report before working on anything else. Tight deadlines may or may not involve interpersonal communication or the completion of routine activities or interactive tasks.

SOURCE: OP:228 Organize and prioritize work

SOURCE: Barnhart, B. (2023, December 5). *7 steps for prioritizing your workload*. Retrieved August 15, 2024, from <https://www.teamwork.com/blog/how-to-prioritize-tasks/>

14. C

To manage information overload. Information overload includes the problems created by the presence or availability of too much information, which can cause a person to feel overwhelmed or have difficulty making decisions. Knowledge management—the process of creating, identifying, collecting, organizing, sharing, and using knowledge and knowledge sources for the benefit of the organization or business—helps manage information overload. Knowledge management processes help businesses respond to increased specialization, rather than increasing specialization themselves, and they can support increased innovation. Knowledge management practices are not related to an affective culture (one that tends to readily show emotions).

SOURCE: KM:018 Apply knowledge management processes

SOURCE: Castle, A. (2019, July 15). *Managing information overload through knowledge management*. Retrieved August 15, 2024, from <https://teslagov.com/managing-information-overload-through-knowledge-management/>

15. D

Increased. As the country has grown and business has expanded, the role of government in business has grown as well. Government's role now includes not only passing laws that affect business but enforcing those laws. Other causes of government's increased involvement in the economy include changes in people's attitudes, concern for the environment, and increasing industrialization.

SOURCE: EC:008 Determine the relationship between government and business

SOURCE: LAP-EC-016—Regulate and Protect (Government and Business)

16. A

\$4,280,100. Free cash flow is the capital that a company has left at the end of a year after paying all of its expenses and making any necessary new capital expenditures. Investors often calculate a company's free cash flow to determine whether the company has funds to pay dividends to investors. The formula used to calculate free cash flow is $\text{Free Cash Flow} = \text{Cash Flow from Operations} - \text{Capital Expenditures}$. To determine the company's free cash flow, simply subtract the capital expenditures noted from the given cash flow from operations ($\$5,260,300 - \$980,200 = \$4,280,100$).

SOURCE: FI:541 Interpret cash-flow statements

SOURCE: Fernando, J. (2024, May 23). *Free cash flow (FCF)*. Retrieved August 15, 2024, from <https://www.investopedia.com/terms/f/freecashflow.asp>

17. A

Nondisclosure agreement. A nondisclosure agreement is a contract between an employer and an employee that states that the employee will not reveal the employer's trade secrets (e.g., formula, recipe, manufacturing technique) to future employers for whom the employee might work. The purpose of a nondisclosure agreement is to provide businesses with legal protection if a competitor attempts to use revealed information for financial gain or benefit. Nondisclosure provisions or agreements are often part of the noncompete agreement, which is a contract between an employer and an employee that states that the employee will not work for a competitor for a certain length of time after leaving the company. An indictment is a court-issued statement that formally charges an individual with a crime. An injunction is a court order forbidding a business or a person to perform certain activities.

SOURCE: KM:004 Explain legal considerations for knowledge management

SOURCE: Twin, A. (2024, July 12). *Non-disclosure agreement (NDA) explained, with pros & cons*. Retrieved August 15, 2024, from <https://www.investopedia.com/terms/n/nda.asp>

18. B

Difficulty getting along with others. The primary reason that people lose or leave their jobs is that they have difficulty getting along with others. More people are fired because they can't get along with their coworkers than for any other reason. Businesses usually let such people go because of the problems they cause within the business. Help is usually offered to employees who need a better understanding of their jobs or have poor job performance. Poor self-esteem is a personal problem that the individual must work to correct.

SOURCE: EI:037 Foster positive working relationships

SOURCE: LAP-EI-037—Can You Relate? (Fostering Positive Working Relationships)

19. C

Improved productivity and enhanced communication. An analytical report is a business document that uses data to display information leading to a specific conclusion. Businesses use analytical reports to make informed decisions, solve problems, or discover business opportunities. Analytical reports are important for several reasons, as they can lead to improved productivity, enhanced communication, increased collaboration, and improved adaptability (or flexibility). Decreased adaptability, greater independency, and damaged reputation are not results of the proper use of analytical reports.

SOURCE: CO:185 Write analytical reports (i.e., reports that examine a problem/issue and recommend an action)

SOURCE: Indeed. (2022, June 24). *How to create an analytical report (And why it's important)*. Retrieved August 15, 2024, from <https://www.indeed.com/career-advice/career-development/what-is-analytical-report>

20. D

Tell the truth in all situations. Being truthful is a basic requirement of behaving with honesty and integrity. Don't try to avoid questions, but give an honest, straightforward response. You should not report dishonest behavior unless you have seen it yourself and know that it actually happened. You can learn from conversations in which you participate, but you should not eavesdrop on the conversations of others.

SOURCE: EI:022 Demonstrate honesty and integrity

SOURCE: LAP-EI-138—Sincerely Yours (Demonstrating Honesty and Integrity)

21. A

Americans will buy fewer imports. A weak dollar in the United States is tied to low interest rates on loans. When the dollar is weak, foreign goods are more expensive, so Americans tend to buy American-made goods rather than imports. This stimulates the economy because high demand for American goods increases employment and wages.

SOURCE: EC:084 Explain the economic impact of interest-rate fluctuations

SOURCE: Gleim, S. (2022, July 27). *Why does the Fed change the interest rate?* Retrieved August 15, 2024, from <https://money.howstuffworks.com/fed-change-interest-rate.htm>

22. C

Tort. The concept of wrongful action is the basis of all torts. Tort law that applies to business involves the wrongful interference with the right of a business to operate. Therefore, business torts are wrongful actions against a business that cause it harm in some way. An example might be unfair competition. Criminal law addresses issues that involve wrongdoing against society, such as robbery and murder. Environmental law addresses issues that affect the environment and natural resources. Judiciary refers to the judicial branch of a government and the ways in which court systems are established.

SOURCE: BL:069 Identify the basic torts relating to business enterprises

SOURCE: Laws. (2020, September 12). *A brief overview of tort law*. Retrieved August 14, 2024, from <https://tort.laws.com/tort-law>

23. A

If a business's supply chain is poorly managed, customer satisfaction is likely to suffer. A business's supply chain has a large impact on the business's overall success. One of the ways poor supply chain management can negatively impact a business is through decreasing customer satisfaction. Companies that can't effectively distribute their products to consumers will likely lose many of their customers. Effective supply chain management, on the other hand, generally results in higher customer satisfaction, because products are distributed quickly and effectively. Supply chains with organizational problems tend to hurt a business's success, not boost it.

