**Finance**

**Q1. Which of the following is referred to as the Accounting Equation?**

Assets = Liabilities + Equity

**Q2. Which of the following make up the Finance Equation? (select all that apply)**

Revenues = Price x Volume

Costs = Fixed + Variable

Profit = Revenues – Costs

**Q3. Which of the following are referred to as the building blocks of accounting? (select all that apply)**

Assets

Debits

Credits

**Q4. Which of the following is NOT one of the four Financial Statements?**

Statement of Accounts

**Q5. Generally Accepted Accounting Principles or GAAP are:**

Accounting rules enforced by law

Accounting principles and guidelines

Enforced by law in some countries but not in others

The only way to be sure your books are correct

Q6. The balance sheet is the representation of what?

the accounting equation

company profits

shareholder’s equity

company’s cash flow

Q7. Consider this example. Soriyah is an entrepreneur who has just established her own company selling imported Persian rugs. She names her business Rugs of the World and invests $325,000 in the company in exchange for all of its newly issued shares.

Which of the following statements are true?

Assets and equity are both recorded as $325,000

Assets are recorded as $325,000

Equity is recorded as $325,000

Liabilities are recorded as $325,000

All of the statements are true

Q8. In one of the videos, the instructor says that “in Accounting you can have minus $1,000,000, but in Finance you can’t.” This statement explains what?

Accounting is theory but Finance is practice

Finance looks at financial performance whereas Accounting records the transactions

Balance sheets can be deceptive

Most income statements are only approximations

Q9. Which of these is a snapshot of a company’s finances at a particular point in time?

**Balance sheet**

**Income statement**

**Statement of shareholders’ equity**

**GAAP**

**Q1. What is most commonly used when large batches of nearly identical items are being produced?**

Process Costing

**Q2. What uses direct costs and ALL overhead costs?**

Full Costing

**Q3. To calculate break-even you need the following: (select all that apply)**

Fixed Costs

Variable Costs

Price Per Unit

Inflation rate

Cash flow

Q4. When a business is going well and running near capacity, full costing should be used and products should be priced at or below their full cost.

True

False

Q5. Understanding costing (and pricing) options allows us to better respond to the demands of our sector.

True

False

Q6. Which of these cost methods does the instructor suggest a pizza business might use, given the variability of the cost of cheese?

Standard costing

Job order costing

Direct costing

Unit costing

Q7. In this cost allocation method, the pizza business owner will include the cost of the ingredients of the pizza, but will not include things like rent and salaries.

Direct costing

Absorption costing

Full costing

Average costing

Q8. Todd owns a small factory that makes basketballs for professional teams. He likely uses what method for assigning costs?

Process costing, since his products are nearly identical

Standard costing, due to large variances in his production

Job order costing, since the number of basketballs produced varies from month to month

Q9. In calculating a break-even analysis, you must take into account what pieces of information? (Select all that apply)

Fixed costs

Variable costs

Discounted costs

Marginal costs

Opportunity costs

Q1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ratios help us understand a company’s ability to turn short-term assets into cash.

Liquidity

Asset Turnover

Profitability

Debt

Q2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ratios help us understand a company’s debt load as well as its mix of equity and debt.

Liquidity

Asset Turnover

Profitability

Debt

Q3. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ratios are a class of financial metrics that are used to assess a business’s ability to generate earnings.

Liquidity

Asset Turnover

Profitability

Debt

Q4. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ratios are a class of financial metrics that is used to measure the turnover of assets.

Liquidity

Asset Turnover

Profitability

Debt Ratios

Q5. According to the DuPont Pyramid, operating efficiency is:

measured by profit margin

measured by total asset turnover

measured by the equity multiplier

Q6. According to the DuPont Pyramid, asset use efficiency is:

measured by profit margin

measured by total asset turnover

measured by the equity multiplier

Q7. According to the DuPont Pyramid, financial leverage is:

measured by profit margin

measured by total asset turnover

measured by the equity multiplier

Q8. The Quick Ratio is known as the “acid test” of ratios because it’s a quick way of finding out whether a company has enough assets to cover its liabilities.

True

False

Q9. The Quick Ratio does not include a company’s inventory because companies can’t always convert their inventory into a liquid asset in order to pay their bills.

