



Competency-Based
Competitive Events
Written Exam

2023 HS ICDC
Booklet Number _____

Business Administration Core Exam

PBM - Principles of Business Management and Administration Event
PFN - Principles of Finance Event
PHT - Principles of Hospitality and Tourism Event
PMK - Principles of Marketing Event

INSTRUCTIONS: This is a timed, comprehensive exam for the occupational area identified above. Do not open this booklet until instructed to do so by the testing monitor. You will have _____ minutes to complete all questions.

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1. Which of the following statements best characterizes a binding contract:
 - A. All parties involved intend to make an unenforceable agreement.
 - B. An offer has been made by one party and rejected by another.
 - C. Cash or goods have been exchanged for something of value.
 - D. The promise made cannot be enforced by a court of law.

2. Which of the following statements about a sole proprietorship is true:
 - A. It typically employs more than 100 people.
 - B. It shares profits and losses among partners.
 - C. It functions independently of its owners.
 - D. It experiences unlimited liability.

3. Which of the following are the four elements of tort law?
 - A. Duty, breach of duty, negligence, injury
 - B. Injury, intentional torts, duty, breach of duty
 - C. Injury, strict liability, product liability, duty
 - D. Duty, breach of duty, causation, injury

4. In response to public outcry, a government recently passed sweeping legislation meant to reform their nation's education system. This is an example of how the law
 - A. enacts social change.
 - B. resolves disputes.
 - C. ensures equality.
 - D. maintains order.

5. Which of the following is a closed-ended question:
 - A. "Where are you headed for vacation?"
 - B. "How are you feeling today?"
 - C. "Why were you late yesterday?"
 - D. "Did you finish those reports?"

6. Cleo has to prepare a sales presentation for a group of potential clients about the benefits of purchasing her company's products and services. What should be the main purpose of her presentation?
 - A. To entertain
 - B. To inspire
 - C. To persuade
 - D. To inform

7. Dion wants to participate more in his club's group discussions. What can he do to improve his group discussion skills?
 - A. Wait for others to initiate the conversation
 - B. Interrupt other members if he disagrees with them
 - C. Prepare for the discussion ahead of time
 - D. Start an argument with another member

8. Which of the following statements best describes a policy:
- A. It typically follows a step-by-step process.
 - B. It sets direction and influences decision-making.
 - C. It is continuously changing and improving.
 - D. It offers a detailed description of activities.
9. Which of the following is a disadvantage of solving problems in a group:
- A. Increased risk taking
 - B. Conformity
 - C. Greater output
 - D. Reduced bias
10. In which instance should a pie chart be used?
- A. To track changes over a period of time
 - B. To compare absolute values or proportions
 - C. To compare the parts of a whole
 - D. To display information in rows and columns
11. What is one way in which a discussion leader can facilitate a strong group conversation?
- A. Force participation from quiet group members
 - B. Encourage conflict among group members
 - C. Control the conversation rather than guide it
 - D. Focus on questions rather than answers
12. How can digital communications expose a business to risk?
- A. A larger bandwidth is required.
 - B. More power is consumed and needed.
 - C. Unsecure encryption can lead to potential hacks.
 - D. Increased confusion from employees
13. Which of the following statements about writing to a target audience is true:
- A. The language and style should always be formal.
 - B. Knowing your audience helps determine your "voice."
 - C. There's no need to focus on the secondary audience.
 - D. Avoid using graphs, charts, or illustrations.
14. When an organization uses data visualization techniques properly, they can
- A. lower engagement from employees.
 - B. make data less accessible.
 - C. increase time spent analyzing data.
 - D. simplify complex information.

15. Which of the following is an example of using social media for personal purposes:
- A. A small business owner posts a vacation picture on their Instagram.
 - B. An independent contractor posts their work on their LinkedIn.
 - C. An ice cream parlor posts a picture of customers on its Facebook.
 - D. A retail store posts about several upcoming deals on its Twitter.
16. Julio, a guest services employee at a concert venue, was approached by a customer complaining about the service they received. Although he wasn't exactly sure how to handle the customer's problem, Julio listened attentively as the customer spoke and thanked them for bringing the problem to his attention. When following the general steps employees can take to handle customer complaints appropriately, what should Julio do next?
- A. Promptly investigate the problem by talking to his manager
 - B. Promptly investigate the problem by checking the company policy
 - C. Restate the complaint in his own words to show an understanding
 - D. Explain the plan of action to the customer and take action
17. Allowing customers to voluntarily provide their own information in customer relationship management programs is beneficial in which of the following ways:
- A. It enables customers to feel that the business is in control of their information.
 - B. It enables customers to offer suggestions for new services.
 - C. It enables the sales department to prioritize sales leads.
 - D. It enables the marketing department to tailor ads to those customers.
18. When customer information is sold to a third party that sends numerous unsolicited emails, a business has contributed to
- A. data breach.
 - B. identity theft.
 - C. spam.
 - D. cookies.
19. Which of the following is a way a business can build and maintain relationships with its customers:
- A. Avoid seeking their feedback
 - B. Aim to maintain their expectations
 - C. Reward their loyalty with special offers
 - D. Handle each complaint the same way
20. When Musico Streaming Service raised its monthly fee to \$15 a month, Jess decided that she couldn't afford it anymore and stopped her subscription. This is an example of
- A. equilibrium price.
 - B. elastic demand.
 - C. inelastic demand.
 - D. substitute products.

21. About 50,000 fans are interested in attending a football game at a stadium that seats 70,000. According to the rationing function of relative prices, what would happen to the price of admission in this scenario?
- A. Prices would increase in an effort to sell all 70,000 tickets.
 - B. Prices would increase to ration out some of the interested fans.
 - C. Prices would not change to ration out some of the interested fans.
 - D. Prices would decrease in an effort to sell all 70,000 tickets.
22. Which of the following is an example of a cost-of-goods expense a business may pay:
- A. Wages for its employees
 - B. Raw materials for its products
 - C. Electricity for its building
 - D. Rent for its land/property
23. Lachlan needs to arrive at a conference by Tuesday evening. If Lachlan flies out Tuesday morning, he'll save money on hotel costs. However, there is a risk that his flight will be delayed and he won't make it in time. If Lachlan's company goes ahead and schedules the flight for Tuesday morning, how is the company handling that risk?
- A. Preventing/Controlling
 - B. Avoiding
 - C. Retaining
 - D. Transferring
24. Which of the following statements about union federations is true:
- A. They represent workers in specific geographic areas.
 - B. They represent workers at a specific company.
 - C. They help to establish new local unions.
 - D. They consist of several different national unions.
25. A country's gross domestic product is made up of private consumption, domestic investment, net exports, and
- A. the energy industry.
 - B. retail spending.
 - C. the stock market.
 - D. government purchases.
26. If a recession is continuing and severe, what type of economic activity can occur?
- A. Expansion
 - B. Insubordination
 - C. Depression
 - D. Aggregation
27. Which of the following tax structures is also known as a "flat tax" because it's the same regardless of income or wealth:
- A. Progressive tax
 - B. Regressive tax
 - C. Proportional tax
 - D. Deductive tax

28. Which of the following is a potential consequence for a business that practices poor ethics:

- A. Fewer lawsuits
- B. Increased customer loyalty
- C. Negative public image
- D. Decreased internal problems

29. Which of the following sentences best describes globalization:

- A. The world has become progressively “smaller” and people are increasingly connected.
- B. Consumer wants and needs are as dynamic as consumers themselves.
- C. Due to rapid innovation in business and technology, product life cycles are shorter.
- D. Businesses can’t afford to wait and see what the competition will do.

30. Which of the following is an example of corruption in business:

- A. Investment
- B. Bribery
- C. Prioritization
- D. Arbitration

31. Which of the following documents is likely most important when traveling for international business:

- A. Passport
- B. Resume
- C. Utility bill
- D. Pay stub

32. Clara has high hopes for her professional career in the future, but she is also honest with herself about her limitations. This is an example of

- A. comparing to others.
- B. being realistic.
- C. making false generalizations.
- D. being specific.

33. Looking people in the eye when you speak to them is an example of using _____ to persuade others.

- A. body language
- B. persuasive words
- C. gestures
- D. listening skills

34. If an employee has finished their job assignment ahead of schedule, they can demonstrate initiative by

- A. requesting additional assignments.
- B. conversing with their coworker.
- C. participating in community service.
- D. waiting to be told what needs to be done.

35. People commonly resist change because they

- A. have a positive attitude.
- B. fear the unknown.
- C. show flexibility.
- D. see the big picture.

36. Which of the following is a consequence of workplace stress:

- A. Less employee turnover
- B. Heavy workload
- C. Lower health-care costs
- D. More complaints

37. Which of the following is a characteristic of authoritarian management:

- A. They discuss solutions to work-related problems with employees.
- B. They take a hands-off approach.
- C. They handle work-related problems themselves.
- D. They provide general guidance.

38. To maximize company efficiency, Jesse wants to establish a team of employees who meet regularly to discuss issues and solve problems in a wide range of areas across the organization. Jesse wants to establish a

- A. project team.
- B. cross-functional team.
- C. quality circle.
- D. committee.

39. Ahmad runs a business where he sells sports equipment to high schools. He decides to attend a marketing seminar to learn how to better advertise his business to potential customers. Ahmad is motivated by

- A. advancement.
- B. responsibility.
- C. self-improvement.
- D. recognition.

40. Serafina and Noel work together to create a work schedule that benefits both parties. Which of the following negotiation styles is Serafina and Noel using:

- A. Collaborative
- B. Competitive
- C. Accommodating
- D. Combative

41. Which of the following is true about personal visions:

- A. They reflect your weaknesses.
- B. They are specific and measurable.
- C. They guarantee your success.
- D. They can change over time.

42. Darshan often scrolls Instagram and sees old friends from high school who seem like they can do it all—hold a full-time job, attend night classes, maintain a social life, etc. Darshan always felt that he was too busy to do all of those things, but now he's wondering whether he should take on more activities because everyone else seems able to do it. This is an example of _____ increasing the likelihood of overcommitment.
- A. delegation
 - B. legislation
 - C. money
 - D. technology
43. Scott has been assigned to write a report on a topic he is unfamiliar with. Scott refers to previous reports he has written that cover similar topics and uses that knowledge to guide him. This is an example of
- A. assessing risk.
 - B. learning from the past.
 - C. listening to gut instincts.
 - D. asking questions.
44. Which of the following is a benefit of having different personality types in the workplace?
- A. More obedient employees
 - B. Increased salaries
 - C. Reduced productivity
 - D. Improved decision-making
45. Why is it important to listen to others' feedback about your behavior and values?
- A. It is difficult to see ourselves in an unbiased way.
 - B. Other people have more important values.
 - C. Other people know you better than you know yourself.
 - D. It is hard to understand our own values.
46. When Carlos gives his team a new assignment, he informs them of resources they may need, warns them about potential issues, and gives them a timeline. He is
- A. giving people the information they need.
 - B. encouraging questions and suggestions.
 - C. sharing confidential information.
 - D. spreading rumors and half-truths.
47. Altruism, responsibility, and transparency are all qualities that help build
- A. ethical leadership.
 - B. timeliness.
 - C. technical skills.
 - D. confidence.
48. Typically, ethical issues that arise in information management are related to
- A. privacy.
 - B. relationships.
 - C. industry.
 - D. medicine.

