



Competency-Based
Competitive Events
Written Exam

2024 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. According to the law of diminishing returns, if one input increases while all others are constant, the increases in output will
 - A. remain the same.
 - B. eventually decline.
 - C. continue to increase.
 - D. decline before increasing.

2. Which of the following statements about a private corporation is true:
 - A. It does not offer shares to the general public.
 - B. It has a specific mission other than making a profit.
 - C. It can sell unlimited shares to the general public.
 - D. It is limited to 100 or fewer shareholders.

3. X-ray machines, surgical equipment, wheelchairs, and scrubs are all items that a hospital might buy for
 - A. resale.
 - B. negotiations.
 - C. business use.
 - D. production.

4. Support staff positions typically fall within the _____ area of business management careers.
 - A. business information management
 - B. administrative services
 - C. accounting
 - D. human resources management

5. An effective way to evaluate a risk is to determine
 - A. inventory and probability.
 - B. objections and inventory.
 - C. probability and magnitude.
 - D. magnitude and body language.

6. If Jamie wants to improve his active listening skills, he should
 - A. improve his reading skills.
 - B. interrupt the speaker.
 - C. avoid asking questions.
 - D. use nonverbal cues.

7. Which of the following is a disadvantage of specialization:
 - A. Boredom may increase on the job
 - B. Worker dependency decreases
 - C. Worker training is simplified
 - D. Quantity of work increases

8. Effective information management means retaining and evaluating information that is
- A. encrypted.
 - B. accurate.
 - C. interesting.
 - D. positive.
9. Celine is responsible for monitoring her company's monetary returns and risks. Celine most likely specializes in
- A. finance.
 - B. procurement.
 - C. marketing.
 - D. sales.
10. When Keisha's coworker receives an important personal call at his desk, she takes a walk to refill her water bottle. Keisha is illustrating how to
- A. avoid gossip.
 - B. be tactful.
 - C. respect privacy.
 - D. be humble.
11. A business has taken out a mortgage to pay for its newest storefront. This mortgage would appear in the business's balance sheet under
- A. income.
 - B. liabilities.
 - C. assets.
 - D. capital gains.
12. Which of the following is a disadvantage of the matrix organizational structure:
- A. It can be costly to implement.
 - B. It encourages flexibility.
 - C. It discourages flexibility.
 - D. It reduces organizational unity.
13. Which of the following is most likely to motivate team members to engage in a shared vision:
- A. Criticism
 - B. Creativity
 - C. Decision-making
 - D. Positive reinforcement
14. Which of the following documents officially authorizes a project to begin:
- A. Registration documents
 - B. Statement of work
 - C. Work breakdown structure
 - D. Project charter

15. If you discover your values and behavior do not match up, you should
- A. adjust your values to include all behaviors.
 - B. make a radical change to quickly adjust course.
 - C. wait to observe how this discovery impacts your life.
 - D. take small, manageable steps to close the gap.
16. Which of the following sensitive issues often causes ethical dilemmas for human resources managers:
- A. Education
 - B. Titles
 - C. Gender
 - D. Scheduling
17. Quantitative data are different than qualitative data in that quantitative data are
- A. collected by interviewing and observing.
 - B. sometimes analyzed using thematic analysis.
 - C. gathered by measuring and counting.
 - D. subjective and dynamic.
18. A convenient feature of online banking is the ability to _____ in real time.
- A. increase your social media presence
 - B. monitor your account balance
 - C. adjust your stock portfolio
 - D. reduce your credit card debt
19. Which of the following is an example of a specific goal:
- A. Increase sales
 - B. Decrease prices
 - C. Improve employee morale
 - D. Improve production by 10%
20. If an organization is shipping goods internationally, it should be aware of _____ laws to avoid penalties and fines.
- A. export
 - B. import
 - C. civil
 - D. criminal
21. During a dinner party, Myles shares his client's personal financial details with a friend. This is an example of _____ behavior.
- A. unethical
 - B. positive
 - C. irrational
 - D. ethical

22. A contract is considered legally binding if
- A. the subject of the contract is ambiguous.
 - B. something of value is exchanged between parties.
 - C. only one party agrees on the offer.
 - D. at least one party is a business.
23. Which of the following documents would most help a business make financial decisions:
- A. Balance sheet
 - B. Personal check
 - C. Pay stub
 - D. Company bylaws
24. Which of the following outputs is an industrial good:
- A. A mixer purchased by a college student
 - B. A set of measuring cups purchased by a family
 - C. An oven purchased by a bakery owner
 - D. A roll of cookie dough purchased for home use
25. What is a valid reason for evaluating project success?
- A. To reduce monthly expenditures
 - B. To conduct employee reviews
 - C. To identify needs for future projects
 - D. To bypass stakeholder feedback
26. After 15 years as a salesman with one company, Kaiden recently accepted an international sales job, which will require him to travel to countries in Asia at least once a month. He assumes all of his customers will be just like the Asian-American customers he worked with in the United States. What is Kaiden guilty of?
- A. Jargon
 - B. Individualism
 - C. Stereotyping
 - D. Ethnocentrism
27. When practicing time management, you should focus on tasks that are
- A. collaborative and straightforward.
 - B. straightforward and important.
 - C. urgent and collaborative.
 - D. important and urgent.
28. While making a schedule for their team, a project manager wants to determine the order in which work will be completed and connect the activities to one another. What project planning tool will help them do this best?
- A. Focus group
 - B. To-do list
 - C. Flow chart
 - D. Survey

29. To help you determine which person should be responsible for what project task, it is recommended that you use a
- A. community sponsor.
 - B. bottom-up estimation.
 - C. skills assessment.
 - D. social media platform.
30. Kerry only buys shoes from one brand. This is an example of brand
- A. loyalty.
 - B. personality.
 - C. awareness.
 - D. promise.
31. Identifying goals, deciding what work will be done, and setting due dates is part of the _____ management function.
- A. directing
 - B. controlling
 - C. staffing
 - D. planning
32. When a store offers a discount on one of their products, they are providing _____ utility.
- A. possession
 - B. time
 - C. place
 - D. form
33. When is it easiest to overlook the need to improve or change?
- A. When you are experiencing success
 - B. When you use critical thinking skills
 - C. When you are in a leadership position
 - D. When you are challenging the status quo
34. When Peter criticized his employees for using their company laptops to play games and browse social media, they were surprised. They did not know that their behavior was wrong. Peter should have
- A. communicated the rules more clearly.
 - B. enforced stricter punishments.
 - C. relaxed the company computer policy.
 - D. hired more ethical employees.
35. Which of the following is a way in which social media can be used for business purposes:
- A. Self-expression
 - B. Marketing and promotion
 - C. Staying connected with friends
 - D. Entertainment and humor

36. Which of the following is a benefit of having a budget:
- A. Budgetary information is simplified and less detailed.
 - B. Financial information is easily accessible.
 - C. Expenses are reduced and income is increased.
 - D. Budgets allow businesses to conduct market research.
37. Jerry is in charge of tracking progress and important milestones for his team's current project. To do so, he tracks everything according to the dates they occurred. Jerry is using the _____ method to organize information.
- A. order of importance
 - B. inverted order
 - C. compare and contrast
 - D. chronological order
38. When speakers share knowledge or skills, their purpose is to
- A. persuade.
 - B. boast.
 - C. inform.
 - D. entertain.
39. Mercedes recently quit her job so that she could attend college. Mercedes is experiencing what type of unemployment?
- A. Structural
 - B. Frictional
 - C. Seasonal
 - D. Technological
40. A luxury hotel client decides to expand the design of a new penthouse suite from 1,200 square feet to 2,500 square feet. This adjustment would fall under what component of the project plan?
- A. Change-management plan
 - B. Risk-management plan
 - C. Communications plan
 - D. Quality-management plan
41. An accountant is looking to track their company's spending history. What type of digital technology would be most helpful?
- A. Spreadsheet
 - B. The internet
 - C. GPS application
 - D. Word processor
42. Ian and his team recently completed a six-month-long project. As a result, Ian invites the group to go celebrate at a nearby restaurant after work. This illustrates which step in developing an achievement orientation?
- A. Be a leader and encourage feedback
 - B. Be patient and persistent
 - C. Reward yourself for your accomplishments
 - D. Take a break to refresh your mind

43. Hamidou purchases a new smartphone on credit. He signs a contract to pay a specific monthly amount over the next 24 months. This is an example of _____ credit.
- A. regular
 - B. installment
 - C. revolving charge
 - D. budget
44. Which of the following is considered a strategic risk:
- A. Labor relations
 - B. Competition
 - C. Human errors
 - D. Property damage
45. Which of the following best describes prescriptive data:
- A. They identify the best course of action.
 - B. They predict what will happen.
 - C. They determine why the problem has occurred.
 - D. They define the problem.
46. When writing an executive summary for a business plan, it is important to
- A. make it long and detailed.
 - B. sign your name.
 - C. avoid using bullet points.
 - D. speak to your audience.
47. Pablo, a sales associate at an electronics store, sees a confused-looking customer looking for a product. However, when Pablo approaches the customer to offer his assistance, the customer refuses his help. This is an example of a _____ customer.
- A. argumentative
 - B. complaining
 - C. leave-me-alone
 - D. impatient
48. Which of the following statements best represents administrative law:
- A. It pertains to the actions of government agencies.
 - B. It deals with crime and criminal offenses.
 - C. It deals with the rights and duties of private entities.
 - D. It settles possible disputes between private entities.
49. An essential component of business success is
- A. crowdfunding.
 - B. sufficient cash flow.
 - C. viral marketing.
 - D. malpractice insurance.