True

False

Q10. The earnings per share (EPS) ratio:

tells you how much the market is willing to pay for each dollar of profit in a company

tells you how much a company is leveraged

indicates a company’s profitability

tells you the profit per sales dollar

Q11. The price earnings (P/E) ratio:

tells you how much the market is willing to pay for each dollar of profit in a company

tells you how much a company is leveraged

indicates a company’s projected profitability

tells you the profit per sales dollar

Q1. Which is the simplest form of company valuation?

Market Valuation

Multiples Method

Discounted Cash Flow (DCF) Analysis

Comparison Method

Q2. To use the Market Valuation method, you need the company’s stock price and the number of:

Employees

Outstanding Shares

Issued Shares

Dividends Paid

Q3. Using a set of common metrics to valuate a company based on other companies in the same sector is better known as:

Market Valuation

Multiples Method

Discounted Cash Flow (DCF) Analysis

Comparison Method

Q4. The Discounted Cash Flow method uses a company’s free cash flows and a discount rate to calculate the:

Internal Rate of Return (IRR)

Net Present Value (NPV)

Cost of Goods Sold (GOGS)

DuPont Pyramid

Q5. The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is the yield of an investment expressed as a percentage.

Internal Rate of Return (IRR)

Net Present Value (NPV)

Cost of Goods Sold (GOGS)

DuPont Pyramid

Q6. The IRR of a venture is the rate of return at which the NPV = 0.

True

False

Q7. Valuation answers the “What is a company worth?”

True

False

Q8. Which of the three valuation methods discussed is driven by traders and can suffer from a “herd mentality”?

Market valuation

Multiples method

Discounted cash flow (DCF) analysis

Q9. Because the Multiples method of valuation compares companies that are in the same sector, you should choose 15 or 20 companies to examine.

True

False

Q10. The premise behind Net Present Value is:

Money today is worth more than money a year from now.

A company may shrink or expand in the future

What investors do today may not predict what they’ll do a year from now

Investors are fickle and may sell their stocks on a whim

**Management questions**

Q1. When you review a job listing, which section offers the most insight when deciding if the role is well-suited for you?

Job location

Job salary

Job benefits

Job description

Q2. Which of the following might be part of a job description for an entry-level project manager role?

Our North Coast branch needs a new Junior Project Manager who can channel drive and enthusiasm. You’ll be front and center, hands-on, and contributing your creative energy to high-impact projects.

Our business group is hiring an experienced project management professional who has a broad understanding of solutions and industry best practices.

Our company is seeking a Program Manager with experience managing a team in the Agile framework.

Our leadership team is currently looking for a Senior Project Manager to support our clients in the Life Sciences and Industrial sectors. Correct

The term “Junior” typically refers to a newer role that requires less project management experience.

Q3. Which of the following best exemplifies the progression of a project management career?

Project manager to program manager to portfolio manager

Project manager to portfolio manager to program manager

Program manager to project manager to portfolio manager

Q4. What three types of information can be helpful to include in your search for project management roles?

Skills you’ve acquired in your current or previous position

Essential project management skills like coordination, organization, and leadership

Training you may gain later in your project management career

Common project management-related buzzwords like “process improvement” and “risk management”

Q5. As someone seeking a project management role, you occasionally meet people in a professional setting to share knowledge and create new business connections. This is an example of what strategy to get a job?

Update resume

Get an internship

Attend local or online networking events

Join LinkedIn

Q6. What did researchers project in 2020 for job growth in the project management field?

Project management-aligned roles will need nearly 90 million people to fill positions by the year 2027.

Project management talent is in high demand in a few countries.

Project managers cannot succeed without a PM certification.

Project management talent is only in high demand in large American cities.

Q7. Fill in the blank: A/An \_\_\_\_\_ allows you to work for a company on a project-by-project basis but not as a full-time employee.

mentor

salary

contract

internship

Q8. Throughout a project, project managers have to keep project expenses within an expected range. What is this project management responsibility called?

Budgeting and controlling costs

Planning and organizing

Managing tasks

Networking

Q9. Which of the following is a way to define a project? Select all that apply.

A series of tasks that need to be completed to reach a desired outcome

An endeavor with unlimited deliverables from stakeholders

An ongoing process with no defined end date

A unique, temporary pursuit that has a defined beginning and end

Q10. Project managers need to meet each project’s requirements and achieve the desired outcome. To do this, should project managers use the same tools, techniques, and methodologies every day on their projects?

Yes. Project managers should use the same tools, techniques, and methodologies every day—this consistency is key to achieving an optimal outcome.

No. Project managers should use varying tools, techniques, and methodologies throughout a project—this is key to supporting and adapting to a project team.