SOURCE: OP:477 Explain the impact of supply chains on business performance

SOURCE: LAP-OP-477—Chain Reaction (Impact of Supply Chains on Business Performance)

24. D

Encrypting the information. Encryption is the only method that makes data unreadable to unauthorized users. Installing antivirus software, creating strong passwords, and posting a security policy are all effective means to protect digital customer data, but only encryption makes the information completely unreadable to all unauthorized users.

SOURCE: OP:518 Comply with strategies to protect digital customer data (e.g., information about customers, customers' credit-card numbers, passwords, customer transactions)

SOURCE: American Family Insurance. (2024, June 17). *14 ways to protect customer data*. Retrieved August 15, 2024, from <https://www.amfam.com/resources/articles/your-business/ways-to-protect-customer-information>

25. A

Workplace safety. Governments develop regulations to ensure the safety of workers. Workers often operate dangerous equipment, so businesses must ensure that the equipment is maintained and safe to use to reduce the risk of injury. Some government regulations require that businesses have equipment inspected on a regular basis by a government agent or independent entity to ensure that the business is complying with safety regulations. Environmental laws regulate chemical emissions. Employment laws regulate discrimination in the workplace. Computer and cyberspace laws regulate technical security.

SOURCE: OP:339 Discuss legal considerations in operations

SOURCE: OSHA. (n.d.). *Employer responsibilities*. Retrieved August 15, 2024, from <https://www.osha.gov/workers/employer-responsibilities>

26. C

Honoring your promises. Honoring your promises is an example of an action that aligns with ethical principles. Bending the rules is not ethical behavior. Building relationships and imitating what others do are not necessarily ethical.

SOURCE: EI:132 Model ethical behavior

SOURCE: LAP-EI-132—Practice What You Preach (Modeling Ethical Behavior)

27. D

Reasons why your research findings are significant. A research report's conclusion is meant to summarize and reiterate the argument you have been trying to make throughout the report. The conclusion should be general in nature, not detailed, and emphasize why the reader should care about the report. Rather than introducing new information and background information in the conclusion, all information relevant to the research should be introduced in earlier sections.

SOURCE: CO:186 Write research reports

SOURCE: University of Wisconsin. (n.d.). *Writing a research paper*. Retrieved August 15, 2024, from <https://writing.wisc.edu/handbook/assignments/planresearchpaper/>

28. C

Planning. Planning is the management function of deciding what will be done and how it will be accomplished. Setting goals is the first step in planning. Organizing is setting up the way the business's work will be done. Staffing is finding workers for the business. Directing is providing guidance to workers and work projects.

SOURCE: SM:001 Explain the concept of management

SOURCE: LAP-SM-001—Manage This! (Concept of Management)

29. B

Involving everyone in the organization. Change management impacts entire organizations. Therefore, everyone needs to be involved in the process. Focusing on processes over people, using as few resources as possible, and ensuring changes do not impact competitiveness are not keys to successful change management.

SOURCE: SM:095 Explain the nature of change management

SOURCE: Candito, N. (2017, August 15). *The 4 dos of change management*. Retrieved August 15, 2024, from <https://www.forbes.com/sites/groupthink/2017/08/15/the-4-dos-of-change-management/2/#3a53e2456768>

30. C

Comparing and ordering concepts. Knowledge management involves leveraging the expertise, insight, and information of internal and external resources to help an organization achieve its goals. An important aspect of knowledge management involves capturing the expertise, insight, and information, so the business can use it in meaningful ways. A business can use many different tools to capture knowledge in an organization. Sorting techniques allow the business to compare all of the data and information that it has collected, categorize it, and place it in a meaningful order or sequence. This process allows the business to look at all of the knowledge that it has gathered in different ways. This often helps the business determine efficiencies and inefficiencies within the business. Sorting techniques often help a business determine if any of the information that it has collected is confidential or relevant. After sorting and analyzing the information, the business may decide to take corrective action by changing some of its objectives.

SOURCE: KM:005 Identify techniques that can be used to capture and transfer knowledge in an organization

SOURCE: Wills, B. (2024, July 29). *How to acquire and apply knowledge acquisition in your organization*. Retrieved August 15, 2024, from <https://www.proprofs.com/c/knowledge-management/acquire-apply-knowledge-acquisition-organization/>

31. B

Internal and external changes trigger new learning, leading to innovation. Both internal and external changes trigger the need for companies to learn and adapt to new situations and trends, resulting in innovation. The other alternatives incorrectly describe the relationship among innovation, learning, and change.

SOURCE: SM:094 Describe relationship among innovation, learning, and change

SOURCE: Innovation Management. (2024). *Managing change & innovation*. Retrieved August 15, 2024, from <http://www.innovation-management.org/managing-change-and-innovation.html>

32. B

Transition. An effective transition helps the speaker move from one topic to another in a way that makes sense to the audience. In the example, Rachel tells the audience that she is moving on to another topic by relating the background information to the research methodology. During the introduction of an oral presentation, the speaker greets the audience, captures its attention, and provides an overview of the topic at hand. The speaker summarizes the discussion, answers the audience's questions, and thanks the audience for its time during the conclusion of the presentation. Gestures are nonverbal cues that involve movement of arms and legs.

SOURCE: CO:025 Make oral presentations

SOURCE: LAP-CO-025—Well Said! (Making Oral Presentations)

33. D

Power. Power is the ability of an individual to influence the actions of other people. Charisma is an attractiveness to others, often through a charming personality. Authority is the formal or legal right to give orders and commands to others. Leadership is the action of taking charge of a group of people.

SOURCE: EI:135 Use power appropriately

SOURCE: LAP-EI-135—Power Play (Using Power Appropriately)

34. D

It helps employees advance in their careers. Employees who are customer-oriented often receive compliments from customers, positive performance evaluations, and raises and/or promotions. Efficiency levels and the level of competitiveness vary from person to person. Achieving the business's profit goals benefits the employer.

SOURCE: CR:004 Demonstrate a customer service mindset

SOURCE: Mind Tools. (2024). *Customer service mindset*. Retrieved August 15, 2024, from <https://www.mindtools.com/alns31s/customer-service-mindset>

35. D

The plaintiff files a complaint. The litigation process begins when the plaintiff files a complaint with the court. Then, the defendant must answer within a certain time period. The defendant does not file the complaint.