50. Melanie is a freelance accountant. She makes sure to avoid working with any companies with whom she has a personal connection. Melanie is being ethical by
- A. conducting a performance review.
 - B. partnering with likeminded organizations.
 - C. avoiding a potential conflict of interest.
 - D. prioritizing short-term goals.
51. Which of the following is a positive nonverbal cue:
- A. Limiting eye contact
 - B. Slouching in a chair
 - C. Crossing your arms
 - D. Nodding your head
52. Raoul handles exchanges according to company policy, watches for counterfeit bills, and gives discounts only when appropriate. He is helping control business expenses by
- A. treating customers in a professional manner.
 - B. managing sales transactions with accuracy.
 - C. respecting company property.
 - D. using expense accounts responsibly.
53. Which of the following characteristics is a creative person most likely to display:
- A. Apathy
 - B. Flexibility
 - C. Codependence
 - D. Logic
54. Maya wants to read faster to increase her efficiency. Which of the following should she do to improve her reading skills:
- A. Avoid scanning titles and headings
 - B. Dive right into reading
 - C. Memorize key terms and concepts
 - D. Control her reading environment
55. Gabriela works in the finance department of her business. She is responsible for maintaining information related to furniture, equipment, vehicles, and other objects her business needs to carry out day-to-day functions. Gabriela is responsible for maintaining the company's _____ records.
- A. promotional
 - B. personnel
 - C. payroll
 - D. asset
56. Which of the following is one of the primary components of an income statement:
- A. Tax bracket
 - B. Liabilities
 - C. Cost of goods sold
 - D. Assets

57. If Field wants to evaluate the validity of a source he wants to use for his research paper, he should check the author's

- A. salary.
- B. social media presence.
- C. credentials.
- D. political affiliation.

58. Joey is creating a report that includes key financial information, including assets, liabilities, and owner's equity.

Joey is creating a

- A. accounts payable ledger.
- B. balance sheet.
- C. profit-and-loss statement.
- D. tax return.

59. A manufacturer has a fixed cost for its employees' wages, but when it decides to produce a greater number of products this month, its employees work more hours and earn overtime—resulting in variable overtime pay.

This is an example of

- A. gross profit.
- B. price markups.
- C. mixed costs.
- D. an economy of scale.

60. A car dealership gives back to its community by hosting charity fundraisers and donating to local organizations.

These actions by the car dealership are examples of

- A. competition in the marketplace.
- B. technical analysis.
- C. corporate social responsibility.
- D. systematic random sampling.

61. What is the relationship between the cost of production and supply?

- A. Production costs are unrelated to prices.
- B. As supply rises, production costs decrease.
- C. Lower production costs lead to decreased supply.
- D. Higher production costs lead to decreased supply.

62. A legal suit has been brought against Landon for property damage. What type of insurance would best help Landon in this situation?

- A. Personal property
- B. Personal liability
- C. Loss of use
- D. Dwelling

63. Shemar has decided not to hire Garrett's Tree Removal Service. In the past, the company has worked slower than promised and their quality of service was not to Shemar's liking. Shemar's decision is influenced by which of the following:
- A. Risk
 - B. Experience
 - C. Emotion
 - D. Insight
64. Which of the following statements about ethics in data mining is true:
- A. Data collected with customer consent can be made publicly available.
 - B. It is ethical to collect someone's personal data without their consent.
 - C. Good intentions with data analysis ensure a positive outcome.
 - D. Companies must exercise transparency when collecting, storing, and using data.
65. Which of the following quality-control tools is most useful for identifying many potential causes of a problem and sorting them into specific categories, especially when there is very little "hard" information to go on:
- A. Histogram
 - B. Check sheet
 - C. House of quality matrix
 - D. Fishbone diagram
66. A company restricting employee access to only websites that are required for work is an example of a(n) _____ policy.
- A. discrimination
 - B. disciplinary
 - C. health and safety
 - D. internet
67. Toward the end of the workday, Anita sees her manager, Peyton, take money out of the cash register and put it in their pocket. When Anita asks Peyton about it, Peyton sidesteps the question and tells Anita to forget what happened. In this instance, would it be okay for Anita to bypass Peyton and inform the human resources manager of Peyton's actions?
- A. No, because Anita should listen to Peyton and forget what happened.
 - B. Yes, because Peyton engaged in an illegal activity.
 - C. Yes, because Anita should always bypass Peyton in the chain of command.
 - D. No, because Peyton did not do anything wrong.
68. A helpful way to identify your strengths and weaknesses involves receiving _____ from others.
- A. compliments
 - B. self-esteem
 - C. feedback
 - D. compensation

69. Which of the following investments would be considered least reliable:
- A. Money market accounts
 - B. Stocks
 - C. Bonds
 - D. Savings accounts
70. Hayes is a purchasing specialist, and her brother works for a potential supplier. Buying equipment from her brother's company may be a(n)
- A. environmental violation.
 - B. misuse of company property.
 - C. safety breach.
 - D. conflict of interest.
71. Carmel is concerned for others' welfare. In other words, Carmel is
- A. reliable.
 - B. persistent.
 - C. altruistic.
 - D. honest.
72. The leaders of a project team abide by the same set of strong moral principles, no matter the pressure or situation. The project leaders are demonstrating
- A. integrity.
 - B. accountability.
 - C. respect.
 - D. quality.
73. The government prevents a single business from controlling the entire production of a good or service. This is an example of how government involvement can
- A. provide public goods.
 - B. regulate workplace conditions.
 - C. conserve the environment.
 - D. protect competition.
74. Rosemary always remembers to hold the door open for the person behind her, because she has learned the impact her small actions can have on others. What trait is Rosemary demonstrating?
- A. Acceptance
 - B. Sympathy
 - C. Empathy
 - D. Self-awareness
75. Which of the following statements about building positive customer relationships is true:
- A. Businesses should aim to simply meet customer expectations.
 - B. Businesses must be reactive to customer feedback.
 - C. Customer relations do not impact competition.
 - D. Positive customer relations encourage customer loyalty.

76. Which of the following is a demographic businesses might identify as a result of conducting an environmental scan:

- A. Consumer spending habits
- B. New regulations
- C. Unemployment rate
- D. Population shift

77. Which of the following is an example of an unexpected change:

- A. Your computer crashing
- B. Starting a new job
- C. Learning to drive a car
- D. Graduating from high school

78. Which of the following statements regarding power is true:

- A. Power does not follow a hierarchy.
- B. Power follows a strict hierarchy.
- C. Authority and power are the same thing.
- D. People with power never have authority.

79. If a company effectively implements a customer relationship management program, which of the following is a common result:

- A. Higher quality products at cheaper prices
- B. Customers do more shopping outside business hours
- C. Vendors offer competitive discounts on supplies
- D. Employees performing their jobs more efficiently

80. Which of the following is an effective way to defend ideas objectively:

- A. Prepare ahead of time
- B. Limit audience feedback
- C. Avoid thanking critics
- D. Respond with opinions

81. To effectively follow directions in the workplace, it is important to

- A. avoid asking questions.
- B. listen passively.
- C. rely on your memory.
- D. respond with a good attitude.

82. Which of the following best describes a market economic system:

- A. Prices are set by the government.
- B. Individuals and businesses own the means of production.
- C. The government owns and controls all means of production.
- D. It is sometimes called a subsistence system.

83. Which of the following is considered a rich form of communication:

- A. Blog
- B. Video conference
- C. Voice message
- D. Email

84. Madilynn's homeroom class is filled with students who possess many different backgrounds, beliefs, and ideas, which inspires Madilynn to embrace new ideas and discuss a variety of perspectives. This classroom possesses

- A. widespread objectivity.
- B. personal fulfillment.
- C. intellectual diversity.
- D. cognitive imbalances.

85. Tasks like showering regularly, caring for your hair, and brushing your teeth are how you practice

- A. hygiene.
- B. body language.
- C. accessories.
- D. self-image.

86. Which of the following statements regarding inspiration is true:

- A. You must be a CEO to inspire others.
- B. Inspiration is rarely used by leaders.
- C. Inspiring others requires a college degree.
- D. Anyone can learn how to inspire others.

87. Which of the following occurs during the revision stage of written work:

- A. Deleting unnecessary words
- B. Fixing typos
- C. Correcting spelling errors
- D. Tweaking transitions

88. If Phil wants to create, store, and print a typed document, what software should he use?

- A. PowerPoint
- B. Excel
- C. Photoshop
- D. Word

89. Why do small businesses tend to be more innovative than huge corporations?

- A. They require more decision-making.
- B. They follow fewer laws.
- C. They are more flexible.
- D. They have more money to invest.

90. Your manager welcomes feedback and urges employees to share new ideas. Which characteristic of open, honest communication are they demonstrating?

