



SAMPLE EXAM

BUSINESS ADMINISTRATION CORE

THE BUSINESS ADMINISTRATION CORE EXAM IS USED IN THE FOLLOWING EVENTS:

PRINCIPLES OF BUSINESS MANAGEMENT AND ADMINISTRATION **PBM**

PRINCIPLES OF ENTREPRENEURSHIP **PEN**

PRINCIPLES OF FINANCE **PFN**

PRINCIPLES OF HOSPITALITY AND TOURISM **PHT**

PRINCIPLES OF MARKETING **PMK**

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

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1. Which of the following illustrates how knowing your strengths and weaknesses can contribute toward professional development and career success:
 - A. Spending less time on tasks you find difficult
 - B. Avoiding new assignments
 - C. Developing new friendships in your neighborhood
 - D. Taking a leadership role on a group project

2. A business wants to purchase new machinery for its production line. Which of the following pieces of financial information would be most relevant for its purchase decision:
 - A. How much money the company spent on machinery five years ago
 - B. The amount of money left in the budget for the fiscal year
 - C. The amount of money spent by a competing company on production line equipment
 - D. The current salaries of top company executives

3. Addison wants to encourage the speaker who is giving a presentation to her class, so she nods when the speaker makes a good point, makes eye contact, and uses other forms of _____ communication.
 - A. nonverbal
 - B. written
 - C. negative
 - D. verbal

4. Joanna is interested in becoming a veterinarian. To learn more, she decided to apply as a veterinarian's assistant. Unfortunately, she got rejected because of her lack of work experience. What could Joanna do to make herself a more attractive candidate next time?
 - A. Explain her lifelong love of animals.
 - B. Make up fake work experiences.
 - C. Volunteer at an animal shelter.
 - D. Offer to work late-night shifts.

5. When you recognize your own emotions, you are demonstrating
 - A. self-control.
 - B. self-awareness.
 - C. social restraint.
 - D. social relationships.

6. Which of the following activities should be an employee's top priority:
 - A. Making reservations at a local restaurant for a business luncheon that is going to be held in two weeks
 - B. Completing a status report that takes 45 minutes to prepare for a meeting that will occur in an hour
 - C. Preparing a purchase order that needs to be sent to the vendor in two days
 - D. Copying a three-page document for a meeting with a customer that is scheduled to occur five hours from now

7. An employee with a prominent company position regularly uses offensive language and criticizes government leaders in their personal social media posts. They are putting the company at risk of
- A. higher corporate taxation rates.
 - B. being prosecuted for defamation.
 - C. developing a social media footprint.
 - D. developing a negative public image.
8. Which of the following is a downside of online information storage:
- A. Information can be more quickly sorted.
 - B. It's more costly to store information digitally.
 - C. Too much information can lead to system overload.
 - D. It's more difficult to access the information.
9. So that the company can determine when it needs to order more pencils, Kendra subtracts one box of pencils on a tracking sheet after she takes the box from the office supply cabinet. This is an example of
- A. perpetual inventory.
 - B. inventory keeping.
 - C. inventory shrinkage.
 - D. physical inventory.
10. Centralized retail buying can become ineffective for a large chain when
- A. its stores are divided into districts.
 - B. purchasing responsibility is shared by buyers.
 - C. all buying is carried out at one location.
 - D. its stores are located very far apart.
11. There are several auto repair shops in town, but Patricia's stands out. Her auto repair shop does great work, but what really sets her shop apart is the customer service. Every customer is greeted by a friendly employee, and they are given snacks and drinks while they wait for the repairs to be completed. The great customer service that people can expect from Patricia's business is considered her
- A. vision.
 - B. tagline.
 - C. mission statement.
 - D. brand promise.
12. Anthony has been working for 20 years, but recently he has begun to feel like he is lagging behind his younger colleagues. What should Anthony do?
- A. Try to find ways to outdo his colleagues
 - B. Pursue continuing education opportunities
 - C. Look for a new job
 - D. Ask for a promotion

13. You made a mistake on a project at work. You want to take responsibility for your mistake to show your boss that you can be trusted. Which of the following actions should you take:
- A. Explain why you didn't make a mistake.
 - B. Blame another coworker.
 - C. Ignore the mistake.
 - D. Apologize and fix the mistake.
14. Which of the following is a way that employees can prepare to answer customers' questions:
- A. Find out what they need to know to do their jobs well.
 - B. Use facial expressions to indicate interest.
 - C. Make eye contact when talking with customers.
 - D. Give customers a chance to express themselves fully.
15. Which of the following is a standard function of most spreadsheet software programs:
- A. Creating slide presentations
 - B. Performing financial calculations
 - C. Preparing promotional brochures
 - D. Managing database files
16. How are a business's customers affected by the good human-relations skills of the business's employees?
- A. Customers are not affected by it.
 - B. Customers' loyalty increases.
 - C. Customers return less frequently.
 - D. Customers' complaints increase.
17. With a lending investment, investors do which of the following:
- A. Avoid taking any risk
 - B. Maintain a minimum amount of money in the investment
 - C. Allow borrowers to use their money for a price
 - D. Hire a financial advisor
18. John is very good at keeping his feelings to himself when he is under stress. What skill has John developed?
- A. Self-esteem
 - B. Self-actualization
 - C. Self-control
 - D. Self-consciousness
19. Which of the following statements about ambiguity is true:
- A. Ambiguity has nothing to do with risk.
 - B. Ambiguity refers to certainty and clarity.
 - C. It's possible to avoid ambiguity in today's world.
 - D. Tolerating ambiguity means being OK with uncertainty.

20. Which of the following is a reason why it is important for employers to identify accident trends:
- A. To process claims
 - B. To make changes
 - C. To record injuries
 - D. To fix blame
21. Letters of inquiry should be as _____ as possible.
- A. verbose
 - B. demanding
 - C. vague
 - D. specific
22. One of the benefits of being adaptable is that it enables employees to
- A. deal with change.
 - B. take initiative.
 - C. manage their time.
 - D. avoid conflict.
23. The equipment, ingredients, and employee labor at a restaurant are all
- A. mass production.
 - B. objectives.
 - C. inputs.
 - D. productivity.
24. An individual who has a good grasp of their interests, values, traits, and attitudes has acquired self-
- A. understanding.
 - B. control.
 - C. discipline.
 - D. consciousness.
25. Personal appearance should be important to a company's employees because
- A. workers with a good appearance usually get promotions.
 - B. it makes them attractive to others.
 - C. unattractive workers are unlikely to be hired.
 - D. their image affects the company's image.
26. Jeni's company does not provide specific waste containers to encourage recycling. If she brings in her own container and begins using it, she is initiating change by
- A. personal action.
 - B. communicating.
 - C. teamwork.
 - D. motivating others.

27. You're writing a paper on the latest developments in vaccines. What type of information should you consult?
- A. Historical
 - B. Controversial
 - C. Fictional
 - D. Current
28. Which of the following is an example of one of a business's inputs:
- A. Products
 - B. Employees
 - C. Goods
 - D. Services
29. One way in which a business can show its social responsibility is by _____ its profits.
- A. reducing
 - B. dividing
 - C. maximizing
 - D. controlling
30. Which of the following do many businesses include on their websites to obtain feedback from customers:
- A. Computer programming code
 - B. Frequently Asked Questions (FAQ) page
 - C. Product catalog
 - D. Email inquiry field
31. Each pay period, Amisha has her employer automatically deposit her paycheck into her checking account so the funds are available for use when she needs them. In this situation, money is functioning as a(n)
- A. form of cash.
 - B. store of value.
 - C. unit of measure.
 - D. medium of exchange.
32. Which of the following is an impact that planning can have on a project:
- A. It makes it easier to cut corners.
 - B. It increases transparency.
 - C. It keeps stakeholders detached.
 - D. It increases disorganization.
33. The yen, peso, and euro are types of
- A. dollars.
 - B. bonds.
 - C. stock.
 - D. money.