SOURCE: BL:160 Describe the litigation process

SOURCE: Morshedi, M. (2018, August 20). *The litigation process*. Retrieved August 15, 2024, from <https://subscriptlaw.com/the-litigation-process-2>

36. D

The organizational culture. Sometimes, the organizational culture within which project managers are working is the cause of unethical behavior. If top-level management encourages unethical behavior or demands unreasonable outputs, project managers might not see a problem with unethical actions. They might feel that they don't have a choice. Cameron's situation is an example of this. In this instance, Cameron is not tempted to act unethically because of his power and authority, the pressure to hit key deadlines, or his lack of ethical principles.

SOURCE: OP:675 Describe the role of ethics in project management

SOURCE: LAP-OP-675—Projects With Principles (Ethics in Project Management)

37. D

Stay organized. Taking a few minutes at the end of each day to check their work areas is one thing employees can do to stay organized. Employees should put things in order by putting away everything they can. It's better psychologically to start each workday in a work area that is reasonably well organized. Cleaning up their work areas will not help employees to complete accurate work, lead change, or cope with problems.

SOURCE: PD:009 Demonstrate systematic behavior

SOURCE: Barnhart, B. (2023, December 5). *7 steps for prioritizing your workload*. Retrieved August 15, 2024, from <https://www.teamwork.com/blog/how-to-prioritize-tasks/>

38. D

List all of the company's digital assets. One of the very first things Jorge should do is create a list of all of the company's digital assets. It is important to have a full and complete understanding of all of the company's assets, which can include its website, social media accounts, client lists, intellectual properties, etc. Having a complete list of the company's digital assets will allow Jorge to properly protect those assets. Registering for ownership of digital assets, purchasing a cyber insurance policy, and backing up all digital assets are important steps Jorge will follow after making a list of the company's digital assets.

SOURCE: OP:517 Comply with strategies for protecting business' digital assets (e.g., website, social media, email, etc.)

SOURCE: AuditBoard. (2021, June 9). *How to protect your digital assets in 2022*. Retrieved August 15, 2024, from <https://www.auditboard.com/blog/how-to-protect-your-digital-assets>

39. C

Work with experienced partners abroad. Working with a partner that has experience in a particular market can help companies learn about and mitigate the risks particular to that market. Hiring only local workers will not necessarily help manage risks; in fact, it could bring more risks due to different labor laws. Working within the same time zone might help eliminate some risks, but it will also limit the company's ability to expand into most markets. Finally, accepting lower quality levels will not manage risks; it can create more risk by making the company liable for defects.

SOURCE: OP:480 Discuss global supply chain issues

SOURCE: Blume. (2019, February 11). *What are the main supply chain challenges?* Retrieved August 15, 2024, from <https://www.blumeglobal.com/learning/supply-chain-challenges/>

40. D

Encryption techniques. Risk management is a business activity that involves implementing activities to limit business losses. One way that businesses control security risks is by using encryption to prevent unauthorized individuals (e.g., hackers) from obtaining confidential financial data. Encryption is the process of transforming information into a code so that only the recipient can read it. A bot is a program that scans the web looking for information changes. Cross-platform technology refers to computer applications that can run on different platforms, such as Windows and Macintosh. Debuggers are computer programs that help programmers identify flaws or "bugs" in a computer program.

SOURCE: RM:042 Describe the use of technology in risk management

SOURCE: Sheldon, R. (2024). *Encryption*. Retrieved August 15, 2024, from <https://www.techtarget.com/searchsecurity/definition/encryption>

41. D

Arbitration involves a judgment. Both arbitration and mediation are used either to avoid litigation or alongside it, employing a third party to try to negotiate. However, arbitrators pass down a decision about the evidence given. Mediators simply help guide discussion and resolve the conflict. Mediation does not only apply to criminal cases. Finally, arbitration can be a binding process that replaces a trial.

SOURCE: BL:161 Discuss the arbitration/mediation process

SOURCE: FindLaw. (2019, November 12). *Mediation vs. arbitration vs. litigation: What's the difference?* Retrieved August 15, 2024, from <https://adr.findlaw.com/mediation/mediation-vs-arbitration-vs-litigation-whats-the-difference.html>

42. C

Semi-variable. Operating costs that are fixed until the business reaches a certain level of production and then become variable are known as semi-variable, semi-fixed, or mixed expenses. Fluctuating expenses would describe fully variable expenses. Unfixed expenses is not a term used in business. Capital expenses are one-time purchases a business makes, such as land or equipment.

SOURCE: OP:024 Explain the nature of overhead/operating costs

SOURCE: LAP-OP-024—Watch Your (Over) Head (Overhead/Operating Costs)

43. C

Short-term gratification. Short-term gratification is the pursuit of instant satisfaction rather than delaying rewards for greater long-term benefit. Rita is motivated by short-term gratification because she is pursuing short-term rewards (a bonus) rather than making the decision that will benefit her more in the long run (keeping her job). Sunk costs are costs that have already been incurred and thus cannot be recovered. Overoptimism and overconfidence occur when people are overly sure of themselves. Incrementalism is the diminishing of ethical values over time.

SOURCE: FI:355 Discuss the role of ethics in finance

SOURCE: LAP-FI-355—Money Morals (The Role of Ethics in Finance)

44. C

Instructing employees. Directing is the management function of providing guidance to workers and work projects. When managers provide employees with guidance, they are often providing employees with instructions about performing tasks in a certain sequence or manner. Establishing goals is a planning activity. Determining tasks is an organizing activity. Interviewing applicants is a staffing activity.

SOURCE: SM:066 Discuss managerial considerations in directing

SOURCE: Management Study Guide (n.d.). *Directing function of management*. Retrieved August 15, 2024, from https://www.managementstudyguide.com/directing_function.htm

45. B

Set monthly or quarterly sales and profit goals. The first step is to set monthly or quarterly goals that will give management a yardstick by which to measure performance. The alternatives are the other steps in the control process that occur later. These steps cannot be carried out until the goals are set.

SOURCE: SM:004 Describe the nature of managerial control (control process, types of control, what is controlled)

SOURCE: LAP-SM-400—Measure Up! (Managerial Control)

46. C

To know whether they have made a good investment. Individuals who have invested their money in a business are its stockholders, and they are interested in the profits shown on the firm's accounting reports. This information tells them whether they have made a good investment or should change their investment to another company. Stockholders usually receive dividends from the business. Accounting reports do not show planned changes or employee benefits.

SOURCE: FI:085 Explain the concept of accounting

SOURCE: LAP-FI-085—Show Me the Money (Nature of Accounting)

47. D

Analyze results. An analysis of the change should be the final step in change management because this step is used to review the entire process comprehensively. Conducting an analysis or review of change can help businesses understand whether the change was a success, failure, or requires more time or study to reach a conclusion. Creating a vision and implementing the change are steps in the change-management life cycle, but neither are last in the process because both of the steps come before the result of the change, which then requires an analysis. Undoing the change is not a step in the change management process.