- A. Encouraging questions and suggestions
- B. Allowing for conflict
- C. Avoiding half-truths
- D. Giving information people need

91. Which of the following is a benefit businesses experience from collaboration:

- A. Greater job satisfaction
- B. Personal and professional growth
- C. Increased retention of top talent
- D. Better communities and relationships

92. When creating an outline, the information in the first heading should have the same significance as the information in the second heading. This best describes what component of creating an effective outline?

- A. Subordination
- B. Coordination
- C. Division
- D. Parallelism

93. Which of the following would be an appropriate goal for someone with a personal vision that involves working to cure cancer:

- A. Attend religious seminary
- B. Get accepted to medical school
- C. Write a best-selling novel
- D. Graduate from law school

94. Even though math is his most difficult subject and he wants to give up, Marco continues working through his trigonometry homework problems. Marco is being

- A. altruistic.
- B. persistent.
- C. transparent.
- D. respectful.

95. After only two years of use, Jace's laptop was obsolete, so he asked for a new one for his birthday. This is an example of

- A. strategic outsourcing.
- B. shrinking product life cycles.
- C. microscopic globalization.
- D. e-commerce.

96. A water bottle manufacturer checks one bottle from every shipment to ensure the quality of its product. This process is known as quality

- A. inspection.
- B. assurance.
- C. logistics.
- D. delivery.

97. Which of the following is a learning goal:
- A. Deliver a presentation without making a mistake.
 - B. Complete a 1,000-word manuscript in one month.
 - C. Receive at least a 9 out of 10 on a performance review.
 - D. Become an expert in a new graphic design software.
98. Bianca pays tax on a pair of jeans she buys at a retail store. What type of tax did Bianca pay in this situation?
- A. Income
 - B. Payroll
 - C. Sales
 - D. Property
99. Andrew received word from a colleague that their boss wants to meet with him one-on-one this afternoon. When asked what the meeting was about, the colleague didn't have any details. As a result, Andrew begins to feel nervous and starts to panic while thinking about all of the possible reasons for the meeting. What step can Andrew use to help him tolerate ambiguity in the moment?
- A. Focus on creativity
 - B. Assess risks
 - C. Stay calm and neutral
 - D. Ask questions
100. When editing a document with someone else, it is important to
- A. not use track changes.
 - B. review the document at different times.
 - C. maintain an open line of communication.
 - D. use different software.

1. B

Eventually decline. The law of diminishing returns is an economic concept that states that if one input increases while all others are constant, at some point the increases in output will decline. The law of diminishing returns (also sometimes referred to as the law of diminishing marginal returns or the law of variable proportions) does not state that if one input increases while all others are constant, the increases in output will continue to increase, remain the same, or decline before increasing.

SOURCE: EC:023 Explain the impact of the law of diminishing returns

SOURCE: LAP-EC-023—Know Your Limits (Law of Diminishing Returns)

2. A

It does not offer shares to the general public. A private corporation, also known as a close corporation, is a type of corporation owned by a few people that does not offer its shares for sale to the general public. A "C" corporation, also known as a public corporation, can sell unlimited shares of stock to the general public—meaning there may be unlimited stockholders in just one company. A subchapter corporation, or "S" corporation, is a type of corporation that is limited to 100 or fewer shareholders, has limited shareholder liability, and requires little financial reporting. A nonprofit organization operates to accomplish a specific mission—other than to make a profit. Generally, the purpose of the organization is to help society, and income is used to fund programs and cover operational expenses.

SOURCE: BL:003 Explain types of business ownership

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

3. C

Business use. A hospital is a business that purchases many goods and services for its own use rather than resale or transformation. Without the necessary equipment, furniture, medicine, and supplies, the hospital could not properly care for its patients. These items would not be purchased for production, negotiations, or resale.

SOURCE: OP:015 Explain the nature and scope of purchasing

SOURCE: LAP-OP-015—Buy Right (Purchasing)

4. B

Administrative services. Business management careers include positions in the areas of administrative services, business information management, general management, human resource management, and operations management. Employees working in administrative services facilitate business operations through a variety of administrative and clerical duties, including information and communication management, data processing and collection, and project tracking. These positions are often referred to as support staff positions. For example, an executive or administrative assistant may support the company president by managing their schedule and answering their phone calls, or a customer service representative may support the company by processing incoming orders and handling customer requests and complaints.

SOURCE: PD:025 Explain employment opportunities in business

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

5. C

Probability and magnitude. Probability is the likelihood of an event occurring while magnitude is the seriousness or extent of an event's impact. Combining these two factors can help someone analyze possible risks when making a decision. Body language includes gestures, facial expressions, or other nonverbal forms of communication. Body language is rarely an effective way to evaluate risk. Inventory is the stock of goods a business possesses and is not directly related to determining risk.

SOURCE: EI:091 Assess risks of personal decisions

SOURCE: LAP-EI-091—Worth the Risk (Assessing Risks of Personal Decisions)

6. D

Use nonverbal cues. Active listening is a method of listening that involves paying attention, displaying proof of listening, and providing feedback to facilitate the two-way transmission of information. It uses nonverbal cues, paraphrasing, questioning, and other techniques to let a speaker know that a message has been heard and understood. If Jamie wants to improve his active listening skills, he should ask questions to demonstrate he is listening. Jamie should not interrupt the speaker. Improving reading skills does not necessarily improve listening skills.

SOURCE: CO:017 Demonstrate active listening skills

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

7. A

Boredom may increase on the job. Specialization is the process of using an employee's narrow focus on one task or area of expertise in the production of goods and services. A disadvantage of specialization is that it may increase boredom on the job. In some areas of specialization, especially those involving mass production and assembly lines, repetition of the same task can cause employees to become bored and uninterested in their work. When this happens, productivity, employee satisfaction, and product quality may decrease, causing problems for the company. Another disadvantage of specialization is that worker dependency increases (rather than decreases). Simplified worker training is an advantage of specialization. Although specialization can increase the quality of work, it does not necessarily mean the quantity of work increases.

SOURCE: EC:014 Analyze impact of specialization/division of labor on productivity

SOURCE: LAP-EC-914—Divide and Conquer (Specialization and Division of Labor)

8. B

Accurate. To make business decisions, companies access, store, maintain, and evaluate a variety of information. To make appropriate decisions, companies need to make sure the information that they are basing their decisions upon is accurate and relevant. Encryption is the process of transforming information into a secret code so that only the recipient can read it. Not all information needs to be encrypted. While positive and interesting information about the company is useful, it is more important that the information is honest and accurate.

SOURCE: NF:110 Discuss the nature of information management

SOURCE: LAP-NF-110—In the Know (Nature of Information Management)

9. A

Finance. Finance in business is the function that obtains, monitors, and controls funds so the business can achieve its objectives. Finance involves monitoring monetary returns (e.g., sales revenues, investment profits) and analyzing risks (possibilities of loss) associated with expenses and investments. While marketing, sales, and procurement do require some knowledge of monetary return and risks, these skills are most closely tied with finance.

SOURCE: FI:354 Explain the role of finance in business

SOURCE: LAP-FI-354—Money Matters (Role of Finance)

10. C

Respect privacy. To demonstrate courtesy and respect toward others on her work team, Keisha doesn't eavesdrop on personal conversations or telephone calls. She respects her coworker's privacy. Being humble refers to not having an arrogant attitude. Avoiding gossip means not spreading rumors or misinformation about others. Being tactful means choosing language wisely.

SOURCE: EI:037 Foster positive working relationships

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

11. B

Liabilities. Liabilities are debts that the business owes. A mortgage is a type of loan used to pay for individual or commercial property ownership, which is an example of debt. Assets are anything of value the business owns. Assets would include cash on hand, accounts receivable, and inventory owned by the business. Income is money received by a business or an individual from an outside source. Capital gain refers to the difference between the purchase price and selling price of an investment.

SOURCE: FI:085 Explain the concept of accounting

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

12. A

It can be costly to implement. Since both department managers and team managers require higher compensation, a matrix structure is typically more expensive to implement than other structures. A matrix structure promotes unity; a reduction of organizational unity is a disadvantage of the divisional structure. A matrix structure encourages flexibility rather than discouraging it. However, this is an advantage of the matrix structure, not a disadvantage.

SOURCE: EC:103 Explain the organizational design of businesses

SOURCE: LAP-EC-103—Designed to Work (Organizational Design of Business)

13. D

Positive reinforcement. Teammates who treat each other with respect and encouragement are likely to be more engaged in a shared vision. Positivity keeps people going when challenges arise. Criticism is not as likely to motivate engagement in a shared vision. Creativity is often the result of a shared vision, rather than a motivation for it. Finally, stronger decision-making is also a result of a shared vision, rather than a motivation for it.

SOURCE: EI:060 Enlist others in working toward a shared vision

SOURCE: LAP-EI-060—Vision Quest (Enlisting Others in Vision)

14. D

Project charter. A project is officially authorized to begin by the project charter, an official document that contains the same information as a statement of work but serves as a more formal, external document. A work breakdown structure details the breakdown of the project's workload into smaller parts. Registration documents are not common documents used in project management.