34. Which of the following is a potential risk involved with information management:
- A. Privacy and security issues
 - B. Increased competition
 - C. Increased use of outsourcing
 - D. Higher interest rates
35. Which of the following business trends affects HR management:
- A. No restructuring
 - B. Globalization
 - C. Lack of new technology
 - D. Costs of business going down
36. The main reason that employers offer criticism is so workers can improve their
- A. ability to get along with others.
 - B. personal situations.
 - C. job performance.
 - D. ability to accept feedback.
37. Kristina recently started a candle company. After figuring out what kind of candles she wants to make and what they will look like, she has shifted her attention to how the candles will be produced and in what amounts. Kristina is engaging in
- A. purchasing.
 - B. dispatching.
 - C. product placement.
 - D. production planning.
38. Connor can look at situations in different ways, which helps him resolve many of the business problems that his company encounters. What characteristic of leadership is Connor exhibiting?
- A. Integrity
 - B. Credibility
 - C. Authenticity
 - D. Creativity
39. Max set a financial goal of saving \$2,000 in the next year. On a whim, Max saw a new video game that he wanted, so instead of putting a portion of his paycheck in his savings account, he used that money to purchase the game. What barrier is preventing Max from reaching his goal?
- A. Loss of income
 - B. Unexpected needs
 - C. Impulsive spending
 - D. Overuse of credit
40. Which of the following should you be sure to do when taking notes:
- A. Use correct spelling and grammar.
 - B. Write as legibly as possible.
 - C. Try to write down everything the teacher says.
 - D. Write in complete sentences.

41. Yami's starting salary four years ago was \$35,000 annually, which allowed her to comfortably pay her bills and save money. However, despite working for several years, Yami still has not received a raise. Her spending habits haven't changed, but she is starting to struggle to make her paychecks last as long as they used to. This is likely due to
- A. lack of money management.
 - B. interest rates.
 - C. changes in the industry.
 - D. inflation.
42. What is a type of informal communication that coworkers often use to communicate with each other?
- A. Grapevine
 - B. Structured
 - C. Network
 - D. Feedback
43. What type of customer questions everything that an employee tells them?
- A. Disagreeable
 - B. Domineering/Superior
 - C. Slow/Methodical
 - D. Suspicious
44. Many teenagers begin searching for their first jobs by contacting
- A. neighborhood businesses.
 - B. community training programs.
 - C. national corporations.
 - D. employment agencies.
45. Change in the values, tastes, and habits of Americans is a component of _____ change.
- A. governmental
 - B. economic
 - C. technological
 - D. social
46. When reconciling your bank statement, how should you handle outstanding checks recorded in your checkbook?
- A. Add them to your ending balance.
 - B. Subtract them from your statement balance.
 - C. Add them to your beginning balance.
 - D. Ignore them until next month.
47. Gathering, accessing, synthesizing, evaluating, and disseminating data for use in making business decisions is the responsibility of
- A. marketing-information management.
 - B. product/service management.
 - C. management.
 - D. product development.

48. Janelle and Kirk are members of a work team and disagree about how to proceed with a new project. What type of conflict are Janelle and Kirk experiencing?
- A. Emotional
 - B. Functional
 - C. Secondary
 - D. Internal
49. It is important to get the “whole picture” before settling on a viewpoint so that you can
- A. have the upper hand in arguments and debates.
 - B. use the information to prove you are right.
 - C. make a responsible and informed decision.
 - D. avoid interacting with people different than you.
50. A major purpose of establishing personal goals is to
- A. identify your wants.
 - B. decrease personal needs.
 - C. achieve success in life.
 - D. get help from others.
51. The manager asked a few staff members for their opinions about what color to paint the office reception area. What decision-making style did the manager use in this situation?
- A. Laissez-faire
 - B. Minimum input
 - C. Moderate input
 - D. Autocratic
52. An employee must complete a voucher and have it signed by their manager to obtain petty cash from the business. This is an example of a
- A. policy.
 - B. procedure.
 - C. benchmark.
 - D. consignment.
53. Requests, directions, and information are often communicated in writing because messages sent in writing are less likely to be
- A. misunderstood.
 - B. businesslike.
 - C. friendly.
 - D. clear.
54. Alex earns \$2,850.70 every two weeks after taxes are taken out of her paycheck. The \$2,850.70 is Alex's _____ per pay period.
- A. discount
 - B. net pay
 - C. gross pay
 - D. deduction

55. Last month, Monica used her Old Navy credit card to purchase \$200 worth of clothing and accessories. When Monica received the bill, it stated that she had to make a minimum payment of \$20. This is an example of a(n) _____ credit account.
- A. revolving
 - B. budget
 - C. service
 - D. installment
56. When Lara purchased a sweater priced at \$35.00, the dollar amount of her purchase totaled \$37.43. What type of tax did Lara pay?
- A. Income
 - B. Sales
 - C. Property
 - D. Excise
57. When your level of self-esteem is low, this causes you to have
- A. confidence in your ability.
 - B. doubts about yourself.
 - C. appreciation of life.
 - D. difficulty with visualization.
58. It is most appropriate to format a section of a document with a numbered list when you are
- A. identifying the sequential steps of a process.
 - B. including a testimonial in a promotional piece.
 - C. using charts to summarize information.
 - D. providing a detailed example to clarify a concept.
59. How can companies reduce the risk of security breaches caused by inattentive employees?
- A. Prohibit the use of mobile devices.
 - B. Only work with third-party providers.
 - C. Encourage employees to use strong passwords on all devices.
 - D. Terminate accounts of employees who leave the company.
60. A business selling an item for \$15 today is an example of
- A. equilibrium price.
 - B. market price.
 - C. prestige pricing.
 - D. price lining.
61. The cash conversion cycle should be
- A. as long as possible.
 - B. at equilibrium.
 - C. as short as possible.
 - D. on an upward trend.

62. Demand for a good is more likely to be elastic when the good is
- A. inexpensive.
 - B. imported.
 - C. a necessity.
 - D. a luxury.
63. Using Google Drive, Abel can seamlessly switch between working on a Google Doc, a Google Sheet, and a Google Slide within the same platform. This highlights Google Drive's
- A. obsolescence.
 - B. integration.
 - C. specialization.
 - D. fragmentation.
64. Which of the following is a true statement about positive customer relations:
- A. Satisfied customers are loyal customers.
 - B. Customer relations focus on selling activities.
 - C. Price is the primary factor that affects customer loyalty.
 - D. It requires businesses to be proactive.
65. A local lawyer owns their own business and has two employees. What type of ownership is their business?
- A. Limited liability company
 - B. Sole proprietorship
 - C. Consolidated corporation
 - D. Partnership
66. The ultimate goal of a company that redirects its marketing effort to an untapped market segment is to increase its
- A. profit.
 - B. expenses.
 - C. output.
 - D. prices.
67. One way to contribute to a positive and productive staff meeting is to
- A. avoid asking questions about topics that you are unfamiliar with.
 - B. make sure you speak quietly when having a private conversation with a coworker.
 - C. only pay attention to your body language when you are speaking.
 - D. listen to everyone, even if you don't work directly with them.
68. Entrepreneurs often discover business startup ideas by looking for gaps between what is currently being done and
- A. what was done in the past.
 - B. what needs to be done.
 - C. when changes were last made.
 - D. how things are being done.

69. When writing informational messages, business employees should explain the situation and include sufficient data for the recipient to be able to
- A. read the message.
 - B. make a decision.
 - C. agree with the content.
 - D. contact the business.
70. Which of the following is a guideline that employees should follow to be effective listeners:
- A. Ask questions.
 - B. Interrupt often.
 - C. Ignore body language.
 - D. Read directions.
71. Under which of the following circumstances is a cosigner held legally responsible for paying the balance owed on a bank loan:
- A. The borrower defaults on the loan.
 - B. The lender's interest rate increases.
 - C. The lender defaults on the loan.
 - D. The borrower's interest rate increases.
72. One of the characteristics of effective verbal communication is
- A. lack of clarity.
 - B. precise speech.
 - C. lack of tact.
 - D. good use of slang.
73. Which of the following actions would demonstrate initiative on the part of an employee who has no customers at the moment:
- A. Catching up on company news
 - B. Paying their bills
 - C. Doing routine housekeeping
 - D. Checking their appearance
74. When salespeople show sincere concern for the feelings of customers, they are demonstrating
- A. objectivity.
 - B. conviction.
 - C. empathy.
 - D. appreciation.
75. Which of the following is an economic service:
- A. Baseball bat
 - B. Bottle of perfume
 - C. Ticket to football game
 - D. Eyeglasses

76. Telling the truth can sometimes be difficult because
- A. the truth usually causes trouble.
 - B. people like lies more than the truth.
 - C. lying is easier than facing the consequences.
 - D. the truth doesn't help you get ahead in life.
77. Sammy is going to a meeting to hear the new procedures for billing clients for completed work. One of the best ways for Sammy to follow the presenter's oral instructions is to
- A. listen to the presentation and attempt the task immediately afterwards.
 - B. take notes after listening to the meeting in entirety.
 - C. take notes while the speaker is presenting the material.
 - D. listen to the presentation and ask a coworker for notes afterwards.
78. Which of the following forms of income would be considered unearned income:
- A. Union strike benefits
 - B. A personal salary
 - C. Tips from waiting tables
 - D. Interest from a savings account
79. A website that ends in .gov would most likely have _____ information than a website that ends in .com.
- A. less recent
 - B. less trustworthy
 - C. more recent
 - D. more trustworthy
80. Eye contact is an example of what type of communication?
- A. Formal
 - B. Verbal
 - C. Nonverbal
 - D. Informal
81. Which of the following is an important topic to discuss with a potential investment advisor:
- A. Marital status
 - B. Fees
 - C. Personal wealth
 - D. Hometown
82. The purpose of data mining is to
- A. sell consumer information.
 - B. keep employees engaged.
 - C. turn raw data into useful information.
 - D. monitor the activity of competitors.