SOURCE: SM:096 Explain the change-management lifecycle

SOURCE: Miller, K. (2020, March 19). *5 critical steps in the change management process*. Retrieved August 15, 2024, from <https://online.hbs.edu/blog/post/change-management-process>

48. A

Foreign exchange. Foreign exchange risk occurs when an investment's value changes due to fluctuations in the currency exchange rate. Geopolitical risk occurs when a government suddenly changes its trade policies. Security and fraud risk involves issues like data breaches and identity theft. Competition risk refers to a business's competitors, which are not mentioned in this scenario.

SOURCE: RM:092 Describe international considerations affecting risk management

SOURCE: Beers, B. (2023, July 17). *Top risks for international businesses*. Retrieved August 15, 2024, from <https://www.investopedia.com/ask/answers/06/internationalfinancerisks.asp>

49. A

Database management systems. Database management systems allow users to create, retrieve, manage, and update databases. Some of the primary benefits of database management systems are the ability to reduce data redundancy, control access to information, and share and back up important data. Cloud-based storage applications are used to store information in a remote server accessed from the Internet. Social networking websites such as Facebook and X are internet-based communication tools that allow people to interact online. Financial accounting software assists users with various financial accounting activities.

SOURCE: NF:140 Explain the nature of tools that can be used to access information in the database system

SOURCE: Chapple, M. (2020, July 28). *What is a database management system (DBMS)?* Retrieved August 15, 2024, from <https://www.lifewire.com/database-management-system-1019609>

50. D

Vice president of manufacturing. The chain of command defines the level of authority in a business and specifies the individual who supervises particular employees. The advantage to having a chain of command is that it provides the business with structure and organization. Large companies often set up their chain of command by department. For example, the production manager of a tool manufacturing company would likely report to the vice president of manufacturing. The quality control line supervisor would most likely report to the production manager. The director of purchasing manages the business's purchasing department. An operations assistant provides administrative support for the operations function of the business and would most likely report to the operations manager.

SOURCE: PD:252 Follow chain of command

SOURCE: TruPath. (2022, June 3). *The manufacturing organizational structure for optimal output*. Retrieved August 15, 2024, from <https://trupathsearch.com/manufacturing-organizational-chart/>

51. B

All other parts of the business. Operations managers must work closely with managers and employees in all other parts of the business. This is because operations activities affect every other business function, including marketing, finance, and human resources. Depending on the business, operations managers may or may not work with managers or employees in foreign markets. Operations managers do not work with managers or employees in competing businesses.

SOURCE: OP:189 Explain the nature of operations

SOURCE: LAP-OP-189—Smooth Operations (Nature of Operations)

52. A

In a remote location. Storing records in a remote location far from the business can help protect information if a major disaster would strike. Storing records in a locked file room helps achieve security, but would be of little help if a tornado destroyed the building they were in. Records stored on desktop computers would not survive a disaster unless the records were regularly backed up to a remote location. Storing records in digital formats can enable the easy transmission of data to remote locations, but if the data were not stored remotely before tragedy struck, there would be little that could be done to recover them.

SOURCE: NF:001 Describe the nature of business records

SOURCE: LAP-NF-001—Record It (Business Records)

53. B

General management. Department manager, small business manager, and regional manager are general management positions. They are not supply chain management, business analytics, or operations management positions. General management professionals are responsible for planning, organizing, directing, and evaluating all or part of a business organization through the allocation and use of financial, human, and material resources.

SOURCE: PD:297 Discuss employment opportunities in business management and administration

SOURCE: LAP-PD-297—Career Opportunities in Business Management and Administration

54. B

Monopolized the discussion. When participating in a staff meeting, it is important to provide information or make suggestions when appropriate. When one person dominates the discussion, others do not have an opportunity to provide their input. Because Lily spoke for a long time during the meeting, she monopolized the discussion. There isn't enough information provided to determine if Lily provided positive feedback, followed parliamentary procedure, or expressed her opinions clearly.

SOURCE: CO:063 Participate in a staff meeting

SOURCE: Milano, S. (2022, June 17). *Six tips on how to participate in a meeting*. Retrieved August 15, 2024, from <https://work.chron.com/six-tips-participate-meeting-2014.html>

55. A

Separate their business and personal finances. The line between business life and personal life can often seem blurred for entrepreneurs, especially those who are in the initial planning stages. Money intended for business use may wind up being spent on rent, or vice versa. It may seem trivial if it's just a few hundred dollars, but it's important for entrepreneurs to separate their business and personal resources to ensure compliance with the law—and to provide transparency for investors and customers. Opening a joint bank account for employees, using personal money for business purposes, and using business money for personal purposes are not examples of providing transparency.

SOURCE: EN:044 Describe the use of business ethics in entrepreneurship

SOURCE: LAP-EN-044—Ethical Excellence (Ethics in Entrepreneurship)

56. C

Database. A database program allows the organized collection of information with pieces of information related to one another. This information can be used to maintain, analyze, and combine customer information. Spreadsheets, word-processing software, and computer-aided design do not perform the functions required by the hotel.

SOURCE: NF:009 Demonstrate basic database applications

SOURCE: Chapple, M. (2020, July 28). *What is a database management system (DBMS)?* Retrieved August 15, 2024, from <https://www.lifewire.com/database-management-system-1019609>

57. A

Product/Service management. The product/service management function involves obtaining, developing, maintaining, and improving a product or service mix in response to market opportunities. In this case, Mark is developing and improving products for the company to sell. The marketing-information management function involves the gathering, accessing, synthesizing, evaluating, and disseminating of information for use in making business decisions. Purchasing is a business activity rather than a marketing function. The pricing function involves determining and adjusting prices to maximize return and meet customers' perceptions of value.

SOURCE: MK:002 Describe marketing functions and related activities

SOURCE: LAP-MK-002—Work the Big Seven (Marketing Functions)

58. D

How can we improve? During the closing phase of the project, the project team develops the lessons-learned document, which summarizes the project's successes and failures. The document also includes suggestions for improvement for similar projects in the future, such as process changes or additional staff support. To include the suggestions for improvement, the project team needs to answer the question "How can we improve?" Questions regarding needed equipment, stakeholders, and risks are addressed during the initiation phase of the project.