49. Compared to those that are not inspired, inspired people are generally more
- A. driven to master their work.
 - B. resistant to new experiences.
 - C. pessimistic about the future.
 - D. disengaged from their work.
50. Which of the following is an example of an action that creates a positive consequence:
- A. You snapped at a customer and afterward received a reprimand from your manager.
 - B. You made time for your younger sibling in order to build your relationship with them.
 - C. You forgot to fill up your car with gas and ended up stranded on the side of the road.
 - D. You skipped soccer practice, so now you are not allowed to play in the next game.
51. A challenge of international business expansion is
- A. encountering cultural differences.
 - B. exposure to new markets.
 - C. fewer representative offices.
 - D. favorable regulations.
52. A business pays its utilities based on a monthly estimate at the end of each month and an adjusted bill every 6 months. This is an example of a(n)
- A. unsecured loan.
 - B. secured loan.
 - C. revolving credit.
 - D. service credit.
53. Kevin writes a check to his friend, Molly. When Molly deposits the check at her local bank, the money is credited in her account. At the same time, that money still exists in Kevin's account until the check is cleared, meaning that the money exchanged between the two is temporarily counted in two places at once. This is an example of
- A. closed-end credit.
 - B. embezzlement.
 - C. a surety bond.
 - D. holdover float.
54. Most reputable financial advisors will use a _____ to hold their client's assets.
- A. third-party custodian
 - B. warehouse
 - C. banking institution
 - D. federal bond
55. A certificate of deposit is an example of a(n) _____ investment.
- A. annuity
 - B. stock
 - C. lending
 - D. ownership

56. The purpose of a deductible is to
- A. deter a large volume of insignificant insurance claims.
 - B. increase the cost of monthly insurance premiums.
 - C. diversify an individual's stock portfolio or mutual fund.
 - D. promote open communication between team members.
57. Manufacturing overhead is included in which category of the income statement?
- A. Cost of Goods Sold/Cost of Sales
 - B. Operating Expenses
 - C. Revenue
 - D. Gross Profit
58. Thompson Landscaping is adopting a new budgeting system. The company is completely overhauling the previous annual budget and is projecting expenses and figures from scratch rather than based on prior years. This is an example of a(n) _____ budgeting method.
- A. rolling
 - B. interrelated
 - C. zero-based
 - D. incremental
59. When an employee asks Logan to share internal financial information, Logan reminds the employee that this sort of information is only available to certain members of the company. Logan is demonstrating the ethical principle of
- A. confidentiality.
 - B. favoritism.
 - C. customer loyalty.
 - D. the public interest.
60. Some of Tina's colleagues at her financial services company participate in insider trading. Her colleagues assure her that it isn't a big deal—and Tina doesn't want to upset her coworkers by calling them out—so she tolerates their actions and even participates. In this example, the reason Tina is behaving unethically is due to
- A. overconfidence.
 - B. conformity.
 - C. sunk costs.
 - D. incrementalism.
61. Determining their net worth can help someone
- A. improve their credit score.
 - B. increase their cash on hand.
 - C. plan for the future.
 - D. get employed.
62. One benefit of a tax-deferred workplace retirement plan is that
- A. there are no penalties for withdrawing funds early.
 - B. they have a universal age of withdrawal.
 - C. you pay an increased tax rate for a greater future return.
 - D. most employers will offer a matching contribution.

63. Which of the following is a fundamental element of estate planning:

- A. Managing product inventory
- B. Refinancing a mortgage
- C. Making student loan payments
- D. Appointing an executor

64. What is the first step when conducting an investigation of unethical behavior?

- A. Interviewing two witnesses
- B. Postponing the investigation
- C. Assigning a level of urgency to the incident
- D. Reporting/Recording the employee's complaint

65. For most businesses, the ultimate goal of marketing is to attract target customers to the business. To achieve this goal, businesses coordinate the seven marketing functions. Which of the following identifies three of those marketing functions:

- A. Product/Service management, selling, forecasting
- B. Marketing-information management, buying, budgeting
- C. Market planning, pricing, channel management
- D. Promotion, central planning, customer relations

66. Even though sales are higher than ever, Jessica still works hard to minimize the use of supplies. Jessica is helping her company

- A. improve profitability.
- B. increase sales.
- C. increase efficiency.
- D. improve customer satisfaction.

67. Businesses should maintain customer records by keeping them in a _____ place.

- A. expensive
- B. centralized
- C. inaccessible
- D. complex

68. A team of chemists use a computer program that determines the molecular structure of a substance using complex spectroscopy. This program is an example of

- A. satellite technology.
- B. computer-aided manufacturing.
- C. an expert system.
- D. Voice over Internet Protocol (VoIP).

69. Which of the following elements is part of a business's internal environment:

- A. Marketing
- B. Demographics
- C. Consumer habits
- D. Tax codes

70. To create a basic web page, you would most likely need knowledge of
- A. grammar.
 - B. algebra.
 - C. HTML.
 - D. ROI.
71. In a final report, the first section after the title should include the
- A. appendix.
 - B. purpose.
 - C. conclusions.
 - D. methods.
72. Legal and financial documents often require additional security when being stored due to their potentially _____ and _____ nature.
- A. public; confidential
 - B. sensitive; timely
 - C. timely; public
 - D. confidential; sensitive
73. Which of the following is an example of someone who is modeling ethical behavior:
- A. Erica shows her friends how to make braided friendship bracelets.
 - B. You try to tell the truth, but sometimes you lie to get out of trouble.
 - C. Your sister always follows the speed limit when she drives you places.
 - D. Luke reads the terms and conditions before downloading software.
74. Databases are often classified according to their
- A. organizational approach.
 - B. hardware.
 - C. user experience.
 - D. web browser.
75. What data mining tool can be used to forecast future trends and outcomes?
- A. Sentiment analysis
 - B. Open-source software
 - C. Data visualization
 - D. Predictive models
76. When collaborating on a complex document, teams should use a(n) _____ to achieve a consistent voice.
- A. appendix
 - B. style guide
 - C. word processor
 - D. fact-checker

77. Turning research findings into actionable business recommendations can be challenging when suggestions
- A. are presented with context.
 - B. aren't clearly communicated.
 - C. are well-organized.
 - D. rely on visual supports.
78. Which of the following is an example of noncompliance with business health and safety regulations:
- A. Mark not wearing protective gear when operating machinery
 - B. Tyreek reporting harassment to his human resources department
 - C. Natasha failing to complete her responsibilities on time
 - D. Lisa continuously showing up late to her night shifts
79. Sonia, a supervisor, is approached by a panicked employee. The employee informs Sonia of an accident that left another employee badly injured. What should Sonia do first?
- A. Call for emergency services
 - B. Identify people at the scene
 - C. Complete an incident report
 - D. Preserve physical evidence
80. Which of the following are examples of an input:
- A. Capital goods and human resources
 - B. Manufacturing and constructing
 - C. Education and health care
 - D. Computers and jewelry
81. Which of the following does controlling expenses allow a business to do:
- A. Provide limited supplies and equipment
 - B. Downgrade its business and pay bills on time
 - C. Offer good wages and avoid offering benefits
 - D. Renovate the facility or expand the business
82. What can a company do to improve its data security?
- A. Update its programs regularly
 - B. Tell employees to reuse passwords
 - C. Use public Wi-Fi for daily tasks
 - D. Back up its data once a year
83. For a project to be deemed successful, it typically
- A. satisfies customers and dissatisfies suppliers.
 - B. achieves only some of the intended results.
 - C. stays within budget and meets its deadline.
 - D. satisfies suppliers and doesn't meet deadline.

84. By evaluating vendor performance, organizations can
- A. enlarge overall costs and expenses.
 - B. lower productivity and efficiency.
 - C. increase product issues and defects.
 - D. drive improvements in the supply chain.
85. Compared to businesses in the manufacturing or medical industry, a retail business typically has greater need for _____ because it resells finished products.
- A. scheduling
 - B. routing
 - C. safety and security
 - D. inventory control
86. Steve, the VP of a large company, wants to improve the coordination and collaboration among departments. Which of the following can he do to encourage this collaboration:
- A. Don't celebrate small wins to maintain focus
 - B. Tell employees to avoid giving feedback
 - C. Facilitate consistent communication
 - D. Avoid multidepartment projects
87. Which of the following is a way in which a company can streamline its work processes:
- A. Increase paper usage
 - B. Maintain existing processes
 - C. Avoid outsourcing
 - D. Consolidate software
88. Which of the following is something that may be found in a company property agreement:
- A. Instruction on how to use business equipment for personal use
 - B. Employees' responsibilities if equipment is lost or damaged
 - C. Information about the company's paid vacation policy
 - D. Details regarding the company's health benefits package
89. Which of the following statements about addressing product quality issues with your supplier is true:
- A. Avoid taking pictures of the issues or defects.
 - B. Wait two days before informing the supplier.
 - C. Quality issues are inevitable no matter the supplier.
 - D. Do not offer any solutions to the supplier.
90. When ethical standards are implemented throughout a project, which of the following is a result:
- A. Complicated decision-making
 - B. Higher chance of success
 - C. Increased anxiety and stress
 - D. Decreased stakeholder trust

91. Zaria wants to improve her time-management skills at work. Which of the following tips will help her do so:
- A. Assume more responsibilities
 - B. Focus on tasks, not on goals
 - C. Prioritize tasks by importance
 - D. Stay up late to finish projects
92. Which of the following business careers are within the finance field:
- A. Accounting and human resource management
 - B. Banking services and insurance positions
 - C. Operations management and merchandising
 - D. Marketing research and professional selling
93. Which of the following tips should you follow when completing a job application:
- A. Tailor your application to the job description
 - B. Leave blanks on the application when necessary
 - C. Be sure to add your specific salary requirements
 - D. Strengthen your application by exaggerating experience
94. Which of the following is information that should be included in the contact section of a resume:
- A. Details about your last job
 - B. Awards you've received
 - C. Your website URL
 - D. Where you went to school
95. What benefit will a new business gain by attending a trade show?
- A. It can build its network and generate new ideas.
 - B. It guarantees high turnouts and sales leads.
 - C. It is free to attend and travel costs are often covered.
 - D. It doesn't need to worry about competition in attendance.
96. There are many similarities and differences among entrepreneurs, small-business owners, and managers. When comparing and contrasting the three, which of the following statements best describes a small-business owner:
- A. They typically employ more than 1,000 people.
 - B. They handle day-to-day tasks to make a vision a reality.
 - C. They are often content with simple business operations.
 - D. They work to grow and expand their businesses.
97. Which of the following is a way you can achieve a strong work-life balance:
- A. Don't use paid time off unless necessary.
 - B. Set boundaries and priorities for yourself.
 - C. Avoid setting specific work hours to follow.
 - D. Prioritize personal messages during work hours.