83. Which of the following is a reason that natural resources are considered limited:
- A. Technology has advanced faster than training.
 - B. People lack training or skills needed to do a job.
 - C. Some countries are unable to manufacture them.
 - D. The earth has certain boundaries.
84. If a golfer prefers their own technique over a new and improved one, they are demonstrating
- A. status quo bias.
 - B. competitive spirit.
 - C. herd mentality.
 - D. groupthink.
85. Ryan organized his school's homecoming dance. He knows that students loved it and that everything went smoothly, but he isn't sure how much money was made on ticket sales. Ryan needs to
- A. ask students what their favorite parts of the dance were.
 - B. evaluate the project's budget.
 - C. examine the project's schedule.
 - D. find ways to save money when planning the next dance.
86. After a presentation about safety, robbery, and theft issues in the community's business district, Jeff asked the speaker, "Did you say that the crime rate in the area decreased by 10% or 15% last year?" What type of question did Jeff ask?
- A. A relevant question to clarify information that the speaker had provided
 - B. An open-ended question to obtain the speaker's personal opinion about an issue
 - C. A reflective question that required the speaker to carefully word their response
 - D. A follow-up question that had little to do with the topic at hand
87. What type of letter should a business include when sending copies of a contract to a vendor?
- A. Transmittal
 - B. Request
 - C. Acknowledgment
 - D. Claim
88. The ultimate responsibility for personal health and safety on the job rests with the
- A. government.
 - B. company.
 - C. union.
 - D. worker.
89. Rick believes that employees who are close to retirement lack the basic computer skills that the company's young, new hires have. Rick is stereotyping individuals on the basis of
- A. age.
 - B. nationality.
 - C. politics.
 - D. gender.

90. Jonathan, a fan services employee at a professional football stadium, listened attentively to a fan's complaints regarding the service they received. When following the general steps employees can take to handle customer complaints appropriately, what should Jonathan do next?
- A. Explain the plan of action to the customer and take action.
 - B. Thank the fan for bringing the problem to his attention.
 - C. Restate the complaint in his own words to show an understanding.
 - D. Promptly investigate the problem in the stadium's policy.
91. Which of the following is a benefit of using your phone to make mobile payments when buying something from a brick-and-mortar store:
- A. Standardization
 - B. Privacy
 - C. Accessibility
 - D. Convenience
92. Before Julie begins a three-hour drive to her client's warehouse facility, she puts the warehouse's address into her Google Maps app on her smartphone to navigate her trip. The Google Maps app is an example of
- A. telecommuting.
 - B. an expert system.
 - C. hardware.
 - D. satellite technology.
93. The chain of command helps employees understand
- A. where they fit in the hierarchy.
 - B. how competitors operate.
 - C. why they work for the organization.
 - D. how the economy operates.
94. Determine the assets of a business given the following information: cash = \$3,000; accounts receivable = \$5,500; inventory = \$10,050; and fixed assets = \$8,100.
- A. \$23,650
 - B. \$21,150
 - C. \$26,650
 - D. \$16,600
95. Being orderly and systematic usually helps employees be more
- A. honest.
 - B. responsible.
 - C. creative.
 - D. efficient.
96. If you tend to have difficulty standing up for your rights, you are probably a(n) _____ person.
- A. assertive
 - B. aggressive
 - C. subversive
 - D. passive

97. Which of the following is an example of a business situation in which employees might need to use problem-solving skills:
- A. An employee agrees to work overtime to complete a project.
 - B. A new employee suggests changing an established procedure.
 - C. A supervisor gives a senior employee a superior evaluation.
 - D. A manager asks an employee to be a mentor to a new hire.
98. Preventing security problems is important to businesses because the financial losses from these problems may force the businesses to
- A. expand.
 - B. move.
 - C. reorganize.
 - D. close.
99. A benefit of using a digital calendar to prepare schedules is that it allows employees to
- A. manage their time.
 - B. communicate with coworkers.
 - C. prioritize a deadline.
 - D. delegate tasks.
100. Qualified employees who behave unethically on the job may harm themselves by being
- A. held legally responsible.
 - B. sent to a training program.
 - C. rotated to similar positions.
 - D. passed over for promotions.

1. D

Taking a leadership role on a group project. Taking a leadership role on a group project illustrates how knowing your strengths and weaknesses can contribute toward professional development and career success—if you are a strong leader, you are maximizing that strength and using it to your advantage. Developing new friendships is great, but it does not relate to career success. Avoiding new assignments and spending less time on tasks you find difficult may relate to your weaknesses, but reacting in these ways will not help you improve.

SOURCE: EI:002 Assess personal strengths and weaknesses

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

2. B

The amount of money left in the budget for the fiscal year. For financial information to be useful, it must be relevant (applicable to its users' purposes). A company that is considering purchasing new machinery should look at its budget for the year and determine if there are enough funds to cover the equipment's cost. This is an example of a relevant piece of information. How much money the company spent on machinery five years ago is not relevant, since it is not timely (up to date). The amount of money spent by a competing company on production line equipment is not relevant to the situation at hand. The current salaries of top company executives are not relevant, either.

SOURCE: FI:579 Describe the need for financial information

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

3. A

Nonverbal. Nonverbal communication involves the use of gestures or facial expressions, rather than the use of words. Nodding and making eye contact are ways of communicating nonverbally. Verbal communication involves the use of words. Addison is not communicating through writing. This is not negative communication because it is encouraging the speaker.

SOURCE: CO:082 Explain communication techniques that support and encourage a speaker

SOURCE: Cherry, K. (2025, January 30). *9 types of nonverbal communication*. Retrieved July 29, 2025, from <https://www.verywellmind.com/types-of-nonverbal-communication-2795397>

4. C

Volunteer at an animal shelter. Volunteering is a great way for students and other early-career professionals to gain valuable work experience. If Joanna wants to become a more attractive candidate for jobs that deal with animals, she should begin by gaining some experience with animals through volunteering at an animal shelter, zoo, or doggie daycare, for example. She should not make up fake work experiences to include in her next application—doing so would be highly unethical. Offering to work late-night shifts and explaining her lifelong love of animals may help Joanna explain her commitment to the job, but would not necessarily make up for her lack of work experience.

SOURCE: PD:032 Describe techniques for obtaining work experience (e.g., volunteer activities, internships)

SOURCE: Get Schooled. (2025, July 3). *Benefits of volunteering: How volunteer work can lead to a job*. Retrieved July 29, 2025, from <https://getschooled.com/article/5837-how-volunteer-work-can-lead-to-a-job/>

5. B

Self-awareness. Emotional intelligence is the ability to recognize and manage emotions in ourselves and in others. To recognize your own emotions, you must be aware of what you are feeling at that particular time. For example, imagine that a friend says something that offends you. You may begin to frown, feel your face turning red, or feel your shoulders getting tense. When you notice these physical reactions, you know your feelings are changing at that particular time. Therefore, you are aware of your emotions. Self-control means that you know that you don't need to respond in a way that your emotions are telling you, such as saying something rude in retaliation. When you recognize and manage your own emotions, you have the capability to identify tactics that will help you respond appropriately in social situations.

SOURCE: EI:001 Describe the nature of emotional intelligence

SOURCE: LAP-EI-001—EQ and You (Emotional Intelligence)

6. B

Completing a status report that takes 45 minutes to prepare for a meeting that will occur in an hour. An important aspect of prioritizing work is determining how long a task will take to complete in relation to the due date or timeline. Completing a report that takes 45 minutes to prepare for a meeting that is occurring in an hour should be the employee's top priority because the meeting is scheduled to occur before any of the other tasks listed need to be completed. The employee can photocopy the document, prepare the purchase order, and make restaurant reservations after completing the report and presenting it during the meeting.