SOURCE: PJ:008 Close project

SOURCE: Eby, K. (2021, May 6). *Guide to lessons learned in project management*. Retrieved August 15, 2024, from <https://www.smartsheet.com/content/lessons-learned>

59. B

Offer a settlement. A settlement is a way of resolving a legal dispute without going to court. Usually, the defendant offers money to the plaintiff in exchange for releasing the defendant's liability. Settlements are an attractive option if a business wants to maintain privacy and avoid negative press attention. Filing its own lawsuit, launching a new product, and hiring stronger lawyers won't necessarily help the business deal with negative press coverage.

SOURCE: BL:159 Describe factors affecting the settlement of legal matters

SOURCE: Cornell Law School (2024). *Settlement*. Retrieved August 15, 2024, from <https://www.law.cornell.edu/wex/settlement>

60. C

Streamline the workload. Work breakdown structure (WBS) is the process of dividing project tasks into meaningful components. Developing the WBS facilitates the project manager's ability to identify all of the necessary tasks to complete the project. The WBS helps the project manager effectively schedule, assign, streamline, and monitor complex project activities, so the project runs as smoothly as possible. Setting goals, identifying project deliverables, and evaluating the quality of resources are activities performed during the project initiation phase. Evaluating the quality of the resources may be performed during the close-out phase of the project, as well.

SOURCE: PJ:006 Prepare work breakdown structure (WBS)

SOURCE: Workbreakdownstructure.com. (2024). *Work breakdown structure (WBS)*. Retrieved August 15, 2024, from <http://www.workbreakdownstructure.com/>

61. B

Roth IRA. A Roth individual retirement account (IRA) is a non-tax-deferred retirement plan; contributions are made with after-tax income, but investors avoid capital gains taxes and owe no money at the time of withdrawal. If Ranga chooses a Roth IRA for his retirement plan, then he will be able to make tax-free withdrawals from his account during retirement. A 401(k) is an employee-sponsored, tax-deferred retirement plan. A 403(b) is a tax-deferred retirement plan available to employees of nonprofit organizations.

SOURCE: FI:569 Discuss the nature of retirement planning

SOURCE: Investopedia. (2024, March 15). *Roth IRA vs. traditional IRA: Which is better for you?* Retrieved August 15, 2024, from <https://www.investopedia.com/retirement/roth-vs-traditional-ira-which-is-right-for-you/>

62. D

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 Explain the concept of production

SOURCE: LAP-OP-017—Can You Make It? (Nature of Production)

63. A

Open to new experiences. People who are inspired are generally more open to new experiences than those who are not. Inspired individuals are more intrinsically motivated than extrinsically motivated and are often more satisfied with their lives and more self-confident than individuals that are not inspired.

SOURCE: EI:133 Inspire others

SOURCE: LAP-EI-133—A Force for Good (Inspiring Others)

64. C

Captive insurance companies; transfer. Organizations (i.e., corporations, industry/professional/trade associations) often form their own insurance companies, which are known as captive insurance companies. The founding organizations control their captive insurance companies' underwriting processes, premium rates, and claims-processing policies. This is an advantage to the founding companies because a primary reason they form their own insurance companies is they often carry risks that commercial insurance companies do not cover. For example, mining companies tend to carry more risk due to the dangerous nature of the mining process. When businesses purchase insurance, they are minimizing risks by transferring them to another entity; therefore, in these situations, businesses are not avoiding or assuming risks. Organizations do not form insurance rating companies, insurance brokerage firms, or independent life insurance agencies to transfer unusual types of risks.

SOURCE: RM:043 Discuss legal considerations affecting risk management

SOURCE: Wallace, O. (2024, February 21). *What is captive insurance?* Retrieved August 15, 2024, from <http://www.wisegeek.com/what-is-captive-insurance.htm>

65. D

Delegate. Delegating is the act of assigning your tasks and work to other people, usually subordinates. Delegating is important because one person cannot do everything alone. It is a great solution when you have overcommitted yourself or when you are struggling to meet deadlines. Overcommitting means committing to more than what is possible, necessary, or desirable. Prioritizing means determining the order for completion of activities based on their importance. To divulge means to reveal or make known to others.

SOURCE: EI:077 Manage commitments in a timely manner

SOURCE: LAP-EI-077—Commit to It! (Managing Commitments in a Timely Manner)

66. A

Reduce misunderstanding and ill will. Clear business policies that are consistently enforced reduce misunderstandings that often cause bad feelings. In this case, the second customer may resent being treated differently than Mrs. Garcia and decide to shop elsewhere. Business policies are used to guide employee actions, not customer actions. Business policies are intended to ensure that all customers are treated the same. Business policies are intended to provide fair and consistent treatment of customers.

SOURCE: CR:007 Interpret business policies to customers/clients

SOURCE: Leonard, K. (2018, August 20). *Importance of business policy*. Retrieved August 15, 2024, from <https://smallbusiness.chron.com/importance-business-policy-10199.html>

67. D

Its concession strategy. A concession is something that one party gives up during a negotiation. Effective negotiators plan the points that they are willing to concede before going to the negotiating table. By giving up or agreeing to something that is not important, the business uses its concession as leverage to get the vendor to agree to something that is important to the business. Some points that businesses negotiate with the vendor are the lead time for an order, discounts, and shipping terms. The business considers its purchasing power when planning its overall negotiating strategy.

SOURCE: OP:337 Negotiate terms with vendors in business

SOURCE: Lares, A. (2023, March 1). *Negotiation concessions*. Retrieved August 15, 2024, from <https://www.shapironegotiations.com/communication/negotiation-concessions-explained/>

68. B

The amount of raw goods on hand according to the company's database. Inventory can be categorized as either tangible or intangible. Tangible inventory refers to the actual goods currently available in the warehouse or on the shelves. Intangible inventory, however, refers to the amount of goods that are available according to whatever system a company uses to keep track of goods. Therefore, the only correct answer in this example is the amount of raw goods on hand *according to* the company's database.

SOURCE: OP:336 Discuss types of inventory

SOURCE: Wisner, J.D., Tan, K.T., & Leong, G.K. (2019). *Principles of supply chain management: A balanced approach* (5th ed.). Boston, MA: Cengage Learning, Inc.

69. D

Short. A characteristic of a simple written report is that it usually is short and to the point. The purpose of writing simple reports is to present basic information in an abbreviated form so that the recipients can read it quickly and use the information in their decision-making. Simple written reports are informal rather than formal. They should address the issue in simple terms rather than present abstract information. Simple written reports provide the basic points rather than detailed information.