98. Which of the following is a consequence of failing to follow the chain of command:
- A. It creates a smoother workflow and solves issues faster.
 - B. It reflects poorly on you and may get you in trouble.
 - C. It maintains order and lowers productivity and efficiency.
 - D. It creates complications for others and improves communication.
99. Which of the following is a way in which a company can align employees with its organizational goals:
- A. Prioritize organizational goals over employee goals
 - B. Avoid providing regular feedback and coaching
 - C. Limit personal development opportunities
 - D. Communicate goals on every level of the organization
100. Which of the following is an example of a strategic hazard risk that a business may face:
- A. Inflation, interest rate increases, or credit downgrades
 - B. Damaged company reputation due to brand erosion
 - C. Natural phenomena such as tornadoes and earthquakes
 - D. Problems with human resources or labor relations

1. C

Cash or goods have been exchanged for something of value. A binding contract is an agreement that is legally enforceable, meaning if one party does not hold up their end of the bargain, the other party can take them to court. A binding contract's key elements are offer and acceptance, consideration, mutuality or intention, legality, and capacity. Cash or goods being exchanged for something of value describes the offer and acceptance element of a binding contract—when one party exchanges something of value for something of value from another party. An offer being made by one party and rejected by another, all parties involved intending to make an unenforceable agreement, and promises not able to be enforced by a court of law are not qualities of binding contracts.

SOURCE: BL:002 Describe the nature of legally binding contracts

SOURCE: LawDepot. (2020, April 22). *Binding vs. non-binding contracts*. Retrieved July 18, 2022, from <https://www.lawdepot.com/blog/binding-vs-non-binding-contracts>

2. D

It experiences unlimited liability. A sole proprietorship is a business owned by one person who receives all the profits from the business and takes all the risks. By taking all the risks, a sole proprietor experiences unlimited liability—meaning any debts that the business owes can be collected from the owner's personal assets or belongings. A sole proprietorship typically employs fewer than 50 people, not more than 100 people. A corporation is a form of business ownership that is owned by stockholders who have purchased units or shares of the company. A corporation functions independently of its owners. A partnership is a form of business ownership in which the business is owned by two or more persons. In a partnership, the partners share both the profits and the risk of loss.

SOURCE: BL:003 Explain types of business ownership

SOURCE: LAP-BL-003—Own It Your Way (Types of Business Ownership)

3. D

Duty, breach of duty, causation, injury. Tort law is the area of law focused on most civil suits. It determines whether a person should be held legally responsible for injury against another, as well as what type of compensation the injured party is entitled to. The four main elements of tort law are duty, breach of duty, causation, and injury. Damages cannot be claimed without a breach in the duty of the defendant toward the plaintiff, resulting in an injury. Negligence, strict liability (also known as product liability), and intentional torts are the three main types of torts, not elements.

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

SOURCE: Laws.com. (2020, September 12). *A brief overview of tort law*. Retrieved July 19, 2022, from <https://tort.laws.com/tort-law>

4. A

Enacts social change. Laws can be a vehicle for enacting social change and are often passed in response to shifts in public opinion as well as social movements. Congress passing a law in response to public concern about the education system is an example of this function. Laws also resolve disputes and maintain order, but this example does not illustrate those functions. While the law may aim to ensure equality, it does not always do so, and this example does not necessarily depict this goal.

SOURCE: BL:163 Comply with the spirit and intent of laws and regulations

SOURCE: LAP-BL-163—Laying Down the Law (Complying With the Spirit and Intent of Laws and Regulations)

5. D

"Did you finish those reports?" A closed-ended question is structured so that it requires a short, precise response, often a simple "yes" or "no." The question "Did you finish those reports?" can be answered simply with a "yes" or "no." The questions "How are you feeling today?," "Why were you late yesterday?," and "Where are you headed for vacation?" are all examples of open-ended questions—questions that require more than a simple "yes" or "no" response. Open-ended questions usually begin with "how," "what," "why," "where," "when," or other words such as "describe" that prompt the speaker to give more information.

SOURCE: CO:017 Demonstrate active listening skills

SOURCE: LAP-CO-017—Listen Up! (Demonstrating Active Listening Skills)

6. C

To persuade. A sales presentation about the benefits of a company's products for a group of potential clients is most likely to be persuasive. When someone is challenging others to consider and accept new ideas or to take action, they are using persuasion. The other two main purposes of presentations are to inform and to entertain. Although some of her presentation may be informative, Cleo's main purpose is to persuade the potential clients to buy the company's products and/or services. Cleo's main purpose is not to entertain the potential clients. A presentation that is meant to entertain typically takes place at a gathering such as a wedding or an award ceremony. Cleo's presentation might inspire, but inspiring people is not one of the main purposes of presentations.

SOURCE: CO:025 Make oral presentations

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

7. C

Prepare for the discussion ahead of time. If Dion wants to improve his group discussion skills, he can prepare for the discussion ahead of time. This includes researching the topic, looking at the topic from all angles, taking notes to bring to the discussion, etc. By preparing for the discussion ahead of time, Dion will feel more comfortable talking about it. Rather than waiting for others to initiate the conversation, Dion should take initiative and try to start the conversation himself. Dion should avoid starting an argument with other members and interrupting other members if he disagrees with them, as both could derail the conversation.

SOURCE: CO:053 Participate in group discussions

SOURCE: Management Study Guide. (2022). *Tips for a successful group discussion*. Retrieved July 20, 2022, from <https://www.managementstudyguide.com/tips-for-successful-group-discussion.htm>

8. B

It sets direction and influences decision-making. A policy represents the overall principles of an organization. Policies set direction, influence decision-making, establish a framework of management objectives and philosophies, explain how employees are to act, and guide day-to-day actions and strategies. A procedure is a step-by-step process that employees must follow while performing a specific task. Procedures are continuously changing and improving, while policies rarely change. Procedures offer a detailed description of activities, while policies are broader and more general in nature.

SOURCE: CO:057 Analyze company resources to ascertain policies and procedures

SOURCE: ComplianceBridge. (2017, June 28). *The key difference between policy vs. procedures*. Retrieved July 19, 2022, from <https://compliancebridge.com/policy-vs-procedures>

9. B

Conformity. When solving problems in groups, there is often a tendency for individuals to want to conform to the consensus. Because of this, people may be less inclined to share ideas that differ from the group. As a result, ideas can be generated and chosen quickly without exploring all other possibilities. Reduced bias, increased risk taking, and greater output are each advantages to solving problems in a group. Bias is often reduced in a group setting because there are many different perspectives. Typically, individual biases can be challenged by other group members and force the individual to acknowledge their biases. Shared responsibility tends to make people more willing to take risks. Output is often greater in a group setting simply due to the number of people involved. The more people you have in a group, the more experience, knowledge, points of view, and ideas.

SOURCE: CO:067 Participate in problem-solving groups

SOURCE: Its Education Asia. (2022). *Solving problems using a group - Advantages and disadvantages*.

Retrieved July 20, 2022, from <http://www.itseducation.asia/article/solving-problems-using-a-group-advantages-and-disadvantages>

10. C

To compare the parts of a whole. A pie chart is a circular graph that displays percentages of a whole as if they were slices of a pie. A pie chart is best to use when trying to compare parts of a whole. A bar graph is used to compare absolute values or proportions between different groups or categories, and represents data using a series of bars across two axes. A line graph, which also displays data across two axes, is used to track changes over short and long periods of time. A table displays information in rows and columns.

SOURCE: CO:087 Select and use appropriate graphic aids

SOURCE: Johnson, L. (2018, April 23). *Difference between a bar graph & pie chart*. Retrieved July 19, 2022, from <https://sciencing.com/difference-bar-graph-pie-chart-5832998.html>

11. D

Focus on questions rather than answers. A discussion leader can facilitate a strong group conversation by focusing on questions rather than answers. Even if the facilitator has a depth of knowledge on the topic, the goal of facilitation is to help the group move forward, not to convey knowledge. Facilitators should spend time preparing thought-provoking questions rather than answers to provide, as it will allow a genuine dialogue to emerge. Group discussion facilitators should guide a conversation rather than control it. Group facilitators will welcome disagreements, but conflicts occur when disagreements aren't handled respectfully. They encourage relationship building among group members, not conflict. Facilitators invite participation from all group members, but they shouldn't force it upon quiet members.

SOURCE: CO:201 Facilitate (lead) group discussions

SOURCE: Innovative Learning. (2022). *11 ways to facilitate great conversations*. Retrieved July 19, 2022, from <https://coachingforleaders.com/facilitate-great-conversations>

12. C

Unsecure encryption can lead to potential hacks. Although digital communications come with plenty of benefits for businesses, they can potentially lead to security risks. For example, an unsecure encryption of data can lead to potential hacks. A strong encryption can keep sensitive data safe and can greatly reduce the risk of data theft. A larger bandwidth requirement, greater power consumption, and increased confusion from employees can all be results of digital communications, but they don't necessarily expose a business to risk.

SOURCE: CO:202 Explain how digital communications (e.g., email, text messages, chats) exposes business to risk

SOURCE: RSI Security. (2019, September 19). *Importance of encryption in the business world*. Retrieved July 20, 2022, from <https://blog.rsisecurity.com/importance-of-encryption-in-the-business-world>

13. B

Knowing your audience helps determine your "voice." A writer's voice refers to the writing style of the author. Depending on the audience, a writer may choose to use simple or complex language, make the content long or short, or use formal or informal language, among other things. A writer will be better able to determine their voice if they have a strong knowledge of the audience they are trying to appeal to. The language and style the writer uses can be formal or informal, depending on the audience. Marketers often use an informal style of writing so that they seem more friendly and human, which builds a relationship with readers. A formal style can be used when writing to senior managers or other organizations. Writers should focus on both the primary audience and the secondary audience (or unintended audience), not just the primary audience. Graphs, charts, and illustrations should not be ruled out when writing to a target audience. When possible, it is helpful to include them if it helps convey a key message.