SOURCE: OP:228 Organize and prioritize work

SOURCE: Indeed. (2025, June 6). *How to prioritize workplace tasks (with 5 steps and tips)*. Retrieved July 29, 2025, from <https://www.indeed.com/career-advice/career-development/prioritize-tasks-in-the-workplace>

7. D

Developing a negative public image. Employees who share negative information publicly on social media create risk for themselves and their company by building a negative image that can easily transfer to the company they work for. The company is not likely to be prosecuted for defamation since the remarks were not written by the company and did not occur within official corporate communications. Corporate taxes are enacted by law, not in response to isolated events. Every company that has some type of online presence (e.g., website, social media account) has a social media footprint.

SOURCE: CO:205 Describe the impact of a person's social media brand on the achievement of organizational objectives

SOURCE: Phyllo. (2025, April 30). *3 ways employee social media affects your employer brand*. Retrieved July 29, 2025, from <https://www.getphyllo.com/post/social-media-affects-your-employer-brand>

8. C

Too much information can lead to system overload. Keeping so much information can cause an information overload. Information can be more quickly sorted when it is stored online, but this is an advantage. Online storage generally saves money. Information is generally easier to access when it is stored digitally.

SOURCE: NF:081 Store information for future use

SOURCE: Goodman, P. (2023, October 17). *17 disadvantages of digital technology*. Retrieved July 29, 2025, from <https://discover.hubpages.com/technology/Disadvantages-of-Digital-Technology>

9. A

Perpetual inventory. Perpetual inventory is a record of inventory information that is continuously updated. Updates can be done manually or by computer. Businesses often track their office supplies to make sure that they have enough items on hand to run smoothly. Inventory shrinkage is a loss of inventory due to shoplifting, employee theft, breakage, misplacement, or poor recordkeeping. Physical inventory is the process of counting each item that is available for use. Inventory keeping is a fictitious term.

SOURCE: OP:031 Maintain inventory of supplies

SOURCE: Chen, J. (2024, September 5). *Perpetual inventory system: Definition, pros & cons, and examples*. Retrieved July 29, 2025, from <https://www.investopedia.com/terms/p/perpetualinventory.asp>

10. D

Its stores are located very far apart. Retail chains can grow so large that centralized buying no longer is effective. To correct this, the chains switch to decentralized buying in which the country is divided into districts, and district managers take responsibility to buy for district stores. Having buying carried out in one location and giving purchasing authority to buyers of different lines help make centralized buying effective.

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

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

11. D

Brand promise. A business's brand promise is its (spoken or unspoken) agreement with its customers that it will consistently meet their expectations. When Patricia's customers visit her business, they know they'll receive outstanding customer service every time. A brand promise should go above and beyond goods and services and focus on something other businesses don't offer. For example, the other auto repair shops in town may do repairs that are just as good, but it's Patricia's outstanding customer service that sets her apart. A tagline is a company's slogan. Taglines often change based on marketing campaigns and cultural shifts, but a company's brand promise is permanent. A vision is the future a business desires to create. Providing great customer service may be part of Patricia's vision, but that alone is not a vision. A mission statement is a brief summary of what a business owner wants to be doing. This is not the same as a brand promise.

SOURCE: CR:001 Identify company's brand promise

SOURCE: LAP-CR-006—Share the Promise (Identifying Brand Promise)

12. B

Pursue continuing education opportunities. Continuing education is the acquisition or improvement of work-related skills by people already in the workforce. It can help people adapt to changes in their fields and stay current with trends and technology. If Anthony feels that his younger colleagues are more adept and performing better than he is able to, he might want to seek continuing education opportunities to polish his skills. Anthony should not necessarily look for a new job because he might run into the same problems at a different workplace. Anthony's goal should not necessarily be to outdo his colleagues. Finally, asking for a promotion would not necessarily solve the problem.

SOURCE: PD:033 Explain the need for ongoing education as a worker

SOURCE: University of Cincinnati. (2025). *5 benefits of continuing education for career advancement*. Retrieved July 29, 2025, from <https://online.uc.edu/blog/5-benefits-of-continuing-education-for-career-advancement/>

13. D

Apologize and fix the mistake. When trustworthy people mess up, they don't ignore the mistake or blame other people. Instead, they take responsibility and own up to their mistake. This can involve apologizing or working to fix the error. When people know that you will be accountable for your mistakes, they'll be more likely to trust you. Blaming another coworker, ignoring the mistake, and explaining why you didn't make a mistake are not ways to take responsibility.

SOURCE: EI:128 Build trust in relationships

SOURCE: LAP-EI-128—Trust in Me (Building Trust in Relationships)

14. A

Find out what they need to know to do their jobs well. Employees should take the responsibility to gather the information they'll need to answer customer questions. Facial expression and eye contact are used when interacting with customers. Giving customers a chance to express themselves fully is a key aspect of handling customer complaints.

SOURCE: CR:004 Demonstrate a customer service mindset

SOURCE: LAP-CR-004—Set Your Mind to It (Customer Service Mindset)

15. B

Performing financial calculations. Spreadsheet software enables businesses to perform accounting, financial, and other mathematical functions. A user can enter numerical information in rows and columns, and the software will perform various calculations or analyses. For example, spreadsheet programs can calculate sales forecasts and develop budget projections. Presentation software is used to create slide presentations. Desktop publishing software is used to prepare promotional brochures. Database software is used to manage database files.

SOURCE: NF:010 Demonstrate basic spreadsheet applications

SOURCE: Vipond, T. (2025). *Excel for finance*. Retrieved July 29, 2025, from <https://corporatefinanceinstitute.com/resources/excel/excel-for-finance/>

16. B

Customers' loyalty increases. Practicing good human-relations skills with customers gains their loyalty and patronage because people like to do business with those who treat them well. In fact, the main reason people don't return to a business is because its employees treated them rudely. Customers who are well treated generally have fewer complaints.

SOURCE: EI:037 Foster positive working relationships

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

17. C

Allow borrowers to use their money for a price. With a lending investment, investors allow borrowers to use their money for a price. The extra money received provides the motivation for lending. With any investment, an investor might decide to hire a financial advisor. No investment avoids risk altogether. Money market accounts (a type of lending investment) sometimes require investors to maintain a minimum amount of money in the investment.

SOURCE: FI:077 Explain types of investments

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

18. C

Self-control. Self-control is the ability to manage your feelings, words, and actions. People who have self-control are in charge of themselves, and they stop to think before they speak or act. Self-esteem is the way you feel about yourself at any given time. Self-consciousness is an excessive focus on yourself. Self-actualization is maximizing your potential.

SOURCE: EI:025 Demonstrate self-control

SOURCE: LAP-EI-025—Control Yourself! (Demonstrating Self-Control)

19. D

Tolerating ambiguity means being OK with uncertainty. Ambiguity is a state of vagueness, doubt, and uncertainty. Tolerance is the capacity to accept deviation from the norm. Tolerating ambiguity, therefore, means being OK with uncertainty and dealing with it effectively. Ambiguity and risk go hand in hand, as risk is inherent in virtually all ambiguous situations, especially if there's a chance that things could go wrong. As much as we would like to avoid it, uncertainty and ambiguity are everywhere and unavoidable. They are a part of life. You never know what will happen to you on any given day, no matter how much planning you attempt to do.

SOURCE: EI:092 Develop tolerance for ambiguity

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

20. B

To make changes. Businesses use the information from accident report forms to identify accident trends, such as the areas of the workplace that tend to have the highest number of accidents, the time of day during which accidents occur, types of injuries, and ages of victims. Businesses use this information to make changes in the workplace that will improve safety and help prevent accidents in the future. Recording injuries, processing claims, and fixing blame are not purposes of identifying accident trends.

SOURCE: OP:009 Explain procedures for handling accidents

SOURCE: Safety Stratus. (2023, June 20). *Preventing workplace accidents by identifying trends*. Retrieved July 29, 2025, from <https://www.safetystatus.com/blog/preventing-workplace-accidents-by-identifying-trends/>

21. D

Specific. A letter of inquiry is typically a brief email or written letter used to request information, appointments, funding, or other assistance from letter recipients. Business people frequently write letters of inquiry to customers, vendors, and other organizations. Letters of inquiry should be as specific and concise as possible. When writing a letter of inquiry, you should provide pertinent details to the recipient but not overwhelm them with unnecessary information. Letters of inquiry should not be vague, verbose (wordy), or demanding.