SOURCE: OP:158 Explain the nature of project management

SOURCE: LAP-OP-158—Projected to Win (Nature of Project Management)

15. D

Take small, manageable steps to close the gap. If you discover your values and behavior do not match up, you should take small, manageable steps to close the gap. Try to set a goal for yourself, such as taking one action per week that would support your personal values. You should not radically change your life to quickly adjust course. You should adjust your behavior instead of changing your values to include everything. It's better to take small steps than to wait to observe how this impacts your life.

SOURCE: EI:126 Assess personal behavior and values

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

16. C

Gender. Sensitive issues such as race, gender, and disabilities can cause difficult ethical dilemmas for human resources managers. While scheduling, education, and titles may cause issues for human resources managers, they are not likely to cause ethical dilemmas.

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

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

17. C

Gathered by measuring and counting. Quantitative data are information based on numbers, statistics, or hard facts. Qualitative data are information based on thoughts, feelings, experiences, or opinions, and are descriptive and nonstatistical in nature. Quantitative data are gathered by measuring and counting, while qualitative data are collected by interviewing and observing. Quantitative data are fixed and universal, whereas qualitative data are subjective and dynamic. Quantitative data are analyzed using statistical analysis. Qualitative data are analyzed by various techniques, including thematic analysis and narrative analysis.

SOURCE: NF:139 Explain the principles of data analysis

SOURCE: Stevens, E. (2023, May 9). *Quantitative vs qualitative data: What's the difference?* Retrieved January 30, 2024, from <https://careerfoundry.com/en/blog/data-analytics/difference-between-quantitative-and-qualitative-data>

18. B

Monitor your account balance. Online banking allows customers easy access to their account information, helping them monitor their account balance and adjust their spending habits accordingly. Increasing social media presence and adjusting stock portfolios are not activities directly related to online banking. While online banking can help customers monitor their debt, it does not directly lead to a reduction in credit card debt.

SOURCE: FI:830 Manage online accounts

SOURCE: Dollar Bank. (2021, August 19). *15 features your online banking & mobile app should have.* Retrieved January 30, 2024, from <https://dollar.bank/be-dollar-wise/august-2021/15-features-your-online-banking-mobile-app-should>

19. D

Improve production by 10%. A goal is a statement that clearly describes a task to be accomplished. Some goals are general, and some are specific. Often, when businesses create general goals, they then create smaller, more specific goals that can be used to measure progress along the way. An example of a specific goal is to improve production by 10%. Increasing sales, decreasing prices, and improving employee morale are examples of general goals.

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)

20. A

Export. Export laws regulate goods that are sent outside of a country to another nation. Therefore, if an organization is shipping goods internationally, it should be aware of export laws to avoid penalties and fines. Import laws regulate goods that are sent into a country by other countries. Civil laws deal with rights and duties of private entities, as well as possible disputes between them. Criminal laws deal with crime and the legal punishment of criminal offenses.

SOURCE: BL:145 Explain the nature of import/export law

SOURCE: HG.org. (2024). *Overview of US import and export laws and procedures.* Retrieved January 25, 2024, from <https://www.hg.org/legal-articles/overview-of-us-import-and-export-laws-and-procedures-31140>

21. A

Unethical. Sharing personal client information with third parties is irresponsible and unethical behavior in the world of finance. While this behavior is unethical, it is not necessarily irrational. There are possible motives for sharing client information, but those motives are most likely unethical. Unethical behavior is not positive behavior.

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

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

22. B

Something of value is exchanged between parties. A legally binding contract is any agreement that is legally enforceable by a court. In other words, if you sign a legally binding contract and don't fulfill your end of the bargain as promised in the contract, then the other party can take you to court. For a contract to be legally binding, something of value must be exchanged for something else of value. This can include money, goods, services, and promises. Both parties must agree to the offer, terms, and conditions of a contract for it to be legally binding. The subject of a legally binding contract must be clearly and unambiguously defined in the document to ensure that all parties understand what is being agreed upon. The parties in a legally binding contract can be a person or an entity (such as a business). There's no requirement that a legally binding contract needs to include at least one business.

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

SOURCE: Axiom Law. (2024). *Legally binding documents: What you need to know*. Retrieved January 25, 2024, from <https://www.axiomlaw.com/guides/legally-binding-document>

23. A

Balance sheet. A balance sheet is a financial statement that captures the financial condition of the business at that particular moment by evaluating assets and liabilities. It is crucial to understanding a business' overall performance and would be incredibly useful when making financial decisions. Personal checks and pay stubs are pieces of personal financial information that would be useful to an individual, but not a business when making financial decisions. Company bylaws can help a business govern itself, but not make financial decisions.

SOURCE: FI:579 Describe the need for financial information

SOURCE: LAP-FI-579—By the Numbers (The Need for Financial Information)

24. C

An oven purchased by a bakery owner. Industrial goods are used to make other products for resale or used in the day-to-day operations of a business. An oven purchased by a bakery owner is an output that is considered an industrial good. Consumer goods are ultimately purchased by consumers. A family's set of measuring cups, a college student's mixer, and a roll of cookie dough intended for home use are all examples of consumer goods.

SOURCE: OP:017 Explain the concept of production

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

25. C

To identify needs for future projects. After evaluating your project results, you might find that your project did not solve all of the problems that it intended to solve. In this case, you might need to start a new project to resolve the remaining issues. Evaluating a project's success is not intended as a means to bypass stakeholder feedback. In fact, sharing lessons learned with stakeholders is an important part of project evaluation. Evaluating project success does not necessarily mean that monthly expenses will be reduced. Employee evaluations are not an integral aspect of evaluating project success.

SOURCE: OP:521 Evaluate project success

SOURCE: LAP-OP-521— Making the Grade (Evaluating Project Success)

26. C

Stereotyping. Stereotyping involves generalizing people based on their cultural backgrounds. Kaiden is stereotyping his potential new customers by generalizing them based on their cultural background. Kaiden's customers in Asia will almost certainly not be just like his Asian-American customers from the U.S.

Ethnocentrism is the belief that your own culture is naturally better than other cultures. Individualism is an emphasis on independent work and accomplishments, as those in an individualist society have loose group ties and are expected to take care of themselves. Jargon is specialized language known only to a certain group of people.

SOURCE: EC:045 Discuss the impact of cultural and social environments on global trade

SOURCE: LAP-EC-045—On Top of the World (Impact of Culture on Global Trade)

27. D

Important and urgent. A key principle of time management is to determine which tasks are important and urgent. Not all tasks are the same. Some can be categorized as important, which means they are essential for achieving your goals. Urgent tasks are those that demand immediate attention. An urgent task isn't necessarily important, and important tasks are not necessarily urgent. For example, answering a phone call is urgent because if you don't pick up right away, you'll miss the call. However, that phone call might be from a telemarketer who is selling a product that you have no interest in. Also, some tasks are neither important nor urgent, such as redesigning your email signature or reading a funny article that a friend posted online. These types of tasks should be limited or avoided if possible because they won't lead to any results. Collaborative and straightforward tasks may or may not be important or urgent.

SOURCE: PD:019 Use time-management skills

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

28. C

Flow chart. A flow chart is used to analyze a sequence of events and uncover its relationships. Flow charts help you schedule your project, figure out the order of work that you'll need to complete, connect activities to one another, and help you visualize the project work. A survey is a marketing research method used to gather useful data and information from individuals; it involves asking consumers questions to learn their opinions and the reasons behind those opinions. A focus group is a group formed to discuss a specific topic. A to-do list is a list of activities that an individual plans to accomplish during a certain period of time. A to-do list may be helpful to the project manager, but it won't help them connect activities to one another.

SOURCE: OP:519 Plan project

SOURCE: LAP-OP-519—Plan On It! (Planning Projects)

29. C

Skills assessment. How do you choose who will do what in a project? A skills assessment helps you figure out what skills and experiences would allow someone to be successful for each task. For example, purchasing the materials requires someone with strong financial literacy, whereas making drawings of the set design requires creativity and artistic talent. Bottom-up estimation, a social media platform, and a community sponsor will not help you determine which person should be responsible for what project task.

SOURCE: OP:003 Identify resources needed for project

SOURCE: LAP-OP-003—Get What You Need (Identifying Project Resources)

30. A

Loyalty. Brand loyalty refers to customers' level of commitment to buying the brand. Because Kerry only buys her shoes from one brand, she is demonstrating brand loyalty. Brand awareness is how familiar customers and potential customers are with a brand. Brand promise is the specific benefit that customers can expect from using a good/service and interacting with its company. Brand personality refers to the projection of a brand that encompasses its values and emotional connections with consumers.

SOURCE: CR:001 Identify company's brand promise

SOURCE: LAP-CR-001—Share the Promise (Identifying Brand Promise)

31. D

Planning. Planning involves deciding what work will be done and how it will be accomplished. First, managers identify goals. Then, they identify methods of achieving those goals and the resources required to carry out the plans. They also set dates for completing tasks and projects. As the manager of an ice-cream shop, for instance, you might set a goal of increasing sales. You might then decide to increase advertising to help achieve that goal. Planning is important because it lays the groundwork for all of the other management functions. Organizing, staffing, directing, and controlling decisions are based on the plans the business has established.