SOURCE: CO:094 Prepare simple written reports

SOURCE: Indeed. (2024, July 30). *How to write a report in 7 steps*. Retrieved August 15, 2024, from <https://www.indeed.com/career-advice/career-development/how-to-write-a-report>

70. C

Offer a generous amount of paid time off. Paid time off is an important component of a work-life balance, which allows employees to split their time and energy between work and other important aspects of life. Expecting employees to reply to emails and phone calls promptly could interfere with work-life balance because employees might feel they cannot take a break from work. Giving all of the most stressful tasks to the most qualified person might make it difficult for that person to find a work-life balance. Finally, telecommuting and remote work can be a good way to promote a work-life balance.

SOURCE: PD:179 Balance personal and professional responsibilities

SOURCE: Heathfield, S. (2021, January 27). *The importance of achieving work-life balance—and how to do it*. Retrieved August 15, 2024, from <https://www.thebalance.com/work-life-balance-1918292>

71. B

Climatic. Climatic changes can impact economic activities, especially agriculture and construction. Droughts, floods, and blizzards can affect many economic activities. While economic activities can be impacted by political, demographic, and psychological changes, they are not necessarily related to droughts, floods, or blizzards.

SOURCE: EC:018 Determine the impact of business cycles on business activities

SOURCE: LAP-EC-918—Boom or Bust (Impact of Business Cycles)

72. C

Organizing. The organizing management function comes after the planning management function. Organizing involves delegating responsibilities to specific employees. Directing and controlling are other management functions.

SOURCE: SM:064 Explain managerial considerations in organizing

SOURCE: Indeed. (2023, July 31). *What are the 4 basic functions of management?* Retrieved August 15, 2024, from <https://www.indeed.com/career-advice/career-development/basic-functions-of-management>

73. C

Self-interest. While the benefits of sharing knowledge are undeniable, sometimes it can be tempting to keep personal knowledge to yourself. While these feelings are understandable, it is much more beneficial for the organization to have multiple people with graphic design skills. Sharing your knowledge will make a better overall product, and it demonstrates respect and integrity for others and the entire organization. Remember, another person's accomplishment or success does not diminish your own. This situation does not involve intentionality or data privacy. Transparency is maintaining open and truthful communications.

SOURCE: KM:002 Discuss the role of ethics in knowledge management

SOURCE: LAP-KM-002—Know What's Right (Ethics in Knowledge Management)

74. D

Utility. Utility is usefulness or the ability to satisfy consumer needs and wants. Scarcity is a condition resulting from the gap between unlimited wants for goods and services and limited resources. Allocation in economics is choosing needs that will be satisfied and the resources that will be used to satisfy those needs. Consumption is the process or activity of using goods and services.

SOURCE: EC:004 Determine economic utilities created by business activities

SOURCE: LAP-EC-904—Use It (Economic Utility)

75. C

Ongoing. Assessing personal strengths and weaknesses is an ongoing process. You should start your assessment early in your career, but you need to review your strong and weak points regularly. Keep the strengths that are valuable, improve your weaknesses, and notice how your assessments change as you mature. It is not a competition; rather, it is just about you. It can sometimes be difficult as well.

SOURCE: EI:002 Assess personal strengths and weaknesses

SOURCE: LAP-EI-902—Assess for Success (Assessing Personal Strengths and Weaknesses)

76. B

Maximize profits. The primary ethical conflict in operations is to find ethical ways to cut costs and maximize profits. Cutting costs usually does not involve hiring new employees or developing new products. Businesses want to keep employees safe, but this desire is not necessarily part of the primary ethical conflict.

SOURCE: OP:190 Discuss the role of ethics in operations

SOURCE: LAP-OP-190—Above Board (Ethics in Operations)

77. D

Corporate-level. Large businesses often have many projects occurring at the same time. In some situations, different projects need to access the same data. Corporate-level project-management software is a powerful tool because it provides the ability to track hundreds of tasks and several projects at one time. Corporate-level project-management software typically provides cost accounting, resource leveling, "what-if" analyses, charting, and reporting capabilities. Some corporate-level software programs allow businesses to select other software options to accommodate their specific needs. Single-project programs are used for individual (single) projects. Scheduling software has fewer options than corporate-level programs, and contains primarily scheduling, Gantt charts, and presentation capabilities. Costing is a software capability rather than a type of project-management software program.

SOURCE: NF:130 Utilize project-management software

SOURCE: Investopedia. (2024, April 26). *What is project management and what are the types?* Retrieved August 15, 2024, from <https://www.investopedia.com/terms/p/project-management.asp>

78. A

Charitable gifts. A deduction is a tax write-off that reduces the gross amount of an individual's income, which in turn reduces the taxes owed. Deductible expenses include donations to qualified charities. By claiming the charitable gift deduction, you can decrease your taxable income and lower your tax bill. To successfully claim the charitable contribution deduction, you need to donate cash or property, contribute to a qualified tax-exempt organization, and meet recordkeeping requirements. Political contributions, rent payments, and lunches with coworkers are not expenses that are tax deductible.

SOURCE: FI:069 Maintain financial records

SOURCE: Perez, W. (2022, December 1). *Tax deductions for charitable donations*. Retrieved August 15, 2024, from <https://www.thebalancemoney.com/tax-deduction-for-charity-donations-3192983>

79. C

Office Calendar 3 30 2021. Regardless of whether you use a PC or Mac computer, word-processing programs typically refuse to let you use certain symbols in your file names. Top on this list of prohibited characters are the following: \ / : * ? < > | . If you try to use any of those particular symbols in a file name, you'll get a message that your file name is invalid, and you'll have to choose a new name for the file. Of the list of file names provided, only "Office Calendar 3 30 2021" is acceptable because it is the only name without any prohibited symbols.

SOURCE: NF:007 Demonstrate basic word processing skills

SOURCE: Longwood Research Data Management. (2024). *File naming conventions*. Retrieved August 15, 2024, from <https://datamanagement.hms.harvard.edu/plan-design/file-naming-conventions>

80. D

Make identical changes in all locations. Because data can appear in different locations, it is important that any changes made in one location are also made in other relevant locations for consistency and accuracy. Erasing all previous data without documenting changes made might lead to confusion and inaccuracies. Not all company employees need to be aware of every data change you make, especially if that data contains sensitive information. Instead, it is recommended to submit change requests to an administrator for approval. While changes should be made in a time-conscious manner, making changes too quickly might lead to mistakes.