SOURCE: CO:040 Write inquiries

SOURCE: Indeed. (2025, June 6). *How to write a letter of inquiry (with an example)*. Retrieved July 31, 2025, from <https://www.indeed.com/career-advice/career-development/letters-of-inquiry>

22. A

Deal with change. Adaptability is the ability to adjust to changing conditions. Changes and new situations are common in the workplace. When employees are adaptable, they are able to deal with change and even learn from new situations. This is a benefit because employees who are not adaptable may experience stress or not be able to be productive when faced with new situations. Being adaptable does not necessarily enable employees to manage their time, take initiative, or avoid conflict.

SOURCE: EI:006 Demonstrate adaptability

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

23. C

Inputs. All the resources used in producing goods and services are known as inputs. Objectives are goals to be reached. Productivity is the amount and value of goods and services produced from set amounts of resources. Mass production is the production of a few products in large quantities.

SOURCE: EC:013 Explain the concept of productivity

SOURCE: LAP-EC-913—Make the Most of It (Productivity)

24. A

Understanding. Self-understanding is comprehending your interests, abilities, values, attitudes, and personality traits. It enables individuals to understand who they are and what they need to improve to become the people they want to be. Self-discipline is training yourself to act in ways that will further your development. Self-control is the restraint of your feelings, words, and actions. Self-consciousness is an excessive concentration on oneself.

SOURCE: PD:013 Assess personal interests and skills needed for success in business

SOURCE: Worall, B. (2023). *The ultimate guide to self-understanding: An introduction*. Retrieved July 31, 2025, from <https://benworrall.com/newsletter/introduction-to-self-understanding>

25. D

Their image affects the company's image. Employees of many businesses can expect a great deal of customer contact. Customers form an image of the company, and it is often based on or affected by the appearance of the firm's employees. Appearance doesn't necessarily prevent employment or ensure promotion. Being attractive to others is a personal reason for maintaining appearance.

SOURCE: PD:002 Maintain appropriate personal appearance

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

26. A

Personal action. Jeni is initiating change through her actions. There is no evidence that she actively motivated others, communicated, or used teamwork to encourage recycling.

SOURCE: EI:005 Lead change

SOURCE: LAP-EI-005—Start the Revolution (Leading Change)

27. D

Current. Part of researching is determining the type of information you need. If you are researching the latest developments in vaccines, you should focus on current information sources, like current magazines, recent newspapers, reputable websites, and recently published books. If you were researching something about history, you would focus on historical information sources. You don't necessarily want to consult controversial information sources—instead, you should look for information sources that are universally trusted. You do not want to rely on fictional information for a factual paper.

SOURCE: NF:077 Assess information needs

SOURCE: Brooklyn Public Library. (2025). *What is information literacy?* Retrieved July 31, 2025, from <https://www.bklynlibrary.org/information-literacy>

28. B

Employees. Every business takes inputs (resources) and uses them to make outputs (products). Inputs are things such as employees, raw materials, equipment, capital, etc. Outputs are goods and services, also known as products.

SOURCE: OP:189 Explain the nature of operations

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

29. C

Maximizing. The more profit the company makes, the more it can grow, providing better salaries to its workers, creating more jobs in the community, and making larger charitable contributions and other benefits to society possible. None of these would be possible if the company reduces, divides, or controls its profits.

SOURCE: EC:070 Explain the role of business in society

SOURCE: LAP-EC-070—Business Connections (Business and Society)

30. D

Email inquiry field. Many businesses provide a feedback option on their websites that enables customers to email the business concerning problems or to ask questions. The email inquiry field is an effective method of providing customer service as long as the business responds promptly. The purpose of a Frequently Asked Questions (FAQ) page is to provide answers, not collect feedback. A product catalog is not included on a business's website to obtain feedback from customers. Computer programming code is used to create software, webpages, etc.

SOURCE: NF:004 Demonstrate basic email functions

SOURCE: Watermark. (2025). *Inquiry form features and usability*. Retrieved July 31, 2025, from <https://support.watermarkinsights.com/hc/en-us/articles/16266128162331-Inquiry-Form-Features-and-Usability>

31. B

Store of value. Money functions as a store of value when it is saved rather than spent. The money can be held over time, and it retains value for future purchasing power. Money serves as a unit of measure when it is used to express the value or worth of something. Money serves as a medium of exchange when it is used to obtain goods and services. Cash is a form of money—currency and coins. Because Amisha's paycheck was automatically deposited in her bank account, currency and coins have not been touched.

SOURCE: FI:060 Describe functions of money (medium of exchange, unit of measure, store of value)

SOURCE: Downey, L. (2022, March 25). *Store of value: Definition, how assets work, and examples*. Retrieved July 31, 2025, from <https://www.investopedia.com/terms/s/storeofvalue.asp>

32. B

It increases transparency. Planning is important to the success of projects for many reasons, including that it increases transparency. A project plan allows everyone to be aware of the scope and deliverables of the project, and it helps everyone share knowledge and be open whenever roadblocks occur. Planning helps a project because it helps keep you organized, not disorganized. Planning improves communication and keeps stakeholders engaged, not detached. Rather than making it easier to cut corners, planning helps avoid the negative effects of cutting corners.

SOURCE: OP:519 Plan project

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

33. D

Money. Money is the most common medium of exchange. Countries use different forms of currency (money). For example, Japan uses the yen, Mexico uses the peso, many European countries use the euro, and the United States and Canada use the dollar. A bond is a lending security, and stock is an ownership security.

SOURCE: FI:059 Identify types of currency (paper money, coins, banknotes, government bonds, treasury notes, etc.)

SOURCE: Lee, R. (2024, October 4). *The top 8 most tradable currencies*. Retrieved July 31, 2025, from <https://www.investopedia.com/trading/most-tradable-currencies/>

34. A

Privacy and security issues. Dealing with privacy and security issues is a potential risk involved with information management. Companies have a responsibility to protect their clients from identity theft as well as to protect them from getting unwanted spam and junk mail. An information management program that is not running effectively may put clients' information at risk. Appropriate information management will not necessarily prevent increased use of outsourcing, increased competition, or higher interest rates. In fact, increased use of outsourcing and increased competition are considered trends of information management, not risks.

SOURCE: NF:110 Discuss the nature of information management

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

35. B

Globalization. A growing trend toward globalization is one of many business trends that affects HR management activities. Costs of business are going up. Companies are often restructuring to save money. There is not a lack of new technology in the business world; new technology is constantly being developed.

SOURCE: HR:410 Discuss the nature of human resources management

SOURCE: LAP-HR-410—People Pusher (Nature of Human Resources Management)

36. C

Job performance. It is the job of the person who supervises your work to analyze your strengths and weaknesses. They are responsible for providing direction to help you in areas that need improvement. Such criticism, however, should be directed toward your role as an employee, not toward you as a person. Only when it is related to your job performance should an employer criticize your ability to accept feedback or to get along with others.

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

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

37. D

Production planning. Production planning involves determining how products will be produced and in what amounts. When planning production, Kristina needs to determine her candle company's specific needs for equipment, time, and human resources, as well as how many products she thinks she can sell. Issuing orders for production to start is known as dispatching. Product placement is a type of "other" media that uses products as props. Purchasing involves the buying of goods and services for a business.

SOURCE: OP:017 Explain the concept of production

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

38. D

Creativity. Effective leaders generate new ideas and approaches to make improvements and solve problems—they are exhibiting creativity. Credibility is a person's believability. Authenticity is being genuine and sincere. Integrity is adhering to an established set of personal ethics and sound moral principles.

SOURCE: EI:009 Explain the concept of leadership

SOURCE: LAP-EI-909—Lead the Way (Concept of Leadership)

39. C

Impulsive spending. Many situations can prevent individuals from reaching their financial goals. When people lose their jobs or need to get their cars fixed, their financial goals may be temporarily sidetracked. Overuse of credit cards can also affect an individual's ability to achieve their financial goals. An individual who must pay off credit card debt has less money available to save and invest. In Max's situation, impulsive spending derailed his financial goals. He saw something that he wanted right away, so he bought it without thinking about the consequences. It will likely take Max longer to reach his savings goal. A video game is considered a want, not a need, so unexpected needs did not hinder Max from reaching his goal. Max did not lose income; he simply chose to spend his earnings impulsively.