SOURCE: SM:001 Explain the concept of management

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

32. A

Possession. Possession utility is usefulness created when ownership of a product is transferred from the seller to the buyer. A discounted price of a product allows a consumer to take possession of an item without having to pay full price. Place utility is usefulness created by making sure that goods and services are available at the place where they are needed or wanted by customers. Form utility is usefulness created by altering or changing the form or shape of a good or service to make it more useful to the consumer. Time utility is usefulness created when products are made available at the time they are needed or wanted by consumers.

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

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

33. A

When you are experiencing success. When things are going well, change doesn't always seem necessary. This can lead to missed opportunities. If you are challenging the status quo, you have likely already identified a need to improve or change. Being in a leadership position does not necessarily mean you will overlook the need for change or improvement. In fact, a quality of a good leader is having the courage to suggest or implement change. When you are using critical thinking skills, you would most likely notice the need for improvement or change rather than overlook it.

SOURCE: EI:134 Challenge the status quo

SOURCE: LAP-EI-134—Unfollow the Crowd (Challenging the Status Quo)

34. A

Communicated the rules more clearly. Ethics aren't always black and white, and sometimes it can be challenging to know what to do or what is expected. Peter should have communicated his expectations and clearly explained how employees were supposed to use their company laptops. Enforcing stricter punishments and relaxing the computer policies would not necessarily help in this situation. There is no indication that Peter needs to hire more ethical employees. His current employees are not necessarily unethical; rather, they did not understand how to behave ethically due to a lack of communication.

SOURCE: EI:132 Model ethical behavior

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

35. B

Marketing and promotion. One way in which social media can be used for business purposes is for marketing and promotion. Businesses use social media to reach their target audiences, build brand awareness, promote products and services, etc. Using social media to stay connected with friends, for self-expression, and for entertainment and humor are ways in which social media can be used for personal purposes.

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

SOURCE: FlexTal (2020, August 25). *How to balance between personal and professional social media*.

Retrieved January 26, 2024, from <https://www.entrepreneur.com/science-technology/how-to-balance-between-personal-and-professional-social/355248>

36. B

Financial information is easily accessible. The benefit of having written records of financial transactions is that information is accurate, accessible, and meaningful. Budgets help create physical, or written, records. Having written budget records does not directly reduce expenses, or increase income. Budgets are not necessarily simple or less detailed. Oftentimes, they are very complex. Budgets do not directly lead to market research. They may appropriate funds for it, but market research is specifically a marketing function.

SOURCE: FI:106 Describe the nature of budgets

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

37. D

Chronological order. There are several methods of organizing information, including chronological order, order of importance, comparison and contrast, etc. Using a chronological organizational method involves sequencing events in the order in which they occurred. Order of importance involves organizing data around the significance of the information. The comparison and contrast method involves organizing information according to its similarities and differences. The inverted order method presents the information in reverse order.

SOURCE: CO:086 Organize information

SOURCE: Rupp, E.E. (2022, July 4). *Organizing information for writing: 7 effective methods to try*. Retrieved January 26, 2024, from <https://able.ac/blog/organizing-information>

38. C

Inform. Different oral presentations have different purposes, such as to inform, to persuade, and to entertain. When speakers share knowledge or skills, their purpose is to inform. Teachers and coaches are two professions that often give informative presentations. When speakers share knowledge or skills, their purpose is not to persuade, entertain, or boast. Speakers use persuasion in a presentation to challenge others to consider and accept new ideas or to take action. Entertaining speeches, given to amuse or inspire, usually occur at special events like weddings or award ceremonies. The purpose of oral presentations is typically not to boast.

SOURCE: CO:025 Make oral presentations

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

39. B

Frictional. Frictional unemployment is voluntary unemployment that results from normal life circumstances. It can occur when a person transitions between jobs, quits their job to go back to college, or moves to a new city to look for better job opportunities. Structural unemployment is unemployment that arises when there is a mismatch between available workers and available jobs. This doesn't simply mean that there are fewer jobs than there are workers, although that could be true. It might also mean that there are not enough workers qualified for the types of jobs that are available. Seasonal unemployment is a type of structural unemployment that affects seasonal employees, such as farm workers, lifeguards, ski-resort employees, tax-return preparers, and teachers. Technological unemployment is a type of structural unemployment that occurs when advances in technology eliminate certain job positions.

SOURCE: EC:082 Discuss the impact of a nation's unemployment rates

SOURCE: LAP-EC-082—Help Wanted? (Impact of Unemployment Rates)

40. A

Change-management plan. The change-management plan addresses what steps will be taken when clients' needs shift or unforeseen circumstances occur. The risk-management plan identifies potential risks and spells out how to avoid them or limit their impact. The communications plan allows project managers to map out the flow of communication before a project even begins. The quality-management plan covers the dress of excellence of the deliverables and the project itself.

SOURCE: OP:001 Develop project plan

SOURCE: LAP-OP-001—Chart Your Course (Developing a Project Plan)

41. A

Spreadsheet. A spreadsheet is a type of software used to organize, calculate, and analyze numerical data. Because spreadsheets can help organize and synthesize large amounts of information, they are especially useful in accounting. The internet would not be a useful or reliable source of information for an internal accounting process. A word processor is used to create text documents. A GPS (Global Positioning System) is useful for tracking the physical location of something and is not useful for financial information.

SOURCE: NF:003 Identify ways that technology impacts business

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

42. C

Reward yourself for your accomplishments. By inviting his team members to celebrate at a nearby restaurant after work, Ian is rewarding himself and his team for finishing their six-month project. This will help Ian and his team to stay motivated and to continue working hard to achieve their goals. This does not necessarily demonstrate being a leader or being patient and persistent. Encouraging feedback and taking a break to refresh your mind are not steps in developing an achievement orientation. The five steps to developing an achievement orientation are: set goals, ask for feedback, be patient and persist, be a leader, and reward yourself for your accomplishments.

SOURCE: EI:027 Develop an achievement orientation

SOURCE: LAP-EI-027—High Hopes (Developing an Achievement Orientation)

43. B

Installment. Installment credit accounts are set up to handle a specific sum of money for a specific purchase. Payments are made by the borrower at regular intervals for a specific time period. Budget credit accounts are usually short term. A revolving charge could only be used to purchase the smartphone if the price didn't exceed the customer's credit limit. With regular credit accounts, the person or business is expected to pay the entire amount due, usually at the end of 30 days.

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

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

44. B

Competition. Strategic risks can have significant impact on the company's long-term plans. Strategic risks often concern the overall business environment, economic or political issues, or the company's objectives. Some types include competition, reputation damage, regulatory and political issues, and changing customer needs or demographics. Human errors and labor relations are operational risks—the possible events and situations that can result from employee actions, core processes, and daily business activities. Property damage is a hazard risk—potential events or situations that can cause injury or harm to people, property, or the environment.

SOURCE: EC:011 Determine factors affecting business risk

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

45. A

They identify the best course of action. The first step of turning research findings into actionable insights is to recognize the different types of data analytics you're working with. These can include descriptive, diagnostic, predictive, and prescriptive data. Prescriptive data identify the best course of action. Descriptive data define the problem, while diagnostic data determine why the problem has happened. Predictive data predict what will happen.

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

SOURCE: Pickering, C. (2017, July 18). *3 steps to turn analytics into actionable insights*. Retrieved January 30, 2024, from <https://www.copyright.com/blog/turn-analytics-actionable-insights>

46. D

Speak to your audience. The executive summary is the most important part of a company's business or marketing plan because it gives an overview of the entire document. Executive summaries are often used to determine whether it is worthwhile to read any further, as they are essentially short, concise, informative, and easy-to-read opening statements for a business plan. When writing an executive summary for a business plan, it is important to speak to your audience. Personalizing the executive summary to the interests of the audience will make it easier to capture the audience's attention. Rather than making the executive summary long and detailed, it should be short and concise while highlighting the main points of the business plan. Using bullet points is a great way to make an executive summary more readable. It is not typical to sign your name after writing an executive summary for a business plan.

SOURCE: CO:091 Write executive summaries

SOURCE: Grossman, P. (2020, September 14). *How to write an executive summary in 6 steps*. Retrieved January 26, 2024, from <https://www.nerdwallet.com/article/small-business/executive-summary>

47. C

Leave-me-alone. A leave-me-alone customer is a customer who prefers or pretends to prefer to be left alone to find what they want. Even if they are offered assistance or advice, leave-me-alone customers turn it away. Argumentative customers are customers who seem to disagree, question, or look for error in almost everything and everybody. Complaining customers are customers who believe everything is going wrong for them and everybody is either taking advantage of them or not really trying to help. Impatient customers are customers who feel they must be helped immediately, regardless of the circumstances.

SOURCE: CR:009 Handle difficult customers

SOURCE: LAP-CR-009—Making Mad Glad (Handling Difficult Customers)

48. A

It pertains to the actions of government agencies. Administrative law pertains to the actions of government agencies, such as the Federal Trade Commission (FTC) or the Food and Drug Administration (FDA). Administrative law grants these agencies certain powers, provides guidelines for the regulations they create, and defines the relationships they have with other governmental bodies. Civil law includes laws that deal with the rights and duties of private entities, as well as possible disputes between them, which include contract disputes, personal injury claims, property disputes, and civil rights violations. Criminal law deals with crime and the legal punishment of criminal offenses.