SOURCE: CO:203 Adapt written correspondence to targeted audiences

SOURCE: SkillsYouNeed. (2022). *Know your audience*. Retrieved July 19, 2022, from

<https://www.skillsyouneed.com/write/know-your-audience.html>

14. D

Simplify complex information. Data visualization refers to the creation of graphical representations of information. When an organization uses data visualization techniques properly, they can translate complex data into a chart, graph, map, or other visual concepts, making it easier to comprehend, present, and display data. Other benefits of an organization using data visualization include boosting engagement from employees, making data accessible, and saving time. Lowered engagement from employees, less accessible data, and increased time spent analyzing data are not intended results of data visualization.

SOURCE: CO:204 Use data visualization techniques (e.g., infographics, heat-maps, dynamic model outputs)

SOURCE: Calzon, B. (2022, May 11). *Top 13 data visualization techniques, concepts & methods to improve your business - Fast*. Retrieved July 19, 2022, from <https://www.datapine.com/blog/data-visualization-techniques-concepts-and-methods>

15. A

A small business owner posts a vacation picture on their Instagram. Although they are a small business owner, vacation photos are typically posted on a personal social media account, not a business account. An ice cream parlor posting a picture of customers on its Facebook, a retail store posting about their upcoming deals on its Twitter, and an independent contractor posting their work on their LinkedIn are examples of using social media for business purposes.

SOURCE: CO:206 Distinguish between using social media for business and personal purposes

SOURCE: Silver Tablet Marketing. (2019). *7 key differences between personal social media accounts and business social media accounts*. Retrieved July 20, 2022, from
<https://www.silvertablemarketing.com/6-key-differences-personal-social-media-accounts-business-social-media-accounts>

16. C

Restate the complaint in his own words to show an understanding. After Julio listened attentively to the customer's complaints and thanked the customer for bringing the problem to his attention, he should restate the complaint in his own words to show an understanding. This is the third step in the general steps employees can take to handle customer complaints appropriately. By doing this, Julio will demonstrate to the customer that he was listening and is taking their concerns seriously. Generally, Julio's next step would be to promptly investigate the problem by either talking with his manager or checking the company policy. When customers express complaints, employees should be able to follow a procedure that lines up with company policies. After explaining the concert venue's policy to the customer, Julio's final step will be to explain the plan of action to the customer and take that action.

SOURCE: CR:010 Handle customer/client complaints

SOURCE: LAP-CR-010—Righting Wrongs (Handling Customer Complaints)

17. B

It enables customers to offer suggestions for new services. Businesses benefit from feedback and new ideas when customers voluntarily offer suggestions for new services. Allowing customers to voluntarily provide their own information does not directly benefit the sales or marketing departments. Customers voluntarily providing their own information allows the customers to feel they are the ones in control of their information, not the business.

SOURCE: CR:016 Discuss the nature of customer relationship management

SOURCE: LAP-CR-016—Know When to Hold ‘Em (Nature of Customer Relationship Management)

18. C

Spam. Spam, or junk email, involves receiving unwanted emails in large quantities. Website cookies are files that allow websites to track visits and activity to provide personalized website experiences. Identity theft occurs when information isn't properly protected and is stolen by an unauthorized individual. A data breach occurs when an unauthorized individual or group accesses confidential information.

SOURCE: CR:017 Explain the role of ethics in customer relationship management

SOURCE: LAP-CR-017—Trust Is a Must (Ethics in Customer Relationship Management)

19. C

Reward their loyalty with special offers. A customer can build and maintain relationships with their customers by rewarding their loyalty with special offers. This could include building a loyalty program, offering them deals or discounts, or allowing them early access to products or services. Businesses should welcome feedback from their customers, not avoid it. Listening to feedback from customers will make them feel like their thoughts and opinions are heard. Rather than aiming to maintain their expectations, businesses should try to exceed their customers' expectations. Exceeding customer expectations will boost loyalty and increase the overall image of the business. Rather than handling each complaint the same way, a business should prioritize demonstrating empathy with their customers. Using empathetic statements, showing consideration, and demonstrating patience will go a long way toward building (or maintaining) a relationship.

SOURCE: CR:030 Build and maintain relationships with customers

SOURCE: Patel, S. (2022, June 7). *10 proven ways to build life long customer relationships (and why it's important)*. Retrieved July 20, 2022, from <https://www.revechat.com/blog/importance-of-building-customer-relationships>

20. B

Elastic demand. When consumers adjust their demand for products based on price, demand is said to be elastic. This means that demand changes when prices change. When Musico changed its prices, Jess no longer demanded the service, so this is an example of elastic demand. Inelastic demand exists if the demand for a good or service is constant, even if the product's price changes. Equilibrium price is the point at which the quantity of a good or service that buyers demand is equal to the quantity that sellers are supplying. Substitute products are items that can be used in place of others that satisfy the same needs/wants.

SOURCE: EC:005 Explain the principles of supply and demand

SOURCE: LAP-EC-011—It's the Law (Supply and Demand)

21. D

Prices would decrease in an effort to sell all 70,000 tickets. Because only 50,000 fans are interested in attending the game at a stadium that seats 70,000, ticket prices would decrease in an effort to sell all 70,000 tickets. By lowering prices, the stadium has a better chance of selling every ticket, as more fans will be willing to pay for cheaper tickets. If the stadium increased its prices, fewer fans would be willing to pay for the tickets. The stadium would need to ration out fans if there were more fans interested in attending the game than seats available, which is not the case in this scenario. For example, if 70,000 fans wanted to attend a game at a stadium that seats 50,000, the stadium would increase its prices to the point where only 50,000 fans would be willing and able to pay the price, while the other 20,000 would be rationed out by the excessive price.

SOURCE: EC:006 Describe the functions of prices in markets

SOURCE: LAP-EC-906—When More Is Less (Functions of Prices)

22. B

Raw materials for its products. Two kinds of expenses are “cost of goods” and “operating expenses.” The cost of goods is the amount of money a business pays for the raw materials from which it produces goods to sell. An example of the cost-of-goods expense is the raw materials a business purchases for (or to make) its product(s). Other examples of the cost-of-goods expense are soap for a car wash and the design for a new style of boot. Electricity for its building, wages for its employees, and rent for its land/property are examples of operating expenses—all of the expenses involved in running a business.

SOURCE: EC:010 Identify factors affecting a business's profit

SOURCE: LAP-EC-910—Risk Rewarded (Factors Affecting Profit)

23. C

Retaining. In some instances, businesses may keep, or retain, the risk involved in doing business. To put it simply, a business may do nothing to reduce or eliminate a risk. In this case, Lachlan’s company is choosing to retain the risk that he’ll arrive late to the conference by scheduling for him to fly Tuesday morning. Lachlan’s company is not transferring, avoiding, or preventing/controlling the risk in this instance.

SOURCE: EC:011 Determine factors affecting business risk

SOURCE: LAP-EC-003—Lose, Win, or Draw (Business Risk)

24. D

They consist of several different national unions. A federation is the highest level of union organization consisting of a group of national unions. These national unions of different kinds join together to further their common purposes, such as public relations, political agendas, etc. A local union—the lowest level of union organization—represents workers at a specific company or in a specific geographic area. A national/international union not only consists of a number of local unions, but it also helps establish new local unions.

SOURCE: EC:015 Explain the concept of organized labor and business

SOURCE: LAP-EC-915—Get United (Organized Labor)

25. D

Government purchases. There are four categories of goods and services that make up gross domestic product. They are personal consumption expenditures, gross private domestic investment, government purchases of goods and services, and net exports of goods and services. Retail spending is a subcategory of private consumption, and the stock market would be an element of domestic investment. There is no specific industry—such as the energy industry—that is a core component of gross domestic product. Gross domestic product is calculated based on goods and services, not industries.

SOURCE: EC:017 Explain the concept of Gross Domestic Product (GDP)

SOURCE: LAP-EC-917—Measure Up? (Gross Domestic Product)

26. C

Depression. A depression is a severe, long-lasting recession characterized by high rates of unemployment and business failures. Expansion is the stage of the business cycle characterized by increased spending and borrowing, increased demand for goods and services, increased employment rates, and decreased interest rates on loans. Aggregation and insubordination are not economic activities occurring if a recession is continuing and severe.

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

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

27. C

Proportional tax. Proportional taxes, also known as flat taxes, are the same regardless of income or wealth. The tax rate does not change in relation to the taxable amount. In regressive tax systems, individuals with lower incomes pay a higher percentage of their income in taxes compared to higher earners. Progressive taxes have a more significant impact on high-income groups than low-income groups. The higher the taxable amount, the higher the tax rate. Deductive tax is a fictitious term.

SOURCE: EC:072 Describe the nature of taxes

SOURCE: LAP-EC-072—Pay Your Share (Business Taxes)

28. C

Negative public image. A business that practices poor ethics may face consequences, including negative public image. The business would likely face decreased customer loyalty, increased internal problems, and greater exposure to lawsuits.

SOURCE: EC:106 Explain the nature of business ethics

SOURCE: LAP-EC-106—On the Up and Up (Business Ethics)

29. A

The world has become progressively “smaller” and people are increasingly connected. Globalization refers to the rapid and unimpeded flow of capital, labor, and ideas across national borders. The world has become progressively “smaller,” meaning people and businesses are more connected than ever before. “Consumer wants and needs are as dynamic as consumers themselves” describes consumer demands. “Due to rapid innovation in business and technology, product life cycles are shorter” describes shrinking product life cycles. “Businesses can’t afford to wait and see what the competition will do” describes competitive aggression.

SOURCE: EC:107 Explain how organizations adapt to today's markets

SOURCE: LAP-EC-107—Keep the Change (Adapting to Markets)

30. B

Bribery. Bribery (making illegal payments intended to secure business or products in return) is an example of corruption in business. Bribery can have a negative impact on business resources, development, and stakeholder belief/confidence. Arbitration is the act of settling a dispute by using an uninvolved third party. Prioritizing involves determining the order of completion based on importance. Investment is the use of money to generate a profit or gain.

SOURCE: EC:140 Discuss the impact of bribery and foreign monetary payments on business

SOURCE: LaMarco, N. (2018, December 3). *The effects of corruption on business*. Retrieved July 25, 2022, from <https://smallbusiness.chron.com/effects-corruption-business-52808.html>

31. A

Passport. A passport is an identifying travel document issued by a government entity. It allows the passport holder to travel between foreign countries. It is one of the most important travel documents—if not the most important—to bring for international business travel. Other foreign business travel requirements can include visas, vaccinations, and sponsorship letters. Pay stubs, utility bills, and resumes are likely not necessary or helpful for international business travel.