SOURCE: FI:065 Set financial goals

SOURCE: Nerdwallet. (2025). *What is impulsive buying? 5 ways to resist*. Retrieved July 31, 2025, from <https://www.nerdwallet.com/article/finance/impulse-buying-definition>

40. B

Write as legibly as possible. Even though you may be writing your notes quickly, it's important to write as neatly as you can. After all, your notes won't be very helpful if you can't even read them later! You shouldn't worry about using correct spelling and grammar when taking notes. It's more important to focus on content. You also don't need to write in complete sentences. This will only slow down your note-taking. It's impossible to write down everything the teacher says; instead, just try to capture the main points and important information.

SOURCE: CO:085 Utilize note-taking strategies

SOURCE: The University of Tennessee Chattanooga. (2025). *Common note-taking strategies*. Retrieved July 31, 2025, from <https://www.utc.edu/enrollment-management-and-student-affairs/center-for-academic-support-and-advisement/tips-for-academic-success/note-taking>

41. D

Inflation. Inflation is the rise in prices of goods and services over time, which decreases the amount you can buy in the future as opposed to the present. Inflation explains why Yami used to be able to live comfortably on \$35,000 but no longer can, although her spending habits haven't changed. There is no indication that interest rates, lack of money management, or changes in the industry have caused Yami to struggle to make her paychecks last.

SOURCE: FI:062 Explain the time value of money

SOURCE: Fernando, J. (2025, June 15). *Time value of money: What it is and how it works*. Retrieved July 31, 2025, from <https://www.investopedia.com/terms/t/timevalueofmoney.asp>

42. A

Grapevine. Grapevine is an oral communication method in which information is passed around the company but not formally announced or verified. Coworkers frequently discuss company issues and pass on information from one department to another through the grapevine. Employees often obtain information and communicate it to others through the grapevine before management makes an official announcement. Feedback is evaluative information given by supervisors to employees. Network is a system of contacts within and outside the organization. Structured is formal communication.

SOURCE: CO:014 Explain the nature of staff communication

SOURCE: Indeed. (2025, July 24). *What is grapevine communication? (And how to handle it)*. Retrieved July 31, 2025, from <https://www.indeed.com/career-advice/career-development/grapevine-communication>

43. D

Suspicious. These customers question everything. Frequently, they want facts and proof before being convinced that what the salesperson has said is true. Although these customers are hard to help and difficult to change, they can become your most loyal customers. Domineering/Superior customers are overly self-confident. Slow/Methodical customers require a lot of time to purchase because of shyness or difficulty in making a choice or buying decision. Disagreeable customers are unpleasant and hard to help because they are complaining, argumentative, irritable, insulting, impatient, or have a leave-me-alone attitude.

SOURCE: CR:009 Handle difficult customers

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

44. A

Neighborhood businesses. Local companies where teenagers and their families do business often are good sources for first jobs. Local businesses, such as grocery stores and independent retailers, often hire teenagers on a part-time basis to work after school hours, on weekends, and during summer vacations. These businesses frequently are willing to hire the teenagers who are members of their community. Most employment agencies do not work with people looking for entry-level jobs. Teenagers usually don't find their first jobs with national corporations unless those corporations have local offices. Community training programs are intended to help train teenagers for jobs.

SOURCE: PD:026 Utilize job-search strategies

SOURCE: Gentry, A. (2025, June 9). *How to find a part-time job (with benefits and tips)*. Retrieved July 31, 2025, from <https://www.indeed.com/career-advice/finding-a-job/how-to-find-a-part-time-job>

45. D

Social. Social changes include styles of clothing, hair styles, music preferences, attitudes toward others, or any kind of change that affects people's personal choices. Economic changes reflect the fluctuations in our economy. Governmental changes reflect new or revised laws, regulations, policies, or public services. Technological changes are developments, breakthroughs, and other changes in the fields of science, engineering, etc.

SOURCE: EI:026 Adjust to change

SOURCE: Dunfey, T. S. (2023, August 14). *What is social change, and why should we care?* Retrieved July 31, 2025, from <https://www.snhu.edu/about-us/newsroom/social-sciences/what-is-social-change>

46. B

Subtract them from your statement balance. The purpose of reconciling your bank statement with the information in your checkbook is to find potential errors and to calculate an accurate ending balance. It's typical to have some outstanding checks (checks recorded in your check register that do not appear on your bank statement). You must subtract any outstanding checks from your statement balance to properly reconcile your bank statement. Only credits such as deposits are added to the balance. Ignoring an outstanding check can put you at risk of missing a payment or even fraud. If a check has not been cashed and you believe it's an error, you should contact the payee and your bank to discover the cause.

SOURCE: FI:070 Balance a bank account

SOURCE: PNC. (2024, June 10). *How to balance a checkbook*. Retrieved July 31, 2025, from <https://www.pnc.com/insights/personal-finance/spend/how-to-balance-checkbook.html>

47. A

Marketing-information management. This function is necessary to ensure that products are meeting the needs and wants of consumers. Product/Service management involves obtaining, developing, maintaining, and improving a product mix in response to market opportunities. Management is the planning, organizing, directing, and controlling of a company's resources to meet organizational goals. Gathering, accessing, synthesizing, evaluating, and disseminating data might help businesses develop products.

SOURCE: MK:002 Describe marketing functions and related activities

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

48. B

Functional. Functional conflict occurs when people disagree about something tangible or concrete. In many of these types of situations, the people involved agree on a goal but have different approaches to the situation—such as the best way to proceed with a new project. Emotional conflict involves a disagreement about different beliefs, values, or experiences. Internal conflict occurs within one's self. Secondary conflict involves disagreeing thoughts or ideas that are separate from but related to the primary or major disagreement or area of concern.

SOURCE: EI:015 Use conflict-resolution skills

SOURCE: LAP-EI-915—Stop the Madness (Conflict Resolution)

49. C

Make a responsible and informed decision. You should make sure that you've heard the whole story before making a decision about whether or not you agree with a viewpoint. If you don't, you risk walking away without fully understanding the topic or event. Learning about a viewpoint helps you make a good decision about whether or not you agree with it; it does not help you prove that you are right, have the upper hand in arguments, or avoid interacting with people who are different than you.

SOURCE: EI:136 Consider conflicting viewpoints

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

50. C

Achieve success in life. Success has been defined as reaching the goals you have set for yourself. By establishing well-defined goals, you can greatly increase the chances of achieving success in life. Before you can set appropriate goals, you must identify your wants and then be willing to take action to satisfy those wants. Setting goals does not decrease personal needs or necessarily involve getting help from others.

SOURCE: PD:018 Set personal goals

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

51. C

Moderate input. When the decision maker asks for some help during the decision-making process, they are obtaining moderate input. When the decision maker decides without any help, they are using the minimum-input decision-making style. Autocratic and laissez-faire are leadership styles. The autocratic leadership style is a dictatorial leadership style in which the leader relies on their positional authority within the organization to ensure that closely supervised employees do exactly as they are told to achieve required results. Laissez-faire is a hands-off leadership style in which the leader assumes little or no responsibility and allows employees to determine their own work behavior and productivity level.

SOURCE: PD:017 Make decisions

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

52. B

Procedure. A procedure is the step-by-step process that an employee follows when performing a specific task. Because an employee must take certain actions to obtain petty cash, they are following a procedure. Policies are the company's general rules or guidelines and include things such as vacation time, sick time, use of company equipment, etc. A benchmark is something that provides a basis for comparison or evaluation. Consignment is a purchasing arrangement in which an intermediary agrees to pay the supplier of goods after the goods are sold.

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

SOURCE: NEOGOV. (2025, June 10). *What is a policy vs. a procedure?* Retrieved July 31, 2025, from <https://www.powerdms.com/policy-learning-center/what-is-a-policy-vs.-a-procedure>

53. A

Misunderstood. Clearly written communications can prevent problems that may be caused by poor listening or speaking skills. The written message can also be checked for clarity and accuracy before it is delivered. Both writing and speech can be friendly or businesslike in tone.

SOURCE: CO:016 Explain the nature of effective written communications

SOURCE: Banton, C. (2024, August 20). *Market dynamics: Definition and examples*. Retrieved July 31, 2025, from <https://www.investopedia.com/terms/m/market-dynamics.asp>

54. B

Net pay. Net pay is the amount of money that is given to an employee after all types of deductions and taxes are taken out of a paycheck. The gross pay is the amount of money that is paid to an employee before deductions and taxes are taken out. Deductions are items that reduce the gross amount of an individual's income, which in turn reduce the taxes owed on that income. A discount is a reduction in the price of a product.