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)

49. B

Sufficient cash flow. Cash flow is movement of funds into and out of a business. This is an essential component of business success as it determines the amount of cash the business has to work with at any given time. Viral marketing, crowdfunding, and malpractice insurance can be useful tools for businesses in certain scenarios, but they are not key to the success of all businesses.

SOURCE: FI:091 Describe the nature of cash flow statements

SOURCE: LAP-FI-091—Count the Cash (Cash Flow Statements)

50. C

Avoiding a potential conflict of interest. A conflict of interest is a situation in which it is impossible to be truly impartial. If Melanie were to conduct business with an organization that she has personal ties to, there is a potential conflict of interest between her duty as an accountant and an incentive to help the company. Melanie is not partnering with any organization or conducting a performance review in this example. Prioritizing short term goals is not always ethical behavior—Melanie is thinking in the long term by avoiding conflicts of interest.

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

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

51. D

Nodding your head. Nonverbal communication is communication that uses body language instead of words or to support words. Positive nonverbal cues include nodding your head, maintaining eye contact, demonstrating good posture, and a positive tone of voice. Crossing your arms, slouching in a chair, and limiting eye contact are examples of negative nonverbal cues.

SOURCE: CO:059 Interpret others' nonverbal cues

SOURCE: Young Entrepreneur Council. (2018, May 4). *14 negative body language signals and speech habits to avoid*. Retrieved January 25, 2024, from <https://www.forbes.com/sites/theyc/2018/05/04/14-negative-body-language-signals-and-speech-habits-to-avoid>

52. B

Managing sales transactions with accuracy. Employees who properly manage sales transactions have excellent opportunities to save the business money. They can do this by handling exchanges according to company policy, watching for counterfeit bills, and giving discounts only when appropriate. While respecting company property, treating customers in a professional manner, and using expense accounts responsibly are all ways employees can control business expenses, they are not being demonstrated in this example.

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

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

53. B

Flexibility. There are several personality traits that are generally associated with creativity, including flexibility, independence, passion, sensitivity/intuition, and a willingness to take risks. A person with flexibility is able to adapt to changing conditions with relative ease. Creative people are less likely to be codependent, logical, and apathetic, because these traits can limit creativity (the ability to generate unique ideas, approaches, and solutions).

SOURCE: PD:012 Demonstrate appropriate creativity

SOURCE: LAP-PD-012—Imagine That (Demonstrating Creativity)

54. D

Control her reading environment. To improve her reading skills, it is important for Maya to control her reading environment. By considering where and when she reads, she will give herself the best chance of reading effectively. Somewhere quiet, comfortable, and free of distractions with optimal lighting is ideal for most people to read effectively. Rather than diving right into reading, Maya should prepare herself to get the most out of her reading. This can be done by scanning titles and headings, as it can help her understand the basics of the content. Although understanding key terms and concepts is important, memorizing them won't necessarily help Maya improve her reading skills.

SOURCE: CO:055 Extract relevant information from written materials

SOURCE: Mind Tools. (2023). *Reading strategies*. Retrieved January 25, 2024, from
<https://www.mindtools.com/a2hjha3/reading-strategies>

55. D

Asset. Asset records are used by businesses to keep track of furniture, equipment, and other assets that enable businesses to operate. Payroll records include what businesses have paid employees and the deductions that have been made, as well as details like an employee's identification number, hours worked, regular wages, and overtime wages. Promotional records are documents containing information about the various types of communications that businesses use to inform, persuade, or remind customers of their products, images, or ideas. An employee's personnel record includes information about their hiring, evaluations, promotions, and reprimands. This information can help businesses make decisions regarding promotions or terminations.

SOURCE: NF:001 Describe the nature of business records

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

56. C

Cost of goods sold. A business's income statement, or profit-and-loss statement, indicates the amount of profit or loss over a period of time, which is usually one year. The basic formula to determine profit or loss is sales minus expenses, which includes the cost of goods sold. Taxes are calculated on the net income determined by the income statement. Assets are anything of value that a business owns. Liabilities are debts that a business owes.

SOURCE: FI:094 Describe the nature of income statements

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

57. C

Credentials. Credentials are information about a person's skills, abilities, and qualifications. If Field wants to evaluate the validity of a source, he should check the author's credentials to be sure they are qualified to write about the topic. An author's social media presence, salary, and political affiliation are not necessarily indications of an author's qualifications and a source's validity.

SOURCE: NF:079 Evaluate quality and source of information

SOURCE: Cooper, M. (2020). *How to determine the validity of a research article*. Retrieved January 30, 2024, from <https://classroom.synonym.com/evaluate-research-articles-5040509.html>

58. B

Balance sheet. A balance sheet captures the financial condition of the business at that particular moment. This financial report contains the company's assets: that which it owns, such as merchandise inventory; liabilities: that which it owes, such as accounts payable (the monies owed to vendors); and its total equity. The profit-and-loss statement is a summary of business transactions that shows net profit before and after taxes. A tax return is a form used to report an individual's or organization's tax returns. Accounts payable are the monies that the company owes to its vendors and other creditors and are recorded in the accounts payable ledger.

SOURCE: FI:093 Explain the nature of balance sheets

SOURCE: LAP-FI-093—The Right Balance (The Nature of Balance Sheets)

59. C

Mixed costs. Some operating costs may be considered partially variable and partially fixed. These are known as semi-variable costs (sometimes called semi-fixed costs or mixed costs). Semi-variable costs are fixed until the company reaches a certain level of production; after that, they become variable. For example, a manufacturer has a fixed cost for its employees' wages, but when it decides to produce a greater number of products this month, its employees work more hours and earn overtime. The employees' base wages are still fixed, but the cost of paying this overtime is variable, depending on how many extra hours are worked. This is not an example of price markups, gross profit, or an economy of scale.

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

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

60. C

Corporate social responsibility. Corporate social responsibility is an increasingly popular strategy for attracting ethics-minded customers. It involves donating a portion of profits to charity, sponsoring health and wellness initiatives, or giving back to the community in other ways. Competition is a rivalry between two or more businesses competing for customers. While the car dealership may be engaging in competition, hosting fundraisers and donating to local organizations does not necessarily point to competition with other firms. Systematic random sampling is a probability sampling method in which researchers place sampling units into a random list. Technical analysis is a marketing process using historical information from market activity, prices, and volume to evaluate securities and predict future price activity.

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

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

61. D

Higher production costs lead to decreased supply. If production costs are higher than the prices most consumers will be willing to pay, businesses will produce less and only supply enough to meet limited demand. Production costs directly impact prices. Supply rising does not necessarily cause production costs to decrease.

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

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

62. B

Personal liability. Personal liability coverage helps protect a homeowner if a legal suit is brought against them for bodily injury or property damage. Dwelling coverage is a type of home insurance that covers the costs to repair or rebuild a homeowner's house if it is damaged or destroyed. Personal property coverage pays for an individual's personal items, such as furniture, clothing, or electronics. Loss of use coverage helps homeowners pay for additional expenses they have incurred while their house is being repaired or restored.

SOURCE: FI:571 Determine insurance needs

SOURCE: Travelers. (2022). *Home insurance coverage*. Retrieved January 29, 2024, from

<https://www.travelers.com/home-insurance/coverage>

63. B

Experience. Shemar's decision is influenced by experience because he is choosing to not hire the company based on previous interactions with its employees. Shemar may have strong feelings (emotions) or even a gut feeling (insight), but those are not influencing his decision. Hiring the company could be considered a risk, but experience is what is influencing Shemar's decision.

SOURCE: PD:017 Make decisions

SOURCE: LAP-PD-017— Weigh Your Options (Decision-Making)

64. D

Companies must exercise transparency when collecting, storing, and using data. Data mining is the process of searching, collecting, and analyzing large amounts of data to extract actionable information. Companies that are ethical with their data mining practices exercise transparency when collecting, storing, and using data. Simply, customers know how companies plan to collect, store, and use their information. Before data is collected, customers must consent to it. It is unethical to collect someone's personal data without their consent.

Companies that are ethical ensure the privacy of the data they collect. Even if a customer consents for their personal information to be collected, stored, and analyzed, that doesn't mean they want it made available publicly. Ethical data mining practices ensure the privacy of customer information. Even when intentions with data analysis are good, inadvertent harm to individuals or groups of people is still possible. Companies can't know for certain the impact of their data analysis until it is complete. However, ethical data mining practices help companies consider this question beforehand and can help them catch any potential occurrences of disparate impact.

SOURCE: NF:150 Discuss the importance of ethics in data mining

SOURCE: Cote, C. (2021, March 16). *5 principles of data ethics for business*. Retrieved January 30, 2024, from <https://online.hbs.edu/blog/post/data-ethics>

65. D

Fishbone diagram. A fishbone diagram, also called a cause-and-effect diagram or an Ishikawa diagram, is a way to identify many potential causes of a problem and sort them into useful categories. It is especially useful in group settings or when there is little "hard" information to go on. A check sheet, or tally sheet, is simply a form for collecting data on the spot. A histogram is a graph with touching bars that show the distribution of a variable and cannot be rearranged; it is used to visually represent information. A house of quality matrix is used during the production-planning process to determine if a product meets customer needs. While they are important tools, check sheets, histograms, and house of quality matrices would not be most useful in this scenario.