SOURCE: EC:141 Identify requirements for international business travel (e.g., passport, visa, proof of citizenship, immunizations, and sponsorship letters)

SOURCE: International Trade Administration U.S. Department of Commerce. (n.d.) *Foreign business travel requirements*. Retrieved July 19, 2022, from <https://www.trade.gov/foreign-business-travel-requirements>

32. B

Being realistic. Being realistic means having a practical and sensible expectation for what is possible. When Clara is honest about her limitations, she is accepting her reality and being realistic. There is no other person in Clara's situation to compare to. This is not an example of being specific or making false generalizations.

SOURCE: EI:002 Assess personal strengths and weaknesses

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

33. A

Body language. Body language includes gestures, facial expression, and any other way of communicating without the use of words. Maintaining eye contact demonstrates interest and keeps others engaged. The effective use of appropriate body language can help you be persuasive because it encourages others to listen and pay attention to you. Maintaining eye contact doesn't necessarily mean that you are using persuasive words or listening skills. While using gestures to persuade others is a form of body language, maintaining eye contact is not an example of a gesture.

SOURCE: EI:012 Persuade others

SOURCE: LAP-EI-912—Win Them Over (Persuading Others)

34. A

Requesting additional assignments. A person with initiative is willing to accept and/or seek additional duties and responsibilities without having to be urged to do so. Showing initiative means being proactive; therefore, waiting to be told what to do does not demonstrate initiative. Showing initiative means seeking ways to perform one's job more efficiently—conversing with employees does not lead to greater efficiency. Taking part in community activities is a personal choice not related to showing initiative in the workplace.

SOURCE: EI:024 Demonstrate initiative

SOURCE: LAP-EI-240—Hustle! (Taking Initiative at Work)

35. B

Fear the unknown. People will push back against change if they are unsure about how it will affect their work or if they are unsure about what the changes entail. Possessing a positive attitude can help people deal with changes rather than resist them. Individuals who look at the big picture—rather than immediate ramifications—will adjust to change easier. Demonstrating flexibility will similarly help individuals adapt to change rather than resist it.

SOURCE: EI:026 Adjust to change

SOURCE: Gorg, V. (2017, July 5). *How to manage change in the workplace*. Retrieved July 22, 2022, from <https://www.forbes.com/sites/lisaquast/2012/11/26/overcome-the-5-main-reasons-people-resist-change/?sh=798dd0fc3efd>

36. D

More complaints. Stress often leads to irritability and frustration, which can make employees unhappy about everything. If historically happy employees are full of complaints, stress might be the reason. Stress typically leads to greater employee turnover because stressed employees quit their jobs far more often than happy employees. Stressed employees also accrue high health-care costs, not lower. Stressed workers can cost a company up to twice as much as other employees. A heavy or unrealistic workload is a cause of workplace stress, not a consequence.

SOURCE: EI:028 Explain the nature of stress management

SOURCE: LAP-EI-028—Keep Your Cool (Stress Management)

37. C

They handle work-related problems themselves. Authoritarian managers rely almost completely on their own judgment, enjoy being in command, and handle work-related problems themselves. Laissez-faire managers take a hands-off approach and provide only general guidance. Democratic managers discuss solutions to work-related problems with employees.

SOURCE: EI:037 Foster positive working relationships

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

38. C

Quality circle. A quality circle is a team of employees with similar roles who meet regularly to discuss issues and solve problems. Quality circles are formal groups that stay intact from project to project. The overall goal of quality circles is to improve performance in a wide range of areas across the organization. A committee is an appointed group of people who are dedicated to a specific matter. A project team is a group of people who are assigned to work together on a specific assignment. A cross-functional team includes team members from different areas of specialization who work together to complete a task.

SOURCE: EI:045 Participate as a team member

SOURCE: LAP-EI-045—Team Up (Participating as a Team Member)

39. C

Self-improvement. People are often motivated to work hard as a means of self-improvement. Ahmad is motivated to improve his own personal skills as a means of improving his business. There is insufficient information to determine if Ahmad is motivated by recognition, advancement, or responsibility.

SOURCE: EI:059 Motivate team members

SOURCE: LAP-EI-059—Raise Them Up (Motivating Others)

40. A

Collaborative. When people collaborate, they work together, and they are more likely to create an outcome that benefits both parties. Collaboration builds lasting relationships by embracing an “everybody wins” attitude. A competitive negotiation style occurs when one or both parties view the situation as a rivalry or game-like challenge. People who accommodate others might find themselves doing or agreeing to something they don’t really like. A combative negotiating style uses a strong, “no compromise” attitude to achieve one’s goals.

SOURCE: EI:062 Demonstrate negotiation skills

SOURCE: LAP-EI-062—Make It a Win-Win (Negotiation in Business)

41. D

They can change over time. Just as you will change and grow over the years, so will your personal vision. You may find that your vision no longer reflects what you truly want from life—and that is OK. Making adjustments or changing directions entirely can help you refocus your efforts on what is really important to you. Personal visions are long-term and broad, not specific and measurable. Having a personal vision does not guarantee your success—it simply acts as a guidebook for your life, motivating and inspiring you to achieve your desired future. Your personal vision should reflect your unique strengths and talents, not your weaknesses.

SOURCE: EI:063 Determine personal vision

SOURCE: LAP-EI-063—Picture This! (Determining Personal Vision)

42. D

Technology. Technology has added to the likelihood of overcommitment. Technology increases multitasking, and it also constantly presents us with more and more opportunities. On social media, we are constantly comparing ourselves to others around us. You might look at a classmate or friend and think: If they can do everything, I should be able to do it, too. Money, legislation, and delegation are not involved in this scenario.

SOURCE: EI:077 Manage commitments in a timely manner

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

43. B

Learning from the past. Scott is using his past experiences to help him plan for the future in an ambiguous situation. The similarities between his current assignment and the past can help him tolerate ambiguity. There is no indication that Scott is listening to gut instincts, assessing risk, or asking questions.

SOURCE: EI:092 Develop tolerance for ambiguity

SOURCE: LAP-EI-092—Embrace the Unknown (Developing a Tolerance for Ambiguity)

44. D

Improved decision-making. When a workplace is filled with different personalities and perspectives, there can be a variety of ways that issues and decisions are approached. This leads to a more effective and robust decision-making process. Having many personality types in the office does not directly correlate to increased salaries. A variety of personalities helps increase productivity rather than reduce it. A mixture of different strengths and weaknesses in the workplace will help teams solve problems and accomplish tasks. While diverse personalities do lead to increased cooperation, that does not mean employees will be more obedient.

SOURCE: EI:104 Leverage personality types in business situations

SOURCE: Quain, S. (2018, October 25). *What are the benefits of having different personalities & temperaments in the workplace?* Retrieved July 22, 2022, from <https://smallbusiness.chron.com/organizations-need-mix-personalities-strengths-weaknesses-76594.html>

45. A

It is difficult to see ourselves in an unbiased way. It is important to listen to others' feedback about your behavior and values because sometimes it is difficult to see ourselves in an unbiased way. Outside perspectives can be helpful, especially if you are struggling to align your behavior and values, or if you cannot determine what your values are. It is not true that other people know you better than you know yourself. Other people have different values than you, but that does not make them more important than yours. It should not be hard to understand your own values because they are important to you and you can change them if necessary.

SOURCE: EI:126 Assess personal behavior and values

SOURCE: LAP-EI-126—Assess Yourself (Assessing Your Personal Behavior and Values)

46. A

Giving people the information they need. Transparent communication means giving clear and complete instructions, being honest about any setbacks and limitations, and giving people the information they need to do their jobs. Transparent communication does not provide people with useless information, spread rumors or half-truths, or hurt others. In this scenario, Carlos is not encouraging questions and suggestions. Carlos is not sharing confidential information.

SOURCE: EI:129 Foster open, honest communication

SOURCE: LAP-EI-129—Can We Talk? (Fostering Open, Honest Communication)

47. A

Ethical leadership. Ethical leadership is directing and guiding others in a way that upholds ethical principles. Ethical leaders have characteristics such as altruism, responsibility, and transparency. These qualities do not necessarily build confidence, technical skills, or timeliness.

SOURCE: EI:131 Explain the nature of ethical leadership

SOURCE: LAP-EI-131—Be the Change (Nature of Ethical Leadership)

48. A

Privacy. Information management is the process of accessing, processing, maintaining, evaluating, and disseminating knowledge, facts, or data. Ethical issues that arise in information management often relate to privacy, as organizations must be cognizant of who has access to what information, especially if that information is personal in nature. Ethical issues in information management are not typically related to industry, medicine, and/or relationships unless privacy is also a factor.

SOURCE: NF:111 Explain the role of ethics in information management

SOURCE: Verma, S. (2020, June 6). *Ethical issues that may arise in information management*. Retrieved July 25, 2022, from <https://smiling-swati20.medium.com/ethical-issues-that-may-arise-in-information-management-6abfa1b64fd4>

49. A

Driven to master their work. Inspired individuals are generally more driven to master their work than those who are not inspired. Inspired people are also generally more open to new experiences, more engaged in their work, and more optimistic about the future.

SOURCE: EI:133 Inspire others

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

50. B

You made time for your younger sibling in order to build your relationship with them. A positive consequence is a good or desirable result of an action. Building a relationship with a family member is a desirable result of spending time with someone. Not being allowed to play in a game, being stranded on the side of the road, and receiving a reprimand from a manager are examples of negative consequences.

SOURCE: EI:137 Assess long-term value and impact of actions on others

SOURCE: LAP-EI-137—Choose for the Future (Assessing the Long-Term Value and Impact of Actions on Others)

51. A

Encountering cultural differences. Cultural barriers can be a challenge for businesses looking to seek opportunities internationally. Every country has its own culture, making it difficult to accurately predict what people in that culture will enjoy. When a business is the first of its kind to enter a new market, this exposure is actually an advantage for the business. A novel business model can yield increased profits and traffic. Favorable regulations are also an advantage of seeking international opportunities. In other countries, business regulations may be less restrictive or costly, benefiting businesses. Expanding internationally typically requires more representative offices, not fewer.

SOURCE: EN:041 Describe small-business opportunities in international trade

SOURCE: Arthur, L. (2019, January 28). *The advantages & disadvantages of international franchises*. Retrieved July 25, 2022, from <https://smallbusiness.chron.com/advantages-disadvantages-international-franchises-22488.html>

52. D

Service credit. Service credit applies to services such as utilities (gas, water, sewer, etc.) that have been consumed but not yet paid for. Revolving credit refers to an account with a credit limit that may be paid in full each month or partially paid with finance charges on the outstanding balance. A secured loan is credit backed by collateral. An unsecured loan is credit backed by a promissory note, or promise to pay.