SOURCE: FI:068 Interpret a pay stub

SOURCE: ADP. (2025). *Gross pay vs. net pay: What's the difference?* Retrieved July 31, 2025, from <https://www.adp.com/resources/articles-and-insights/articles/g/gross-pay-vs-net-pay.aspx>

55. A

Revolving. Businesses that offer revolving credit accounts limit the total amount of money that a customer may charge an account. When customers use their credit cards and make purchases on their accounts, businesses require them to make a minimal monthly payment. If a customer chooses to make the minimal payment, the business charges interest on the customer's outstanding balance. Installment credit is a type of credit account set up to handle one total amount of credit that the borrower pays in regular installments until the item is paid off. Installment credit is often used when purchasing expensive items such as cars and furniture. A budget credit account is a form of short-term credit often set up for 60- or 90-day periods with a payment due every 30 days. Service credit is credit used for utilities that have been consumed but not paid for (e.g., water and electricity).

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

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

56. B

Sales. Sales tax is a fee that the government charges on retail products. Businesses collect sales taxes from the customers and pay the government the taxes at set intervals. Property tax is a tax on land and buildings. An excise tax (“sin” tax) is a specific type of sales tax on specific goods such as gasoline, cigarettes, and alcohol. Excise taxes are often included in the price of the product. Income tax is a tax on the income a person earns, such as wages earned by performing work for an employer.

SOURCE: FI:067 Explain the nature of tax liabilities

SOURCE: Shannon Strategies. (2023). *Marketing essentials*. Retrieved July 31, 2025, from <https://www.shannonstrategies.com/blog/marketing-essentials>

57. B

Doubts about yourself. When self-doubts are present, self-esteem has dropped. These doubts and your low level of self-esteem may keep you from having confidence in your own ability or an appreciation for life. A low level of self-esteem does not necessarily cause difficulty with visualization—the practice of imagining yourself in possession of a present or desired strength. Visualization is a method of overcoming low levels of self-esteem.

SOURCE: EI:016 Explain the concept of self-esteem

SOURCE: Cherry, K. (2023, December 5). *What is self-esteem?* Retrieved July 31, 2025, from <https://www.verywellmind.com/what-is-self-esteem-2795868>

58. A

Identifying the sequential steps of a process. When describing activities that need to be done in a specific order, the writer might want to number the steps to set the process apart from the text and to clarify the process. One testimonial or a single piece of information does not require a numerical designation to reinforce the order of content. Charts are graphics that summarize numerical data. A narrative writing format is usually most appropriate when providing an example to clarify a concept.

SOURCE: CO:088 Select and utilize appropriate formats for professional writing

SOURCE: APA Style. (2025). *Bulleted lists*. Retrieved July 31, 2025, from <https://apastyle.apa.org/style-grammar-guidelines/lists/bulleted>

59. C

Encourage employees to use strong passwords on all devices. Employees who are uninformed about or inattentive to security procedures present a risk. Therefore, employees should be encouraged to use strong passwords on their devices to reduce the risk of a breach. Strong passwords are the first defense against technological security breaches. Terminating the accounts of former employees is a defense against disgruntled employees rather than inattentive employees. While prohibiting the use of mobile devices would reduce risk, it is nearly impossible to avoid using them in today's business world. Finally, third-party providers, while helpful and necessary to business operations, sometimes do not follow established security procedures and increase risk rather than reduce it.

SOURCE: OP:152 Follow established security procedures/policies

SOURCE: Fairlie, M. (2025, March 4). *Types of cyber risks businesses should be aware of*. Retrieved July 31, 2025, from <https://www.business.com/insurance/cyber-risk/>

60. B

Market price. The market price is the actual price that prevails in a market at any particular moment. The price that a business sells an item for today is the market price today. However, that price might increase or decrease tomorrow depending on supply and demand. Price lining is the practice of selling goods and services at a limited number of predetermined price points, or levels. Equilibrium price is the point at which the quantity of a good that buyers want to buy is equal to the quantity that sellers are willing to sell at a certain price. Prestige pricing is deliberately putting an artificially high price on a good or service to suggest high quality and status.

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

SOURCE: CFI. (2025). *Market price*. Retrieved July 31, 2025, from <https://corporatefinanceinstitute.com/resources/valuation/market-price/>

61. C

As short as possible. The cash conversion cycle should be as short as possible so financial managers have more free cash to work with. A downward trend in the cycle is a positive sign, while an upward trend is a negative one. A downward trend is preferred to equilibrium. Many investors pay close attention to a company's cash conversion cycle.

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

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

62. D

A luxury. Products that are not considered necessary or essential for survival usually have elastic demand. Elastic demand is a form of demand for products in which changes in price correspond to changes in demand. Products that are necessary usually have inelastic demand because people must buy them even if their prices are raised. Elasticity is not tied to price, nor is it related to whether a product is imported.

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

SOURCE: LAP-EC-905—It's the Law (Supply and Demand)

63. B

Integration. Google Drive allows Abel to seamlessly switch between working on a Google Doc, a Google Sheet, and a Google Slide within the same platform. This highlights Google Drive's integration capabilities; the software unifies different applications into a single, cohesive platform. Abel's use of Google Drive does not highlight fragmentation, obsolescence, or specialization.

SOURCE: NF:085 Use basic operating systems

SOURCE: Griffith, B. (2024, October 15). *What is software integration? Here's what you should know*. Retrieved August 1, 2025, from <https://www.workato.com/the-connector/software-integration/>

64. D

It requires businesses to be proactive. It isn't enough to react to customers' questions, complaints, and problems as they occur. Instead, businesses must anticipate and stay ahead of these issues, which can often prevent them from happening to begin with. A customer may be satisfied with an initial purchase; however, one purchase may not result in repeat sales, which is characteristic of loyal customers. Businesses obtain loyal customers by exceeding their expectations. In many situations, customers return to a business for factors other than price—service level, product quality, etc. Although selling activities are important aspects of positive customer relations, management and employees throughout the company must embrace a customer-centric mindset. This is because customers come in contact with the business through many touch points—the company's website, invoices, promotional activities, etc.

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

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

65. B

Sole proprietorship. A sole proprietorship is a business that is owned by one person who receives all the profits from the business and takes all the risks. A partnership is a form of business ownership in which the business is owned by two or more people. A limited liability is a hybrid form of business ownership in which members of a business experience limited liability and taxation. A consolidated corporation is not a real term, but a corporation is a form of business ownership that is owned by stockholders.

SOURCE: BL:003 Explain types of business ownership

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

66. A

Profit. If the company can create demand in a new market segment, this will help to increase sales, which will increase profits. Increasing expenses will decrease profits. Increasing prices could decrease sales. Increasing output may be needed to meet the needs of the new market, but that is not the company's ultimate goal.

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

SOURCE: LAP-EC-010—Risk Rewarded (Factors Affecting Profit)

67. D

Listen to everyone, even if you don't work directly with them. Giving everyone the opportunity to speak, even if you disagree with them or don't work directly with them, creates a positive environment in which everyone feels free to share their ideas. Listening to everyone and asking questions, even about topics that you are unfamiliar with, can also foster an environment in which people are open to new ideas, leading to better decision-making for the group. Body language can communicate a good deal about how you feel, even without saying a word. Staff meetings are not a time for private conversations. Ideally, if you have something to say, you should say it to the entire group—and your comments should focus on topics that are part of the meeting agenda.

SOURCE: CO:063 Participate in a staff meeting

SOURCE: Shirbman, M. (2023, November 20). *A guide for mastering the art of business communication*. Retrieved July 31, 2025, from <https://www.forbes.com/councils/forbesbusinesscouncil/2023/11/20/a-guide-for-mastering-the-art-of-business-communication/>

68. B

What needs to be done. Successful entrepreneurs look for gaps between what is currently being done and what needs to be done. Entrepreneurs find out what customers want or need that isn't currently available, and then they work to fill that demand or need. Looking for gaps between what is currently being done and what was done in the past will not necessarily provide entrepreneurs with insights or opportunities for innovation. Finding out when changes were last made may help an entrepreneur determine whether what is currently being done is fairly new or old, but again, it won't necessarily help the entrepreneur develop new ideas. When looking for gaps, entrepreneurs need to compare "apples with apples." Comparing what is being done with how things are being done compares "apples with oranges."