Maybe. Project managers should adopt whatever tools, techniques, and methodologies that a specific company prefers—this keeps senior management happy.

Q11. Which of the following explains how a project manager best accomplishes their responsibilities? Select all that apply.

Knows what the project team needs to accomplish and when

Establishes the budget after the project begins

Communicates key project milestones to stay on task

Assigns project tasks to the appropriately-skilled stakeholders

Helps the team get what they need to keep the project going

Q12. Fill in the blank: A project is a temporary pursuit, and usually includes a set of \_\_\_\_\_.

strategic risks

team members

rules for accountability

unique deliverables

Q13. Fill in the blank: It’s likely that you have used project management skills in the past, and these skills are \_\_\_\_\_ in professional project management.

transferable

uncommon

inapplicable

impracticable

Q14. As someone moving to a new location, you have several tasks. You have to plan for the various expenses like boxes and movers. You also have to clearly label the boxes, and manage all of the tasks leading up to and during the move. Which project management skills does the move require? Select all that apply.

Budget preparation and monitoring

Organizational management

Strong planning and communication skills

Deep technical experience

Q15. Fill in the blank: \_\_\_\_\_ is how a project manager makes use of productivity tools and creates processes. The project manager may need to use certain tools and processes to do tasks like create a schedule and share information.

Budgeting and controlling costs

Planning and organizing

Managing tasks

Removing unforeseen barriers

Q16. Fill in the blank: \_\_\_\_\_ is how a project manager keeps track of the team’s workload, ensures that things are getting done within a set period of time, and demonstrates progress to people outside the immediate team, like stakeholders.

Managing tasks

Planning and organizing

Removing unforeseen barriers

Budgeting and controlling costs

Q17. Fill in the blank: \_\_\_\_\_ is how a project manager oversees the financial components of a project and mitigates project issues and risks as they come up.

Managing tasks

Budgeting and controlling costs

Removing unforeseen barriers

Planning and organizing

Q18. Fill in the blank: A cross-functional project team is a team that has \_\_\_\_\_.

diverse skill sets and works toward individual goals

similar skill sets and works toward a common goal

diverse skill sets and works toward a common goal

similar skill sets and works toward individual goals

Q1. Which of the following is true of project managers’ experience? Select all that apply.

They need to be an expert in the project’s field

They need to be familiar with project management tools

They need to know every single detail about the project at all times

They need to know how to manage a budget

They need to have a lot of technical knowledge about the project

They need to have a lot of experience within the organization running the project

Q2. Which skill should a project manager use when dealing with change and ambiguity?1 point

Flexibility

Effective organizational skills

Enabling decision-making

Escalating risks

Q3. Using tools such as a digital calendar and a spreadsheet to track team tasks is evidence of what project management skill?

Enabling decision-making

Flexibility

Communicating and escalating

Effective organizational skills

Q4. Which of the following flexible planning strategies can help a project manager during times of unpredictability? Select all that apply.

Rely on the knowledge of key stakeholders rather than trusting the expertise of team members.

Calculate float in the schedule.

Plan for risks and challenges.

Assess external constraints.

Q1. Suppose that as a project manager, you assign tasks to the team members who can best complete them. What project management value does this represent?

Prioritization

Effective communication

Delegation

Optimism

Q2. As a project manager, you direct the activities your team needs to accomplish within a set period of time. You also control the team’s workload to ensure the activities are getting done on time. Which project management responsibility does this represent?

Managing the budget

Managing tasks

Removing unforeseen barriers

Utilizing productivity tools

Q3. As a project manager on a product team, your stakeholders ask you to help the marketing team come up with a strategy to attract customers. What project management responsibility does this represent?

Ensure that issues and risks are tracked and visible.

Hold all team members accountable for their assigned tasks.

Help teammates adopt the right workflows and project management styles.

Collaborate with other teams at the organization.

Q4. What is an example of measuring progress for a cross-functional team?

Setting up effective tools so the team can easily work together

Defining key items and encouraging team members to ask s

Learning what makes team members feel supported and giving positive feedback

Recording milestones and documenting when tasks are completed

Q5. You’re a project manager on a team that is improving a product. When inspecting the project, you discover a defect. What action can you take that will simultaneously communicate and escalate the newly-found problem?

Track daily product improvement tasks of team members in a spreadsheet.

Ask team members about how customers interact with the product.

Implement more functional tools so the issue doesn’t occur again.

Have a meeting with stakeholders to make them aware of product problems.