SOURCE: FI:002 Explain the purposes and importance of credit

SOURCE: LAP-FI-002—Give Credit Where Credit Is Due (Credit and Its Importance)

53. D

Holdover float. Holdover float is when money within the banking system is counted or recorded twice simultaneously due to the delay in processing monetary transactions. Because Kevin and Molly's respective banks need some time to process their exchange, the money involved briefly exists in two places at once. A surety bond is a guarantee from a person or organization that they will assume debt obligation of another party should that party fail to fulfill that obligation. Embezzlement is a crime in which an individual or group knowingly steals or misappropriates funds entrusted to them. Closed-end credit is an agreement between a lender and borrower, where they agree on specific loan and interest details with the assumption that the loan will be repaid in full.

SOURCE: FI:063 Explain legal responsibilities associated with consumer financial products and services

SOURCE: Segal, T. (2020, November 21). *Float definition*. Retrieved August 12, 2022, from <https://www.investopedia.com/terms/f/float.asp>

54. A

Third-party custodian. Most financial advisors will open and manage their customers' accounts through large, third-party financial firms. While the financial advisor provides their services to the account, this third-party custodian will report and verify transactions for the client. A financial advisor typically does not hold their client's assets in a bank. The client themselves may secure assets in a banking institution, but the financial advisor would have a custodian hold the assets so that they can manage them more effectively. A warehouse or federal bond would not be effective ways to store assets for the client or the advisor.

SOURCE: FI:076 Discuss considerations in selecting a financial-services provider

SOURCE: Anspach, D. (2022, May 28). *7 steps for finding the best financial advisor*. Retrieved July 25, 2022, from <https://www.thebalance.com/how-to-find-the-best-financial-advisor-in-7-easy-steps-4032070>

55. C

Lending. A lending investment is a low-risk investment where you allow someone to borrow your money for a period of time—with interest accruing as time goes on. A certificate of deposit (CD) is when an individual lends money to a bank at a set interest rate for a particular period of time. An ownership investment provides owner's rights to the investor in exchange for money. Examples of this type of ownership are stocks, mutual funds, and collectibles. Stocks are a kind of ownership investment and not related to certificates of deposit. Annuities are an estate-planning tool of distributing invested funds periodically in order to guarantee a source of income. Annuities are not related to certificates of deposit.

SOURCE: FI:077 Explain types of investments

SOURCE: LAP-FI-077—Invest for Success (Types of Investments)

56. A

Deter a large volume of insignificant insurance claims. A deductible is a determined amount that a policyholder must pay before the insurer pays a claim. This helps discourage policyholders from repeatedly making insignificant insurance claims. The goal of a deductible is not to increase the cost of insurance premiums or promote communication between team members. The more expensive a deductible is, the cheaper the overall policy. This is because the high out-of-pocket expenses usually result in fewer claims.

SOURCE: FI:081 Describe the concept of insurance

SOURCE: Kagan, J. (2022, July 18). *What is insurance?* Retrieved July 26, 2022, from
<https://www.investopedia.com/terms/i/insurance.asp>

57. A

Cost of Goods Sold/Cost of Sales. The Cost of Goods Sold/Cost of Sales element of the income statement includes all direct costs to obtain and/or produce the goods or services that a business sells, including manufacturing overhead. The revenue category of the income statement is the total amount of money earned by a business. Gross profit is total revenue subtracted by the cost of goods sold. The operating expenses category of the income statement addresses the additional expenses associated with running a business such as employee wages, insurance, and utilities. Since manufacturing overhead is directly related to the production of a good, it is not considered an operating expense and instead goes into the cost of goods sold/cost of sales category.

SOURCE: FI:094 Describe the nature of income statements

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

58. C

Zero-based. Zero-based budgeting is a strategy in which a business or its managers rebuild the budget for each new budgeting period, reevaluating and reapproving all items and making adjustments as necessary. Instead of relying on figures from a previous period, Thompson Landscaping is beginning at zero by calculating new expenses and formulating an entirely new budget. A rolling budget is a budgeting system where new months are added to the annual budget as each month goes by, making the budgeting process a continuous and flexible effort. There is no indication that Thompson Landscaping is adopting this method in their new budgeting system. Interrelated budgets refer specifically to specialized budgets, which are budgets that reflect the goals and activities for particular areas of a company. Incremental budgeting is using the previous year's budget and adding or adjusting that over time. Because Thompson Landscaping is opting to create a new budget from zero rather than rely on their previous budget, they are not incorporating the incremental budgeting system.

SOURCE: FI:106 Describe the nature of budgets

SOURCE: LAP-FI-106—Money Tracks (Nature of Budgets)

59. A

Confidentiality. Confidentiality is the practice of keeping information secret or private. Logan withholds information that this employee is not authorized to know, demonstrating confidentiality. Favoritism and customer loyalty are not considered ethical principles of accounting, and Logan does not demonstrate any bias or preference toward an individual or business in the example. The public interest is an ethical principle of accounting that refers to accountants' responsibility to look out for the greater good of the public as a whole. There is no indication that Logan is behaving with or without the public interest in mind.

SOURCE: FI:351 Discuss the role of ethics in accounting

SOURCE: LAP-FI-351—With Due Care (The Role of Ethics in Accounting)

60. B

Conformity. Conformity is the tendency to behave in the same way that everyone else does rather than exercising one's own judgment. Tina is conforming to the behavior of her colleagues because she wants to fit in and is worried about receiving negative attention if she were to speak up about their unethical behavior. There is no indication that Tina is acting with too much confidence. Incrementalism is the diminishing of ethical values over a period of time. While it is possible that Tina's ethical values could be degrading over time, incrementalism is not the primary reason that she is behaving unethically. Sunk costs are costs that have already been incurred and thus cannot be recovered. There is no evidence that Tina is doubling down on a prior mistake to try and justify her actions or make herself feel better.

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

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

61. C

Plan for the future. By assessing one's assets and liabilities (net worth), individuals can accurately determine their overall financial status and plan for the future. Calculating one's net worth does not necessarily guarantee employment in the future; however, it can enable an individual to take command of their financial well-being. Determining net worth can help someone calculate their cash on hand, but it does not provide them additional cash on hand. Credit score cannot be increased or decreased by evaluating one's net worth.

SOURCE: FI:562 Determine personal net worth

SOURCE: Folger, J. (2021, June 23). *Why knowing your net worth is important*. Retrieved July 25, 2022, from <https://www.investopedia.com/articles/pf/13/importance-of-knowing-your-net-worth.asp>

62. D

Most employers will offer a matching contribution. Many employers will be willing to match savings up to a certain point, meaning increased contributions for those who opt into this form of retirement plan. Withdrawing retirement funds early usually incurs a penalty—in addition, any funds withdrawn early will be subject to income tax. Depending on the specific plan's details and federal regulations, the withdrawal age varies. Some allow withdrawals to begin at age 55, while others begin at age 59. Tax-deferred retirement plans do not result in an increased tax rate; all savings contributed to these plans are exempt from income tax.

SOURCE: FI:569 Discuss the nature of retirement planning

SOURCE: Phipps, M. (2022, June 30). *6 types of retirement plans you should know about*. Retrieved August 12, 2022, from <https://www.thebalance.com/types-of-retirement-plans-2894324>

63. D

Appointing an executor. Estate planning is the preparation and consolidation of an individual's assets in the event of their death. An important aspect of this process is appointing an executor. An executor is responsible for locating and overseeing the assets of the deceased. Refinancing a mortgage, while an important long-term decision, is not an example of managing an estate in the event of the individual's passing. Student loan payments and product inventory are not activities related to estate planning.

SOURCE: FI:572 Explain the nature of estate planning

SOURCE: Wealth Council (2019). *What is estate planning?* Retrieved July 25, 2022, from
<https://www.estateplanning.com/What-is-Estate-Planning/>

64. D

Reporting/Recording the employee's complaint. The first step when conducting an investigation of unethical behavior is reporting/recording the employee's complaint. A properly and ethically executed investigation involves promptly reporting/recording the employee's complaint, initiating an investigation, obtaining adequate documentation from involved parties, interviewing all witnesses, and recommending appropriate punishments/consequences. Human resources managers should conduct all investigations promptly and fairly, interview all witnesses, and treat each incident report with the same level of urgency.

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

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

65. C

Market planning, pricing, channel management. Marketing functions are interrelated activities that must work together to get goods and services from producers to consumers. The seven marketing functions are market planning, product/service management, marketing-information management, pricing, channel management, promotion, and selling. Forecasting, buying, budgeting, central planning, and customer relations are not marketing functions.

SOURCE: MK:002 Describe marketing functions and related activities

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

66. A

Improve profitability. Using supplies wisely helps a company control costs and improve profitability. Having thorough product knowledge, making customer service a top priority, and responding to customers' needs and wants improves customer satisfaction and increases sales. Staying organized, using the right equipment, following procedures, and meeting deadlines can increase efficiency.

SOURCE: MK:015 Discuss actions employees can take to achieve the company's desired results

SOURCE: LAP-MK-015—Act Now! (Employee Actions and Company Goals)

67. B

Centralized. Customer records contain business information about an organization's customers, including names, contact information, and other relevant data. Because customer records can be expansive and comprehensive, businesses should keep them in a centralized place, like a customer relationship management (CRM) system. Keeping customer records in a complex, inaccessible, and/or expensive place are not helpful ways to maintain customer records.

SOURCE: NF:002 Maintain customer records

SOURCE: Rosef-Ingram, I. (2022, January 12). *5 best ways to organize & keep customer records.* Retrieved July 25, 2022, from <https://keap.com/business-success-blog/business-management/how-to-keep-customer-records>

68. C

An expert system. An expert system is a software program designed to mimic the knowledge of human experts. By determining the molecular structure of substances, this program is performing advanced scientific analyses, helping the chemists achieve their goals. Voice over Internet Protocol, or VoIP, is a means of making voice and video calls over the internet without going through traditional public networks. The computer program in this example is not being used as a means of communications. Computer-aided manufacturing refers to software programs that help companies manufacture new products. There is no indication this program is manufacturing a product—it is merely identifying the molecular structure of substances.

SOURCE: NF:003 Identify ways that technology impacts business

SOURCE: LAP-NF-003—TECH-tastic (Technology's Impact on Business)

69. A

Marketing. A business's internal environment consists of elements that can be controlled by the business itself such as finances, personnel, and marketing. Tax codes, demographics, and consumer habits are all aspects of a business's external environment because they cannot be easily controlled or influenced by the business itself.