SOURCE: NF:264 Adhere to data change best practices

SOURCE: Sarfin, R.L. (2020, June 10). *Change data capture 101: What it is and why it matters*. Retrieved August 15, 2024, from <https://blog.syncsort.com/2019/06/big-data/change-data-capture-101/>

81. B

Ethical. Deciding whether or not to cheat is an ethical dilemma. The decision is guided by your own personal values and moral principles rather than the law. Although cheating can affect you socially and educationally, neither of these choices is the correct answer.

SOURCE: EI:021 Demonstrate responsible behavior

SOURCE: LAP-EI-021—Make the Honor Role (Acting Responsibly)

82. D

Monitoring and controlling. Monitoring and controlling includes the processes required to track, review, and orchestrate the progress and performance of the project. Analyzing and measuring project performance falls under these processes. Executing, initiating, and closing do not include analyzing and measuring performance.

SOURCE: PJ:009 Execute and control projects

SOURCE: APM. (2024). *What is project management?* Retrieved August 15, 2024, from <https://www.apm.org.uk/resources/what-is-project-management>

83. B

Contract. A contract is an agreement between two (or more) parties that can be legally enforced in a court of law. One example of a business contract is the agreement to buy or sell a certain product or service from another business. Reynolds Uniform Supplier most likely violated its business contract with the fast-food chain by not providing the correct number of shirts, as well as by charging more than the agreed-upon price. Sales law governs the transfer of ownership of property from one entity to another. Property law governs the various forms of ownership of property. Tax law deals with the regulatory rules associated with taxes.

SOURCE: BL:001 Describe legal issues affecting businesses

SOURCE: Legal Career Path. (2024). *What is contract law?* Retrieved August 14, 2024, from <http://legalcareerpath.com/what-is-contract-law/>

84. D

Lets them know why they succeeded or failed. Processes are sets of steps used to reach an outcome. Process thinking means keeping processes in mind throughout a project or business venture. Process thinking helps organizations know why they succeeded or failed because they can look back at and assess the process that was used, which is usually the cause of success or failure. Process thinking does not enable organizations to find out who to blame for issues, because it shifts the focus from people to processes. Process thinking encourages documentation, rather than helping organizations avoid it. Finally, process thinking encourages collaboration between departments, rather than keeping work separate.

SOURCE: OP:474 Discuss business process thinking and its impact

SOURCE: Pitagorsky, G. (2016, August 3). *The importance of process thinking*. Retrieved August 15, 2024, from <https://www.projecttimes.com/articles/the-importance-of-process-thinking/>

85. B

Reading verified customer reviews. Customer reviews can be an excellent tool for determining whether to purchase a product or not. Reviews are often much more realistic and honest than product advertisements, since they are from unbiased sources. It would be unwise to purchase a product without reading customer reviews. Reading reviews can save you from being dissatisfied with your purchase and can help you understand what to expect from a certain product or service. Contacting the company or viewing other ads will not necessarily help you determine whether information is reliable, since all information from a company is inherently biased.

SOURCE: FI:783 Make responsible financial decisions

SOURCE: Roy, T. (2017, May 14). *Importance of reading reviews*. Retrieved August 15, 2024, from <http://www.mappingdubois.org/importance-of-reading-reviews/>

86. C

Trouble spots. The information in an income statement is cumulative, which means that it covers a specific period of time, usually one year. A business needs to be able to see cumulative totals of income and expenses so it can identify where it is successful and where there might be trouble brewing. If a company detects that it is spending too much on expenses compared to the amount of net profit, it knows that the category of operating expenses is a trouble area that must be corrected. Businesses do not use income statements to identify potential sales or problem vendors. Most businesses probably do not think that income can ever be excessive.

SOURCE: FI:094 Describe the nature of income statements

SOURCE: LAP-FI-094—Watch Your Bottom Line (Income Statements)

87. D

Quality assurance. Quality control is a process that measures products against predetermined standards after the products have already been created. If a product is defective (doesn't meet standards), it can be weeded out and discarded or possibly repaired. Quality assurance, on the other hand, is an organization-wide system that businesses use to ensure that products meet quality standards. It includes quality control, but its scope is much bigger than just that. With quality control or inspection, defective products are identified only *after* they've been created. Quality assurance, however, seeks to prevent defective products from being created in the first place. Quality management is the ongoing process of planning, implementing, and integrating quality into every aspect of an organization. Quality improvement involves an organization's willingness to change and adapt for the purpose of maintaining quality.

SOURCE: QM:001 Explain the nature of quality management

SOURCE: LAP-QM-001—Keep It Quality (Nature of Quality Management)

88. C

It helps with decision-making. The use of GPS tracking and chipping in supply chain management helps with decision-making. With GPS tracking and chipping, supply chain managers are able to access the data of their fleets and see how efficient, costly, and accurate they are. By analyzing the timing of routes and how vehicles are driven, managers can make more informed decisions about spending and efficiency. Because it helps with (and improves) decision-making, GPS tracking and chipping improves efficiency and reduces spending. In addition, it can make the supply chain process less complicated thanks to the visualization GPS tracking and chipping provides.

SOURCE: OP:478 Describe the impact of technology on supply chain management

SOURCE: Sok, H. (2017, November 20). *Infographic: How is technology enhancing supply chain management?* Retrieved August 15, 2024, from <https://www.globaltrademag.com/infographic-technology-enhancing-supply-chain-management>

89. C

Clarifying. Clarifying questions are used to get more explanation or clarify a point. Leading questions are meant to make a person answer in a certain way. This is not a provocative or hypothetical question.

SOURCE: CO:058 Ask relevant questions

SOURCE: Birt, J. (2022, September 30). *15 types of questions*. Retrieved August 15, 2024, from <https://www.indeed.com/career-advice/career-development/types-of-questions>

90. B

Building relationships with vendors. Supply chain management is the process of getting products into the marketplace. One aspect of supply chain management is building relationships with vendors to ensure a smooth product flow from production to consumers. Creating advertising campaigns, managing investments, and hiring new employees are not aspects of supply chain management.

SOURCE: OP:303 Discuss the nature of supply chain management

SOURCE: Wisner, J.D., Tan, K.T., & Leong, G.K. (2019). *Principles of supply chain management: A balanced approach* (5th ed.) [Lesson 1.4a]. Boston, MA: Cengage Learning, Inc.