Q6. As a project manager, you learn that the stakeholders are changing the nature of the project and the team’s deliverables will change as a result. You aren’t sure how this will affect the team’s tasks. How will you handle this ambiguity and deliver the news to the team?

Tell them the vague updates from stakeholders so they know all the information that you do

Tell them there’s nothing you can do because the stakeholders fund the project

Tell them you care about the challenges they are facing and are there to support them

Tell them you’re upset with the changes and you didn’t make the decision

Q7. Suppose you have two teammates who disagree on the best way to complete a task. Which interpersonal skill can you use to help them resolve their disagreement?

Conflict mediation

Positive attitude

Understanding motivations

Negotiation

Q8. As a project manager impacting an organization, you want to break down barriers to help your team succeed. Which of the following would a project manager do to break down barriers?

Encourage stakeholders to provide feedback on new product features.

Write clear goals for the project in the project’s documentation.

Provide support for the team as they try new approaches to find solutions.

Keep the project within the budget approved by leadership.

Q9. Fill in the blank: In project management, a \_\_\_\_\_ is a person or an organization that defines the project requirements. They also may set important guidelines, such as the budget and deadlines.

customer

teammate

competitor

vendor

Q10. Which of the following are examples of how a project manager empowers their team? Select all that apply.

Delegates project responsibilities

Uses team members’ input in project planning and execution

Asks team members to get approval before communicating directly with stakeholders

Allows team members to make some decisions for the project

Q11. To be an effective project manager, what important actions/steps should you take?

Limit communication between team members so they can complete their work

Confirm team members handle the documentation and organization necessary to finish the project

Gain mastery over every detail of a project at all times

Ensure team members understand the team’s objectives and their individual tasks

**Q1. What are some potential consequences of rushing through the initiation phase of a project? Select all that apply.**

Impact to quality

Impact to the budget

Impact to the timeline

**Q2. Imagine that a project manager has just begun working on a project for a trucking logistics company. The customer wants to see a proposal as soon as possible, but it is taking the project manager longer than expected because he needs more input from stakeholders and the project team. What should the project manager do to turn the project into a success?**

Ask the customer for more time to consult with stakeholders and the project team to deliver an accurate cost and timeline proposal.

**Q3. What are the main phases of the project life cycle? Select all that apply.**

Initiate the project

Make a plan

Execute and complete tasks

Close the project

**Q4. What are three benefits of closing a project?**

Celebrate the team’s success

Evaluate what worked and what didn’t work

Share the team’s accomplishments with people outside the team

**Q1. What is the project manager’s primary job in phase three (execute and complete tasks) of the project life cycle?**

Monitor the project team as they complete tasks and break down any barriers

**Q2. Phase two of the project life cycle (make a plan) includes which two of the following tasks?**

Identify milestones and tasks

Set the project schedule

**Q3. During which phase of the project life cycle does a project manager hand off all remaining deliverables?**

Close the project

**Q4. Imagine a project manager oversees their company’s transition to a new financial management system. They determine that the project goal is to make the financial portal easier for employees to use. They also identify key stakeholders and outline project objectives. During which phase of the project life cycle do these activities take place?**

Initiate the project

**Q1. Which term refers to the process of initiating a project, making a plan, executing and completing tasks, and closing a project?**

Project life cycle

**Q2. Why is it important to initiate a project (phase one) before making a plan (phase two)?**

Because understanding scope, cost, and timeline is crucial to creating a budget, setting a schedule, and determining roles and responsibilities

**Q3. Choose the best definition for a project management methodology.**

A project management methodology is a set of guiding principles and processes for owning a project through its life cycle.

**Q4. Which answer best describes the Waterfall project management methodology?**

Created in the seventies, the Waterfall methodology refers to the sequential ordering of phases, including initiating, planning, executing, and closing.

**Q5. As a project manager, your team is launching a new product. Each step to launch the product includes clearly defined tasks. A task won’t begin until another task ends. Also, once the project starts, any changes to the product will be expensive. Which project management methodology is best for this project?**

Waterfall methodology

**Q6. The Lean Six Sigma approach includes which of the following phases?**

Define, measure, analyze, improve, control

**Q7. Which of the following are project manager responsibilities during the planning phase? Select all that apply.**

Establish the team

Set the schedule

Create a budget

**Q8. When closing a project, in what meeting does the team reflect on what went well and didn’t go well in the project?**

Retrospective

**Q9. In which project phase does it help to ask s such as: “Who are the stakeholders?”, “What skills and resources will the project require?”, and “What are the client’s or customer’s goals?”**

Close the project

**Q10. Which project management approach is an Agile framework that delivers products through an iterative process?**

Lean

**Q1. Which of the following scenarios best describes a Classic structure?**

Imagine you are managing an important project at a company that requires all orders to go through its shipping department. However, your project is on a tight schedule, and the shipping department has a backlog of orders. You decide to meet with your direct manager to ask for approval to place the order through a third-party vendor. Ultimately, your direct manager has to meet with a vice president to get final approval.