SOURCE: NF:015 Conduct an environmental scan to obtain business information

SOURCE: LAP-NF-015—Get the 4-1-1 (Conducting an Environmental Scan)

70. C

HTML. Hypertext Markup Language (HTML) is markup code that instructs a computer program (e.g., web browser) how to display words and images. Because HTML is the building block of websites, you would most likely need knowledge of HTML to create a basic web page. Grammatically-correct content on a web page is helpful, but you do not necessarily need grammar knowledge to create a web page. Knowledge of algebra and return on investment (ROI) are not typically necessary for the creation of a web page.

SOURCE: NF:042 Create and post basic web page

SOURCE: Kyrnin, J. (2021, September 30). *How to build your first web page*. Retrieved July 25, 2022, from <https://www.thoughtco.com/how-to-build-a-web-page-3466384>

71. B

Purpose. The first section of a report should state the purpose of the work included in the report in one or two clear sentences. This helps to introduce the key elements and objectives of the project or work. The methods section describes how the work was achieved and the rationale for the approach used. This section would go after sections like the purpose, objectives, and summary. Conclusions drawn from the work would also be placed after the purpose so that readers will understand the basis of the work before receiving the results. The appendix includes any relevant data or information to supplement the final report; this comes at the end of the report.

SOURCE: NF:080 Apply information to accomplish a task

SOURCE: Gradous, D. (2022, January 18) *Organizing information in written reports*. Retrieved July 28, 2022, from <https://managementhelp.org/businesswriting/how-to-organize-information.htm>

72. D

Confidential; sensitive. Legal and financial documents are often confidential and sensitive in nature, so they require additional security (such as encryption and password-protection) when being shared or stored. Legal and financial documents might be timely, but that would not be the reason they require additional security. Someone's legal and financial documents are rarely public, and, if so, would likely not require additional security.

SOURCE: NF:081 Store information for future use

SOURCE: Gupton, L.M. (n.d.). *The pros and cons of digital vs. printed documents*. Retrieved July 25, 2022, from <https://www.staples.com/sbd/cre/tech-services/explore-tips-and-advice/tech-articles/the-pros-and-cons-of-digital-vs-printed-documents.html>

73. C

Your sister always follows the speed limit when she drives you places. Modeling ethical behavior involves demonstrating ethical actions to other people so they will learn through observing you. Your sister is modeling ethical behavior because she is demonstrating an ethical action (following traffic laws) so that you will do the same. Erica is modeling behavior to her friends, but making friendship bracelets is not an example of ethical behavior. Reading the terms and conditions before downloading software is not an example of modeling ethical behavior. If you lie to get out of trouble, you are not modeling ethical behavior.

SOURCE: EI:132 Model ethical behavior

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

74. A

Organizational approach. A database—a term used to refer also to a database management system—is a virtual storage unit for information. There are many different types of databases, and they can be classified in numerous ways, including content type, user numbers, and organizational approach (or data model.) Databases are not typically classified according to a web browser (software used to access and display web pages), user experience (how a user interacts with a good or service), or hardware (the physical components of a computer system, such as the central processing unit, hard drive, and modem).

SOURCE: NF:141 Access information in the database system

SOURCE: Lutkevich, B. (2021, September). *Database (DB)*. Retrieved July 25, 2022, from
<https://www.techtarget.com/searchdatamanagement/definition/database>

75. D

Predictive models. Predictive modeling is the process of using known data to forecast future outcomes. Open-source software is computer software that users can alter, recode, and distribute freely. A sentiment analysis is a tool used to monitor emotional responses to data for branding or sales purposes. Data visualization is the representation of textual or empirical data in a visual format.

SOURCE: NF:152 Interpret data mining findings

SOURCE: Frankenfield, Jake. (2019, June 27). *Predictive modeling*. Retrieved July 28, 2022, from
<https://www.investopedia.com/terms/p/predictive-modeling.asp>

76. B

Style guide. When collaborating on a complex document, teams should use a style guide to achieve a consistent voice. A style guide is a set of standards for developing and designing a document. It often provides guidelines around tone, terminology, and grammar rules, which, when followed by a team of writers, helps achieve consistency in voice and branding. A word processor, fact-checker, and/or appendix might be helpful when working on complex documents, but they will not necessarily help teams achieve a consistent voice.

SOURCE: NF:215 Collaborate on and aggregate complex internal documents to create a common voice

SOURCE: Duggan, D. (n.d.) *5 tips to maintain a consistent blog voice with multiple writers*. Retrieved July 25, 2022, from <https://sprk-d.com/5-tips-to-maintain-a-consistent-blog-voice-with-multiple-writers/>

77. B

Aren't clearly communicated. Turning research findings into actionable business recommendations is only possible when those suggestions are clearly communicated. Otherwise, recipients might not understand the suggestions or miss the connection between the data and recommendations. It is helpful, rather than challenging, when recommendations are well-organized, presented with context, and reinforced with visual supports, such as graphs and charts.

SOURCE: NF:216 Translate research findings into actionable business recommendations

SOURCE: Traore, M. (2019, May 29). *How to turn your data into actionable insights [framework]*. Retrieved July 25, 2022, from <https://www.adviso.ca/en/blog/guides-en/how-to-turn-your-data-into-actionable-insights-framework/>

78. A

Mark not wearing protective gear when operating machinery. Noncompliance in business refers to an individual's failure to act in accordance with a business's rules, regulations, or boundaries. Mark not wearing protective gear when operating machinery is an example of noncompliance with business health and safety regulations. Natasha failing to complete her responsibilities on time and Lisa continuously showing up late to her night shifts are both examples of noncompliance, but neither necessarily relates to health and safety regulations. Tyreek reporting harassment to his human resources department is an example of compliance—fulfilling requirements—with business health and safety regulations.

SOURCE: OP:005 Report noncompliance with business health and safety regulations

SOURCE: QuickBooks Canada. (2021, March 25). *Dealing with non-compliance in your workforce*. Retrieved July 25, 2022, from <https://quickbooks.intuit.com/ca/resources/manage-employees/dealing-with-non-compliance-in-your-workforce>

79. A

Call for emergency services. First, Sonia should call for emergency services. Because an employee is badly injured, it is of the utmost importance that they receive medical attention as soon as possible. Once emergency services are called and the employee receives the help they need, Sonia can identify people at the scene, preserve physical evidence, and start working on an incident report.

SOURCE: OP:010 Handle and report emergency situations

SOURCE: CBIA. (2022). *Responding to workplace accidents*. Retrieved July 25, 2022, from <https://www.cbia.com/resources/hr-safety/safety-health/responding-to-workplace-accidents>

80. A

Capital goods and human resources. Production is the creation of goods and services from economic resources. The specific economic resources used in producing goods and services are called inputs. The basic categories of inputs are human resources, natural resources, and capital or capital goods. In other words, a business must have workers, materials to create products, production equipment, and the money to pay for it all. Manufacturing and constructing are examples of conversion processes, which is where inputs turn into products. The goods and services produced as the result of combining inputs are called outputs. Outputs may be tangible products (goods) such as computers or jewelry, or they may be intangible products (services) such as education or health care.

SOURCE: OP:017 Explain the concept of production

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

81. D

Renovate the facility or expand the business. Expenses refers to the money that a business spends. By controlling expenses, businesses can renovate their facilities or expand their businesses. Other potential benefits for businesses that control their expenses include providing adequate supplies and equipment, paying its bills on time, providing good wages and benefits, maintaining the facility, using promotion to attract customers and increase sales, carrying out research and development activities, and paying dividends to stockholders. Downgrading its business, providing limited supplies and equipment, and avoiding offering benefits are not intended results of controlling expenses.

SOURCE: OP:025 Explain employee's role in expense control

SOURCE: LAP-OP-025—Buck Busters (Employee Role in Expense Control)

82. A

Update it programs regularly. If a company wants to improve its data security, it should update its programs regularly. Updating computers and other electronic devices regularly is one of the best ways to ensure their protection. Hackers and ransomware are often adapting, so regularly updating the applications and software on devices will improve the overall data security. Companies should encourage employees to use unique passwords and to change them often. Companies should back up their data at minimum once a week, but preferably every day. Companies should make sure their employees are using a secure or private connection when connecting to the internet.

SOURCE: OP:064 Maintain data security

SOURCE: Murphy, D. (2022, June 23). *10 ways to improve data security*. Retrieved July 25, 2022, from <https://www.lepide.com/blog/ten-ways-to-improve-data-security>

83. C

Stays within budget and meets its deadline. For a project to be deemed successful, it has to meet certain criteria. Generally, a successful project is one that stays within its budget and meets its deadline. The cost or budget is often the main measurement of a project's success, as the company will lose money if it goes over budget. The completion of a project on time is another important measurement of project success. A successful project achieves all of its intended results, not only some of them. A successful project satisfies both suppliers and customers.

SOURCE: OP:159 Evaluate project results

SOURCE: Weedmark, D. (2021, June 3). *How to measure a project's success*. Retrieved July 25, 2022, from <https://smallbusiness.chron.com/quality-planning-important-project-management-81402.html>

84. D

Drive improvements in the supply chain. Vendor performance is the process of measuring and monitoring the performance of your vendors/suppliers. These evaluations are important because they ensure that your vendors are meeting your standards and requirements. There are several benefits for an organization that evaluates the performance of its vendors, such as driving improvements in the supply chain, reducing costs, increasing productivity and efficiency, improving business performance, identifying problems, and decreasing the number of product issues or defects. Enlarging overall costs and expenses, lowering productivity and efficiency, and increasing product issues and defects are not intended results of evaluating a vendor's performance.

SOURCE: OP:162 Evaluate vendor performance

SOURCE: Desai, S. (2019, May 13). *Supplier performance evaluation – A quick checklist*. Retrieved July 25, 2022, from <https://www.zycus.com/blog/supplier-management/supplier-performance-evaluation-a-quick-checklist.html>

85. D

Inventory control. Retail businesses focus on reselling finished products. Therefore, keeping a balanced inventory is crucial for retailers to maximize efficiency, sales, and customer satisfaction. Safety and security, while still important in the retail industry, would be a greater focus in the manufacturing industry and medical industry where businesses may use highly complex machines, chemicals, and procedures. Routing deals with the sequencing of the production process; it is less of a concern for retailers because they do not produce goods. Similarly, scheduling establishes the timetable for the production process and is less applicable to retail businesses.

SOURCE: OP:189 Explain the nature of operations

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

86. C

Facilitate consistent communication. To encourage coordination and collaboration among his company's departments, Steve should facilitate consistent communication. This includes having the right software and equipment to allow communication and holding regular meetings with all department managers.