SOURCE: OP:163 Identify quality-control measures

SOURCE: LAP-OP-163—Take Control (Quality-Control Measures)

66. D

Internet. The guidelines that companies set for their employees are as diverse as the business world itself—but there are several types of policies and procedures that nearly every company implements. Many companies have policies regarding the use of the internet during work hours. Most internet policies explain that employees should use the internet appropriately and responsibly. For example, a company may restrict employee access to only websites that are required for work. Or, a company may simply say that employees cannot use personal social media websites during work hours. Companies typically have health and safety, disciplinary, and discrimination policies, but they are unrelated to employee website access.

SOURCE: PD:250 Adhere to company protocols and policies

SOURCE: LAP-PD-250—Do You Follow? (Adhering to Company Protocols and Policies)

67. B

Yes, because Peyton engaged in an illegal activity. Despite the importance of following your company's chain of command, there are several situations in which it's okay—and required—to bypass it. If you witness your boss participating in an unethical or illegal activity, you should tell your company's human resources manager. In this scenario, Peyton stealing money from the cash register is illegal, while Peyton telling Anita to forget what she saw is unethical. As a result, Anita should tell the human resources manager about Peyton's actions. Although Anita should bypass Peyton on the chain of command in this instance, she should not do so on a regular basis. In most cases, Anita should report to Peyton and should listen to what they say. Because Peyton's actions were wrong, illegal, and unethical, Anita should not listen to Peyton and should not forget what happened.

SOURCE: PD:252 Follow chain of command

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

68. C

Feedback. Feedback is evaluative information given to you about the things you say and do. When it comes to receiving feedback about your weaknesses, it may be a little tough to handle. Keep in mind that growth and development aren't always easy but are necessary for success. Then, use the feedback to your advantage as you continue to assess your strengths and weaknesses. Receiving compensation is not a way to identify strengths and weaknesses. Compliments are nice, but they are not always helpful in assessing strengths and weaknesses. Self-esteem is not something you receive from someone else, but something that comes from you.

SOURCE: EI:002 Assess personal strengths and weaknesses

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

69. B

Stocks. Stock value can go up and down often, leading to instability. Stocks can fluctuate dramatically in the short term and can also increase (or decrease) significantly in the long term. Savings accounts, money market accounts, and bonds are stable investments that do not go up and down frequently.

SOURCE: FI:077 Explain types of investments

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

70. D

Conflict of interest. Hayes is faced with a conflict of interest when it comes to the question of purchasing equipment from her brother's company because she cannot make a truly impartial, unbiased decision. This situation does not illustrate a misuse of company property, an environmental violation, or a safety breach.

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

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

71. C

Altruistic. The principle of concern for others' welfare is altruism. This means putting others' interests before your own and making the effort to check in with others while working to contribute to their benefit. Persistence is the ability to continue working on a task or idea until the desired outcome is achieved. Being honest means being truthful. Reliability is being consistent and trustworthy.

SOURCE: EI:131 Explain the nature of ethical leadership

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

72. A

Integrity. Integrity means adhering to an established set of personal ethics and sound moral principles; acting with honesty in all situations. Respect involves honoring the rights, freedoms, views, and property of others. Accountability means accepting responsibility for one's decisions. Quality is a measure of project excellence. While respect, accountability, and quality are important, the project leaders are not necessarily demonstrating these principles in this example.

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

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

73. D

Protect competition. Government tries to promote free competition for business by banning or regulating monopolies (when a single business influences the entire production of a particular good or service). Since a monopoly eliminates any major competitors, the monopoly can control the price of the product by restricting production. The regulation or banning of monopolies is how the government promotes and protects competition. This is not an example of how government involvement can regulate workplace conditions, conserve the environment, or provide public goods.

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

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

74. D

Self-awareness. Self-awareness is understanding the influence and effect you have on others. Self-aware people don't make choices without considering the impact those choices will have on other people. Self-awareness can be demonstrated in small ways, such as holding the door open for the person behind you or cleaning the microwave after you use it. Empathy is the ability to relate to the feelings, thoughts, and experiences of other people. Sympathy is the ability to recognize another person's feelings. Acceptance is the approval or tolerance of all people, regardless of their behavior or performance.

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)

75. D

Positive customer relations encourage customer loyalty. Positive customer relations encourage repeat business and customer loyalty. When customers feel that a business has taken the time and effort to build relationships with them, they are much less likely to switch over to a competitor, even if the competitor lowers its prices. Over time, these long-term customers can spend a lot of money with the business, making its customer relations efforts pay off for years to come. Customer relations do impact competition. For example, if a customer has a poor relationship with a business, they may turn to a competing business. To build positive customer relations, businesses must be proactive. Reacting to questions, complaints, and problems as they occur is not enough. Businesses must stay ahead of these issues, striving to keep problems from happening in the first place, as well as striving to provide positive customer experiences with every interaction. Businesses should not settle for meeting customer expectations; rather, they should look to exceed them.

SOURCE: CR:003 Explain the nature of positive customer relations

SOURCE: LAP-CR-003—Accentuate the Positive (Nature of Customer Relations)

76. D

Population shift. Demographics are physical and social characteristics of a certain group. This includes changes in the overall population of the group, which businesses can glean from environmental scans. The unemployment rate and consumer spending habits are economic factors. New regulations are political factors.

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

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

77. A

Your computer crashing. Like it or not, we all experience change. You expect—and maybe even look forward to—some changes in life, such as graduating from high school, learning to drive, or applying for and starting a new job. But some changes are unexpected: your computer crashing when you are on a tight deadline, or getting injured during a sporting event.

SOURCE: EI:006 Demonstrate adaptability

SOURCE: LAP-EI-006—Go With the Flow (Demonstrating Adaptability)

78. A

Power does not follow a hierarchy. Power can flow in any direction and does not follow a strict hierarchy. People with power often have authority as well – the formal or legal right to give orders and commands to others. Authority and power are not the same thing; power is the ability of an individual to influence the actions of other people, whereas authority is the formal or legal right to give orders and commands to others.

SOURCE: EI:135 Use power appropriately

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

79. D

Employees performing their jobs more efficiently. Customer relationship management (CRM) refers to the strategies, processes, technology, and people a business uses to build, maintain, and maximize the long-term value of customer relationships. There are several benefits of implementing a well-planned CRM program, including that it allows employees to perform their jobs more efficiently, an increase in word-of-mouth promotion, increased customer satisfaction and loyalty, and increased sales and profits. Higher quality products at cheaper prices, customers doing more shopping outside business hours, and vendors offering competitive discounts on supplies are not common results of a company effectively implementing a CRM program.

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

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

80. A

Prepare ahead of time. An effective way to defend ideas objectively is to prepare ahead of time. Whenever you present an idea, there's always a chance someone doesn't understand or agree with your idea. Because of this, it is important to prepare yourself for objections by considering how someone might respond and why, and developing counter arguments to address concerns. When defending ideas objectively, it is important to willingly accept feedback, thank critics for their thoughts, and to respond with facts rather than opinions.

SOURCE: CO:061 Defend ideas objectively

SOURCE: Miller, K. (2021, December 8). *How to defend yourself without being defensive*. Retrieved January 26, 2024, from <https://www.wikihow.com/Defend-Yourself-Without-Being-Defensive>

81. D

Respond with a good attitude. To effectively follow directions in the workplace, it is important to respond with a good attitude. It is important to demonstrate respect and a good attitude when your manager or supervisor gives you instructions. Demonstrating a bad attitude will not only make it more difficult to the person giving directions, but it will also likely make the task you're performing more difficult. Asking questions, actively listening, and taking notes (rather than relying on your memory) are important steps you can take to effectively follow directions in the workplace.

SOURCE: CO:119 Follow oral directions

SOURCE: XDesign. (2024). *5 steps to giving & following instructions in the workplace*. Retrieved January 25, 2024, from <https://thinkx.net/blog/5-steps-to-giving-and-following-instructions-in-the-workplace>

82. B

Individuals and businesses own the means of production. A market economy is an economic system in which the questions of what, how, and for whom products will be produced are answered by individuals and businesses in the marketplace. Therefore, in a market economic system, individuals and businesses own the means of production and distribution. In a market economic system, prices are controlled by supply and demand rather than being set by the government. In communist command economies, the government owns and controls practically all of the means of production and distribution. A traditional economic system is sometimes called a subsistence system. Subsistence is a level of existence that barely supports life. People in a traditional system consume all that they produce to satisfy their basic needs for food and shelter.

SOURCE: EC:007 Explain the types of economic systems

SOURCE: LAP-EC-907—Who's the Boss? (Economic Systems)

83. B

Video conference. Communication channels differ on a scale from rich to lean. Rich channels are channels that offer more interaction, provide opportunities for two-way communication, and allow both the sender and receiver to read nonverbal messages. Examples of rich channels of communication include face-to-face meetings, video conferences, and in-person oral presentations. Lean channels present information without allowing for immediate interaction. Examples of lean channels of communication include voice messages, blogs, emails, newsletters, texts, and social media posts.