**Q2. Why is it important for a project manager in a Matrix organization to clearly define roles and responsibilities? Select all that apply.**

Because project managers can have the same level of authority as functional managers

Because employees may report to more than one person and have multiple responsibilities across teams

**Q3. What are some ways that organizational structure can impact the role of a project manager? Select all that apply.**

Their level of authority

Their approach to getting approvals

Their access to resources

**Q4. What are some key functions of a Project Management Office (PMO)? Select all that apply.**

Creating project documentation, archives, and tools

Strategic planning and governance

Implementing project management best practices

**Q1. Fill in the blank. Organizational culture refers to a company’s \_\_\_\_\_.**

values and personality

**Q2. A project manager can learn about an organization’s culture in which of the following ways? Select all that apply.**

Ask management questions to better understand what they expect.

Ask employees about workplace rituals and traditions.

Observe employees within the organization.

**Q3. What are three reasons that it is important for project managers to understand a company’s organizational culture?**

It can affect many aspects of their projects.

It can help them determine if they want to accept a position with the company.

It can help them avoid bumps in the road when their projects disrupt the status quo.

**Q4. Imagine you are interviewing for a project manager role at a local start-up. You are very interested in the work the organization is doing, but you want to find out more about their culture to make sure the position is a good fit. How could you find out more about the organization’s culture? Select all that apply.**

You could ask current employees about their experiences at the company.

You could ask your interviewer questions about the organization’s atmosphere, policies, processes, and stories.

You could ask the HR department about the proposed salary for the role.

**Q1. What are three core concepts of the change management process?**

Create a sense of ownership and urgency around the project.

Select the right combination of skills and personalities for the team.

Communicate effectively.

**Q2. Which of the following project outcomes will most likely require change management in the organization? Select all that apply.**

Adopting a new supply ordering system

Installing new scheduling software on employees’ computers

**Q3. Which three best practices can help a project manager approach change management on their projects?**

Use tools to help implement a change.

Practice empathy.

Communicate about upcoming changes.

**Q4. How does an organization align its project governance with its corporate governance? Select all that apply.**

By providing stakeholders with timely, relevant, and reliable information

By considering the long-term and short-term interests of the organization

By making thoughtful decisions about which projects to take on and avoiding projects if they don’t have sufficient resources

**Q1. Which of the following refers to how a company arranges its employee hierarchy, divides and coordinates job tasks, and enables members of the organization to relate to one another?**

Organizational structure

**Q2. Which answer best describes a Matrix organizational structure?**

It involves reporting to stakeholders across teams in addition to direct managers.

**Q3. As a project manager, you believe limited access to the necessary people and equipment could cause the project to go past deadline. Which organizational topic could you discuss with your key stakeholder to get the project back on track?**

Resource availability

**Q4. Which of the following concepts are part of organizational culture? Select all that apply.**

A company’s mission

A company’s shared values

**Q5. Which s can help project managers learn about a company’s organizational culture? Select all that apply.ч**

How do employees prefer to communicate?

Which style of project management does the company use?

**Q6. As a project manager, your team created a more efficient reporting dashboard. Now, you’re trying to get the organization to accept and adopt the new dashboard. What organizational process does this situation represent?**

Change management

**Q7. What questions can project managers ask themselves in order to help manage change effectively? Select all that apply.**

How will the organization react to change?

What are the best means of communication to convey the change?

**Q8. Fill in the blank: A project manager becomes a \_\_\_\_\_ at a company—someone who helps an organization transform by focusing on organizational effectiveness**.

change agent

**Q9. As a project manager, you want to integrate change management into your project. To prepare for the adoption of your recommended changes and to gather information, you incorporate surveys, flowcharts, and culture mapping. These actions represent which change management best practice?**

Use tools

**Q10. What action should a project manager take to ensure effective project governance?**

Elicit the input of senior stakeholders since they are decision makers.