Multidepartment projects are important, as they will allow departments to work together and learn each other's processes. Steve should encourage the company's employees to provide feedback to their managers and to other departments. By doing this, it can empower team members, lead to streamlining, and improve processes and collaboration. Steve should encourage his departments to celebrate small wins with each other. Bringing employees from different departments together is a great way to sustain momentum and motivation, as well as allowing them to build working relationships with one another.

SOURCE: OP:196 Coordinate activities with those of other departments

SOURCE: Pogue, S. (2022, April 6). *11 ways to improve collaboration between departments*. Retrieved July 26, 2022, from <https://www.workzone.com/blog/9-ways-to-improve-collaboration-between-departments>

87. D

Consolidate software. A company can streamline its work processes if it consolidates its software. Rather than having separate software for different functions (order entry, accounting, inventory control, etc.), combining all of these processes into one integrated software platform will streamline each of the processes. Rather than maintaining existing processes, it is important to assess and analyze each of them to determine which processes should be streamlined. Reducing, not increasing, paper usage is a great way to streamline work processes. Paperwork can pile up and add unnecessary lead times, create extra work, and take up more storage space. Outsourcing—acquiring assistance from outside organizations/consultants to obtain goods or services to accomplish business objectives or perform primary business activities—can help speed up processes and take more off employees' plates, giving them more time to complete other important tasks.

SOURCE: OP:355 Streamline work processes

SOURCE: Bucki, J. (2019, July 29). *Top ways to streamline your business*. Retrieved July 26, 2022, from <https://www.thebalancesmb.com/top-ways-to-streamline-your-business-2533560>

88. B

Employees' responsibilities if equipment is lost or damaged. A company property agreement is used to ensure that all property used by employees is accounted for and to outline the responsibilities by the employee for loss or damages to company property. Instruction on how to use business equipment for personal use is not something that would typically be included in a company property agreement. More often than not, these agreements will inform employees not to use company equipment for personal use. Information about a company's paid vacation policy and details regarding the company's health benefits package are not included in a company property agreement.

SOURCE: OP:442 Comply with policies and procedures for use of property and equipment

SOURCE: Meggitt, J. (n.d.). *Company property agreements*. Retrieved July 26, 2022, from <https://smallbusiness.chron.com/company-property-agreements-43589.html>

89. C

Quality issues are inevitable no matter the supplier. No matter how experienced the supplier, quality issues are inevitable. They are bound to happen from time to time, so knowing how to address these problems is important. Rather than waiting two days before telling a supplier about an issue, you should immediately inform them. If you notice an issue or a defect, it is important to take photos for documentation so that you can send them to your supplier. Although it isn't necessarily your responsibility to offer solutions for a problem, it could be helpful for the supplier to have a different perspective on how to handle the issue. Providing advice or offering help could speed up the process and get things back on track.

SOURCE: OP:652 Resolve problems with suppliers' quality issues

SOURCE: Hassiotis, M.K. (2020, April 20). *Addressing product quality issues with your supplier [free checklist]*. Retrieved July 26, 2022, from <https://news.ewmfg.com/blog/addressing-product-quality-issues-with-your-supplier-free-checklist>

90. B

Higher chance of success. When ethical standards are implemented throughout a project, there is a higher chance of success for the project. When unethical actions are taken, projects tend to veer off course and bring about costly consequences. But projects that follow ethical standards are much more likely to avoid those mishaps, leading to a greater chance that the project will achieve its goals. Projects that follow ethical standards will build stakeholder trust, improve decision-making, and reduce anxiety and stress.

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

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

91. C

Prioritize tasks by importance. Zaria can improve her time-management skills by prioritizing tasks by importance. Determining which tasks are more important or urgent than others will help her prioritize her responsibilities and make the most of her time. Rather than assuming more responsibilities, Zaria should be aware of her workload limitations. Staying up late to finish projects may help in the short term, but not getting enough sleep will prevent Zaria from being at her best at work the next day. A lack of sleep can hurt her productivity and efficiency, which would hurt her time-management skills. Rather than focusing on tasks, Zaria should focus on goals. By setting smaller, attainable goals for herself, she will be more efficient with her time. Focusing on the overall task at large can be overwhelming and hurt time-management skills.

SOURCE: PD:019 Use time-management skills

SOURCE: LAP-PD-019—About Time (Time Management)

92. B

Banking services and insurance positions. Business careers typically fall under three categories: business management, finance, and marketing. Banking services, insurance, and accounting all fall under the finance field. Human resource management and operations management are both careers in the business management field. Marketing research, merchandising, and professional selling are all careers in the marketing field.

SOURCE: PD:025 Explain employment opportunities in business

SOURCE: LAP-PD-025—Go for It! (Careers in Business)

93. A

Tailor your application to the job description. When completing a job application, it is important to tailor your resume, cover letter, answers, and other components of the application to the job description. This includes details of your skills, experience, accomplishments, and knowledge. By doing this, you will show why you are more qualified than other applicants for the position. It is important to not leave any blanks on a job application. If there are questions that don't apply to you, it is better to respond with "not applicable" or "n/a." You should also avoid including specific salary requirements, as it is too early in the process to negotiate salary. You should not lie or exaggerate on an application, as it will damage your credibility, especially if you are caught.

SOURCE: PD:027 Complete a job application

SOURCE: Hansen, R. (2022). *A job-seeker's guide to successfully completing job applications*. Retrieved July 21, 2022, from <https://www.livecareer.com/resources/jobs/search/job-applications>

94. C

Your website URL. The contact section of a resume can be found at the top of the page, and it lists important contact information about yourself. Typically, this section includes your full name, email address, home address, phone number, and your website URL. Details about your last job are included in the experience section. Where you went to school is included in the education section. Awards you've received are included in the honors, activities, and/or outreach section.

SOURCE: PD:031 Prepare a resume

SOURCE: Purdue Writing Lab. (2021). *Résumé workshop*. Retrieved July 21, 2022, from https://owl.purdue.edu/owl/job_search_writing/resumes_and_vitas/resume_workshop/index.html

95. A

It can build its network and generate new ideas. A trade show is an event where businesses display and/or demonstrate their products to build sales leads and interest. There are several benefits for an upcoming business attending a trade show, including building its network, generating new ideas, and learning about its competition. A trade show often includes several companies in the same industry, so the upcoming business will have to worry about competition at the trade show. Trade shows are not free to attend, and costs of travel, food, and accommodations are typically not covered. Trade shows are great for introducing products and services to others, but they don't guarantee high turnouts or sales leads.

SOURCE: PD:036 Utilize resources that can contribute to professional development (e.g., trade journals/periodicals, professional/trade associations, classes/seminars, trade shows, and mentors)

SOURCE: Karimi, M. (2018, January 17). *5 reasons to attend your field service industry trade show*. Retrieved July 21, 2022, from <https://www.smartservice.com/smarts-service-blog/5-reasons-to-attend-a-field-service-industry-trade-show>

96. C

They are often content with simple business operations. A small-business owner is an individual who owns a business venture to generate income without intentions of growing or expanding the business. Because of this, small-business owners are often content with simple business operations. Small-business owners typically employ less than 500 people, not more than 1,000. A manager is an individual responsible for the coordination of resources to accomplish an organization's goals. Managers handle day-to-day tasks to make an entrepreneur's vision a reality. An entrepreneur is an individual who identifies an opportunity to create new value, develops and offers a unique product, assumes the risks of starting and building a business, focuses on the improvement and growth of that business, and receives personal and financial rewards for their efforts. Entrepreneurs are focused on growing and expanding their businesses.

SOURCE: PD:066 Explain career opportunities in entrepreneurship

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

97. B

Set boundaries and priorities for yourself. To achieve a strong work-life balance, it is important to set boundaries and priorities for yourself. Setting boundaries—such as not checking your work-related messages after you clock out, keeping your email off your phone, and using separate devices for work and personal matters—can help prevent burnout. Prioritizing your most important tasks at work will help you stay up to date on your assignments, which will result in more free time to relax outside of work. Paid time off can be used in situations where it is necessary, such as an illness or emergency. However, it should also be used for vacations, mental health days, or other personal life endeavors. Setting specific work hours is important for a work-life balance. If you know when you will start and end work, it will be easier to focus during work hours and unplug during non-work hours. Checking personal messages during work hours is OK on a limited basis, but they should not take priority over your tasks.

SOURCE: PD:179 Balance personal and professional responsibilities

SOURCE: Sanfilippo, M. (2022, June 29). *How to improve your work-life balance today*. Retrieved July 20, 2022, from <https://www.businessnewsdaily.com/5244-improve-work-life-balance-today.html>

98. B

It reflects poorly on you and may get you in trouble. A chain of command is the flow of authority within an organization. Not following the chain of command can reflect poorly on you, may get you in trouble, or it may create unnecessary complications for everyone else. Clearer and improved communication, smoother workflow, faster issue resolution, and maintaining order are all benefits of chains of command. Chains of command will improve productivity and efficiency, not lower it.

SOURCE: PD:252 Follow chain of command

SOURCE: LAP-PD-252—Don't Cheat the Chain (Following Chain of Command)

99. D

Communicate goals on every level of the organization. A company can align employees with its organizational goals by communicating its goals on every level. By having clear and consistent communication of goals and responsibilities at every level of an organization, employees will better understand how they are helping the company reach its goals. Rather than prioritizing organizational goals over employee goals, companies should encourage employees to share their personal visions and goals with management. Then, managers should provide regular feedback and coaching to ensure work is aligned and employees are on track to achieve their goals. Companies should offer, rather than limit, personal development opportunities to help their employees grow.

SOURCE: PD:255 Ascertain employee's role in meeting organizational goals

SOURCE: Ryba, K. (2021, February 23). *How to align individual, team, and organizational goals for success*. Retrieved July 21, 2022, from <https://www.quantumworkplace.com/future-of-work/how-to-align-organizational-goals>

100. B

Damaged company reputation due to brand erosion. Strategic risks are possible events or situations that can affect the execution of an organization's long-term plans. Many strategic risks involve damage to the company's reputation as a result of brand erosion, fraud, and/or negative publicity; threats posed by new competitors and/or new competing products; and technological innovations that make certain products obsolete. Natural phenomena such as tornadoes and earthquakes are hazard risks—potential events or situations that can cause injury or harm to people, property, or the environment. Inflation, interest rate increases, or credit downgrades are financial risks—possible events or situations that directly impact a company's cash flow. Problems with human resources or labor relations are operational risks—possible events and situations resulting from employee actions, core processes, and daily business activities.

SOURCE: SM:075 Explain the nature of risk management

SOURCE: LAP-SM-075—Prepare for the Worst; Expect the Best (Nature of Risk Management)