91. A

Optimizing. The Capability Maturity Model Integration (CMMI) model encompasses techniques used to assess an organization's processes, devise methods to improving those processes, and generally provide the organization with tools for increasing the quality and efficiency of that organization's operations. CMMI uses five maturity levels to indicate the productivity, efficiency, and quality of organizational processes and performance. The highest level of maturity that an organization can achieve is optimizing, which occurs when processes are stable, yet flexible enough to allow for innovation. Other maturity levels include initial (work is unpredictable, poorly controlled, and reactive); managed (projects are planned, completed, and controlled, but the overall organization is still relatively reactive); defined (organizations are more proactive and have standards used to guide projects, processes, and performance); and quantitatively managed (decisions regarding organizational processes are data driven and aligned to meet stakeholders' needs).

SOURCE: QM:002 Describe the nature of quality management frameworks (e.g., Six Sigma, ITIL, CMMI)

SOURCE: CMMI Institute. (2024). *Appraisals: CMMI levels of capability and performance*. Retrieved August 15, 2024, from <https://cmmiinstitute.com/learning/appraisals/levels>

92. B

It aims to greatly exceed customer expectations. Aspirational quality is the level of product quality that goes above and beyond expectations. Because the company is aiming to greatly exceed customer expectations, it is trying to achieve aspirational quality. A company aiming to meet stakeholder and sponsor expectations is trying to achieve appropriate quality—the level of product quality that is expected by sponsors and stakeholders. Companies aiming to do the bare minimum to meet standard levels, and aiming to meet standard levels so products can't be deemed failures, are trying to achieve acceptable quality—the minimum level of product quality a company can deliver to meet expectations and standard levels so it can't be deemed a failure.

SOURCE: QM:012 Discuss ethical considerations in quality management

SOURCE: LAP-QM-012—Quality Is the Best Policy (Ethics in Quality Management)

93. B

You'll save at least 50% on everything in the store during this incredible sale! Whenever possible, informational messages should focus on the recipient, not on the sender. Recipient-focused messages are more likely to attract the reader's attention and communicate information to the reader effectively. Recipient-focused messages typically start with the word “you,” such as “You'll save at least 50% on everything in the store during this incredible sale!” “We're holding a once-in-a-lifetime sale to celebrate our 50th year of business!” and “Webber Fashions has been in business for 50 years, so we're celebrating!” are both sender-focused. “Everything in the store is on sale during the store's 50th anniversary sale!” is neutral—neither recipient- nor sender-focused.

SOURCE: CO:039 Write informational messages

SOURCE: Braccialini, C. (2023, November 3). *Online advertising: All you need to know in 2024*. Retrieved August 14, 2024, from <https://blog.hubspot.com/marketing/online-advertising>

94. C

What other employees or managers want them to do. Human resources managers often walk a fine line between doing what is best for the organization and doing what fellow employees or upper management might want them to do. HR professionals do not typically walk a fine line between doing what is best for the organization and what their family members want them to do, the action that requires the least amount of work, or the least profitable thing for the organization.

SOURCE: HR:411 Explain the role of ethics in human resources management

SOURCE: LAP-HR-411—Moral Mediators (Ethics in Human Resources Management)

95. B

At the expense of other people. Risk management alone is not ethical enough. Risk management focuses on minimizing an organization's losses, and without ethical standards in place, this can sometimes occur at the expense of others. Organizations must make sure that risk is handled in an ethical way. A lack of ethical standards does not necessarily mean that risk management activities can occur too often, without a strong leader in place, or illegally.

SOURCE: RM:041 Explain the role of ethics in risk management

SOURCE: LAP-RM-041—Manage Risk the Right Way (Ethics in Risk Management)

96. A

Standard. A standard order is placed when a need arises. Elaine places a standard purchase order with Sheets Paper Company when she needs to do so. A blanket order involves planning several orders at once. There is no indication that a blanket order was used in this example. A planned purchase order is done in advance based on future needs, which is not Elaine's situation. A contract order is a formal version of a planned purchase order, involving a legal agreement. There is no indication that a contract order was used.

SOURCE: OP:250 Describe types of purchase orders

SOURCE: Chan, M. (2019, December 16). *Types of purchase order—The 4 kinds you need to know*. Retrieved August 15, 2024, from <https://www.unleashedsoftware.com/blog/managing-procurement-purchase-orders>

97. C

Constraints. The statement of work (SOW) is a document that outlines the terms, commitments, and conditions of the project. The SOW should outline any limits or restrictions (e.g., time, money, human resources) that might affect the execution of the project, which should be placed in the constraints component of the SOW. The purpose or reason for the project is outlined in the beginning of the SOW. The benefits are the project's advantages. Deliverables are the goods, services, or documentation that will be provided to the stakeholder upon completion of the project. The example does not describe the purpose, benefits, or deliverables of the project.

SOURCE: PJ:005 Initiate project

SOURCE: Donato, H. (2024, June 21). *What is a statement of work (SoW) in project management?* Retrieved August 15, 2024, from <https://project-management.com/how-to-write-the-project-statement-of-work-sow/>

98. B

Competition. Competition is one of the main external factors that may cause a firm to change its business processes. Although desire for growth, low employee morale, and high operating costs are reasons to change business processes, these are all internal factors.

SOURCE: OP:476 Explain the causes of business process changes

SOURCE: Gleeson, P. (2019, February 12). *Factors that may cause change in an organization*. Retrieved August 15, 2024, from <https://smallbusiness.chron.com/factors-may-cause-change-organization-203.html>

99. D

When they are no longer interested in the job. One of the reasons for sending follow-up letters is to be courteous and thank interviewers for their time. Applicants who have interviewed with a business should send follow-up letters even if they are no longer interested in the job, because that will help to build a positive relationship. At some point in the future, applicants may want to be considered for other positions with that company, and their courteous behavior in the past will be remembered. Follow-up letters are not submitted with application forms, sent with résumés, or before agreeing to pre-employment testing.

SOURCE: PD:029 Write a follow-up letter after job interviews

SOURCE: Herrity, J. (2024, May 31). *Follow-up email after an interview*. Retrieved August 15, 2024, from <https://www.indeed.com/career-advice/interviewing/follow-up-email-examples-after-interview>

100. B

Obsolete. Records can be either paper or digital. Paper records are stored in drawers, in cabinets, or on shelves. Digital records, on the other hand, are stored in computer-related media such as flash drives, networked storage servers, or discs. Unfortunately, some computer-related media, including CDs, have become obsolete, outmoded, and inaccessible; many business owners, such as Chloe, no longer own the older technology needed to access data stored in the obsolete media. CDs are not typically destructive, networked, or decentralized.

SOURCE: NF:081 Store information for future use

SOURCE: Fisher, T. (2023, July 21). *Do you need an optical disk drive*. Retrieved August 15, 2024, from <https://www.lifewire.com/what-is-an-optical-disc-drive-2618157>