SOURCE: CO:092 Choose and use appropriate channel for workplace communication

SOURCE: LibreTexts Business. (n.d.). *Communication channels*. Retrieved January 26, 2024, from [https://biz.libretexts.org/Courses/Lumen_Learning/Introduction_to_Business_\(Lumen\)/25%3A_Module_11-_Teamwork_and_Communication/25.11%3A_Communication_Channels](https://biz.libretexts.org/Courses/Lumen_Learning/Introduction_to_Business_(Lumen)/25%3A_Module_11-_Teamwork_and_Communication/25.11%3A_Communication_Channels)

84. C

Intellectual diversity. Intellectual diversity is an environment in which new and different ideas are embraced. These types of environments can help people succeed at work, school, and life. There is no indication that the classroom has cognitive imbalances or that the students have found personal fulfillment. Intellectual diversity does not necessarily mean that everyone will remain objective at all times.

SOURCE: EI:136 Consider conflicting viewpoints

SOURCE: LAP-EI-136—Pick a Side (Considering Conflicting Viewpoints)

85. A

Hygiene. You can do several easy things every day to take care of yourself and your body. This includes showering regularly, using deodorant, caring for your hair, and brushing and flossing your teeth. These habits and practices are called hygiene. By developing good, consistent hygiene habits, you can enhance your personal brand both on and off the job. Self-image, accessories, and body language are all related to personal appearance and personal branding, but they aren't necessarily related to the aforementioned tasks.

SOURCE: PD:002 Maintain appropriate personal appearance

SOURCE: LAP-PD-002—Look Good, Feel Good (Personal Appearance)

86. D

Anyone can learn how to inspire others. You don't have to be a CEO or have a college degree to inspire others – anyone can learn how to serve as an inspiration. Inspiration is frequently used by leaders as a tool for bringing out the best in others.

SOURCE: EI:133 Inspire others

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

87. D

Tweaking transitions. During the revision stage of written work, you should concentrate on the big picture and the overall flow of the work. This can include tweaking transitions between paragraphs or sections, looking for gaps in logic, points that need more information to back them up, and any information not included. The editing and proofreading stage of written work involves fixing typos, deleting unnecessary words, and correcting spelling errors.

SOURCE: CO:089 Edit and revise written work consistent with professional standards

SOURCE: Hale, A. (2024). *How to revise, edit, and proofread your writing*. Retrieved January 26, 2024, from <https://www.dailywritingtips.com/how-to-revise-edit-and-proofread-your-writing>

88. D

Word. A word processor is a program with the capability to create, store, and print a typed document. One of the most popular word processors available today is Microsoft Word. Microsoft PowerPoint is a software program that allows users to create slideshows to present information. Microsoft Excel is a spreadsheet application that allows users to organize and analyze data. Adobe Photoshop is a photo editing, graphic design, and image creation software.

SOURCE: NF:007 Demonstrate basic word processing skills

SOURCE: Computer Hope. (2021, July 6). *Word processor*. Retrieved January 29, 2024, from <https://www.computerhope.com/jargon/w/word-processor.htm>

89. C

They are more flexible. Most small businesses are started by people who are pursuing a passion or trying to fill a market niche. These people probably wouldn't have started their own businesses if they didn't have big ideas! Small businesses have more flexibility to pursue those ideas. They often do not have to stick to rigid schedules or follow a predetermined set of rules. They have the freedom to do the work they want to do, and that freedom can lead to innovation. Huge corporations tend to have more money to invest and require more decision-making before proceeding with plans. Any size company is expected to follow appropriate laws and regulations.

SOURCE: PD:126 Explain the need for innovation skills

SOURCE: LAP-PD-126—Ideas in Action (Innovation Skills)

90. A

Encouraging questions and suggestions. Transparency doesn't just go in one direction. A manager who values transparency will encourage their employees to ask questions and share new ideas. This scenario does not involve conflict. While giving people the information they need and avoiding half-truths are characteristics of open, honest communication, they are not directly highlighted in this scenario.

SOURCE: EI:129 Foster open, honest communication

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

91. C

Increased retention of top talent. Businesses with collaborative work environments can attract top talent and are more likely to retain it as well. High-performing individuals seek opportunities to engage with others and increase their knowledge and skills. When employees are engaged at work, they experience more job satisfaction and are likely to stay on board for the long term. Personal and professional growth, as well as greater job satisfaction, are benefits employees experience from collaboration. Better communities and relationships are societal benefits of collaboration.

SOURCE: EI:130 Collaborate with others

SOURCE: LAP-EI-130—Genius Is a Team Sport (Collaborating With Others)

92. B

Coordination. When creating an outline, coordination means ensuring all the information in the first heading should have the same significance as the information in the second heading. This also applies to subheadings. For example, if the first heading is “Benefits of creating an outline,” the second heading should follow the same format, such as “Disadvantages of creating an outline.” Parallelism refers to headings having a parallel structure (e.g., if the first heading is a verb, the second heading should be a verb). Subordination refers to information in headings being more general, while information in subheadings should be more specific. Division refers to each heading being divided into two or more parts.

SOURCE: NF:080 Apply information to accomplish a task

SOURCE: Purdue OWL. (2024). *Four main components for effective outlines*. Retrieved January 29, 2024, from https://owl.purdue.edu/owl/general_writing/the_writing_process/developing_an_outline/index.html

93. B

Get accepted to medical school. Having a personal vision allows you to set goals that fully align with your ultimate ambitions, making seemingly tough decisions much easier. For example, if your personal vision involves working to cure cancer, an appropriate goal would be to get accepted to medical school. You wouldn't make it your goal to get accepted to law school or religious seminary, because those goals do not align with your personal vision. Writing a best-selling novel also does not align with working to cure cancer. As you can see, having a personal vision ensures that you are spending your time and efforts on pursuits that are truly important to you.

SOURCE: EI:063 Determine personal vision

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

94. B

Persistent. Even though he wants to give up, Marco continues working through his trigonometry homework problems—Marco is being persistent. Persistence is the ability to continue working on a task or idea until the desired outcome is achieved. Altruism is the principle of concern for others' welfare. Respect is regard or esteem and involves honoring the rights, freedoms, views, and property of others. Transparency is the quality of being just as one seems and being open and truthful while communicating.

SOURCE: EI:131 Explain the nature of ethical leadership

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

95. B

Shrinking product life cycles. A product's life cycle refers to the stages it moves through from the time it is introduced to the market until the time it is taken off the market. Because of the rapid innovation now taking place in the worlds of business and technology, product life cycles have become shorter. Outsourcing involves acquiring assistance from outside organizations/consultants to obtain goods or services to accomplish business objectives or perform primary business activities. E-commerce is the buying and selling of goods online. Microscopic globalization is a fictitious term.

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

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

96. A

Inspection. Checking a sample item for defects after it has already been produced is part of the quality inspection process. Quality assurance is a process businesses use to prevent defective products from being created, not just to eliminate or correct them after they've already been produced. Quality delivery and quality logistics are not typical terms used in operations or quality control.

SOURCE: OP:189 Explain the nature of operations

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

97. D

Become an expert in a new graphic design software. As a specific target, a goal can be a performance goal or a learning goal. If you're evaluated on how well you do something (e.g., completing a manuscript on time, receiving a high performance review score, delivering a presentation without mistakes), you're judged on your level of performance. A learning goal, on the other hand, has to do with mastering a new skill. For example, a graphic designer might decide they want to go on to learn a new software thoroughly and become an expert at using it. This is a learning goal they've set for themselves, and they'll have completed it when they feel completely comfortable using the software.

SOURCE: PD:018 Set personal goals

SOURCE: LAP-PD-918—Go for the Goal (Goal Setting)

98. C

Sales. Sales tax is a tax collected from consumers at the point of purchase, and usually a percentage of the total sale. Sales taxes are levied by state and local governments on most retail products. Businesses are responsible for collecting sales taxes from customers and turning them over to the appropriate governments. Property tax is tax based on a percentage of the value of the property owned, and most often applies to real estate. Income tax is a portion of an individual's or business's earnings owed to the government. Payroll tax is a tax on employment that is paid by both employers and employees.

SOURCE: EC:072 Describe the nature of taxes

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

99. C

Stay calm and neutral. In this instance, Andrew should stay calm and neutral to help himself tolerate ambiguity in the moment. Keeping yourself in the right frame of mind is essential for tolerating ambiguity. Because Andrew was starting to feel nervous and panicky, he should take a moment to breathe deeply and relax. This will help him halt his negative thinking. Asking questions, focusing on creativity, and assessing risk won't necessarily help Andrew in this situation.

SOURCE: EI:092 Develop tolerance for ambiguity

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

100. C

Maintain an open line of communication. When editing a document with someone else, it is important to maintain an open line of communication. This can include talking with your co-editor over a video call, phone call, or online chat. When editing a document with someone else, you should be sure to use track changes, as it will show the other author the changes you made and give them an opportunity to easily review them. Co-editors should be sure to use the same software when editing, such as Microsoft Word or Google Docs. This will allow for real-time collaboration and version control. While co-editors certainly can review the document at different times, reviewing at the same time (and using the same software) allows for better collaboration.

SOURCE: NF:011 Demonstrate collaborative/groupware applications

SOURCE: Prokopets, M. (2024). *8 tips to collaborate in Google Docs*. Retrieved January 29, 2024, from <https://nira.com/collaboration-google-docs>