SOURCE: PD:066 Explain career opportunities in entrepreneurship

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

69. B

Make a decision. Informational messages are intended to inform and provide data to the recipients. In many cases, the purpose of an informational message is to help the recipient make a decision. For this to happen, the business employee should explain the situation and include sufficient data. If recipients clearly understand the who, what, where, when, why, and how of the situation, they usually have sufficient information to make a decision. Clear and concise writing enables a recipient to read the message. The letterhead usually includes the business's name, address, and phone number so recipients are able to contact the business. Explaining the situation and including sufficient data does not guarantee that the recipient will agree with the content.

SOURCE: CO:039 Write informational messages

SOURCE: Carpenter, B. (2025). *Four types of communication in business writing*. Retrieved July 31, 2025, from <https://smallbusiness.chron.com/four-types-communication-business-writing-21695.html>

70. A

Ask questions. Effective listeners concentrate on what is being said and ask questions when they don't understand or want clarification. Managers often assume that employees know more than they do and give incomplete or vague instructions. Employees should pay close attention to what is being said and ask questions to make sure they understand. Employees should not interrupt often, only when it is necessary to clarify a point they don't understand. Employees should observe a speaker's body language because nonverbal clues also send a message. Reading directions will not help employees be effective listeners.

SOURCE: CO:017 Demonstrate active listening skills

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

71. A

The borrower defaults on the loan. When borrowers agree to a loan, they are making a legal contractual agreement to pay back the loan in a certain manner within a specific period of time. When the borrower does not have the collateral or credit history to obtain the loan, the lender often requests that another person cosign for the loan. A cosigner is responsible for paying the loan if the borrower defaults on it, which means the borrower does not make the scheduled payments to the lender. Changes in interest rates do not affect a cosigner's legal responsibility for paying the balance owed on a loan.

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

SOURCE: Maxwell, T. (2024, May 10). *What is a cosigner?* Retrieved August 1, 2025, from <https://www.experian.com/blogs/ask-experian/what-is-cosigner/>

72. B

Precise speech. Precise speech involves choosing the words that most accurately communicate what you want to say. This makes your communication effective because it has clarity, and the listener will be most likely to receive the message you want to transmit. Effective verbal communication should also be tactful and should not include slang.

SOURCE: CO:147 Explain the nature of effective verbal communications

SOURCE: Matthews, A. S. (2025). *8 effective verbal communication techniques for professional success*. Retrieved August 1, 2025, from <https://rcademy.com/verbal-communication-techniques-for-professional-success/>

73. C

Doing routine housekeeping. Initiative is the willingness to act without having to be told to do so. An employee who demonstrates initiative by carrying out tasks without being asked to do so is appreciated by most employers. The other alternatives are personal activities that should be carried out in the employee's free time.

SOURCE: EI:024 Explain the importance of demonstrating initiative

SOURCE: LAP-EI-024—Hustle! (Taking Initiative)

74. C

Empathy. Empathy is putting yourself in another person's situation. Salespeople who develop empathy are better able to understand and meet customers' needs. Objectivity is the ability to look at something clearly, usually without emotional involvement. Appreciation is gratefulness. Conviction is a strong belief.

SOURCE: EI:030 Show empathy for others

SOURCE: LAP-EI-030—Have a Heart (Showing Empathy for Others)

75. C

Ticket to football game. The ticket entitles its owner to watch a football game—an intangible activity performed by others for a certain amount of money. The alternatives are examples of economic goods—physical objects that are useful, scarce, and transferable.

SOURCE: EC:002 Distinguish between economic goods and services

SOURCE: LAP-EC-902—Get the Goods on Goods and Services (Economic Goods and Services)

76. C

Lying is easier than facing the consequences. Telling the truth can sometimes be difficult because lying is easier than facing the consequences. We are often tempted to take the easy way out by telling a lie. The truth can certainly cause trouble, but not on a usual basis. People want to hear the truth more than they want to hear a lie. The truth can help you get ahead in life much more than lying can.

SOURCE: EI:021 Demonstrate responsible behavior

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

77. C

Take notes while the speaker is presenting the material. Taking notes during the presentation will help Sammy capture key points and make sure she didn't miss any important information. Taking notes after the presentation does not ensure Sammy will retain all the necessary information. Listening to the presentation and then asking a coworker for notes or attempting the task immediately afterwards could result in missteps.

SOURCE: CO:119 Follow oral directions

SOURCE: Indeed. (2025, July 26). *Ways to become indispensable at work*. Retrieved August 1, 2025, from <https://www.indeed.com/career-advice/career-development/ways-to-become-indispensable>

78. D

Interest from a savings account. Interest from a savings account is considered unearned income. Unearned income is any income that comes from investments and other sources that are not related to employment. A salary, tips from waiting tables, and union strike benefits are all considered to be earned income—taxable income and wages from employment.

SOURCE: FI:061 Describe sources of income and compensation

SOURCE: Smart Asset, (2023, October 27). *Earned vs. unearned income: What's the difference?* Retrieved August 1, 2025, from <https://smartasset.com/personal-finance/earned-vs-unearned-income>

79. D

More trustworthy. If a website ends in .gov, it is more likely to have trustworthy, researched information. Websites that end in .gov can only be owned and operated by the government, while websites that end in .com can be owned and operated by anyone. Sites that end in .gov are not necessarily more or less recent than sites ending in .com.

SOURCE: NF:086 Describe the scope of the internet

SOURCE: Lysy, C. (2025). *How to evaluate a website*. Retrieved August 1, 2025, from <https://freshspectrum.com/how-to-evaluate-a-website/>

80. C

Nonverbal. Nonverbal communication is all of the things you express with body movements and facial expressions. Making and maintaining eye contact communicates interest in another person and what s/he is saying. Formal communication, such as business letters and reports, is expressed in more formal language than informal communication, which may take the form of memos or even rumors passed through the grapevine. Verbal communication is transmitted orally.

SOURCE: EI:007 Explain the nature of effective communications

SOURCE: LAP-EI-140—More Than Just Talk (Effective Communication)

81. B

Fees. While you might be curious about your investment advisor's hometown, marital status, or personal wealth, these questions should not affect your hiring decision. However, the fees that the advisor charges are important because you need to make sure you can afford to pay the advisor. An advisor's fees can help you determine whether to hire them.

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

SOURCE: OnPoint. (2024, May 10). *What is a mortgage loan officer? And how to choose one*. Retrieved August 1, 2025, from <https://www.onpointcu.com/blog/what-is-a-mortgage-loan-officer-and-how-to-choose-one/>

82. C

Turn raw data into useful information. Data mining involves looking at large quantities of data and extracting the information that can help a company better understand its customers, increase sales, and decrease costs. The purpose of data mining is not to sell consumer information, monitor the activity of competitors, or keep employees engaged.

SOURCE: NF:148 Discuss the nature of data mining

SOURCE: Twin, A. (2025, July 27). *What is data mining? How it works, benefits, techniques, and examples*. Retrieved August 1, 2025, from <https://www.investopedia.com/terms/d/datamining.asp>

83. D

The earth has certain boundaries. Currently, the earth provides most of our natural resources. As the population of the world increases, there will be more and more people living within those boundaries and demanding more resources. Therefore, there will be fewer resources per person. Lack of training and technology advancing faster than training are reasons for limited human resources. Natural resources are found in nature, rather than being manufactured.

SOURCE: EC:001 Describe the concepts of economics and economic activities

SOURCE: LAP-EC-901—Are You Satisfied? (Economics and Economic Resources)

84. A

Status quo bias. If a golfer prefers their own technique to a new and improved one, they are demonstrating bias for their usual method or status quo. Herd mentality refers to a mob mentality that causes people to be influenced by others or to adopt certain behaviors. Groupthink refers to a process that occurs when bad decisions are made by a group because the group's members fear expressing opinions or suggesting ideas that others may disagree with. A golfer with a competitive spirit would be more likely to try a new and improved technique.

SOURCE: EI:134 Challenge the status quo

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

85. B

Evaluate the project's budget. Evaluating finances is one of the most important ways to know whether or not a project can be considered a success. Ryan already has an idea about the success of his project in terms of customer satisfaction and scope, but he needs to evaluate the budget and expenses to know if it was a financial success. While he might eventually find ways to save money when planning the next dance, Ryan first needs to evaluate the budget to know how well the project did financially. Asking students about their favorite parts of the dance will not help Ryan know how much money was made on ticket sales. Examining the project's schedule also will not help Ryan know how much money was made on ticket sales.

SOURCE: OP:521 Evaluate project success

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

86. A

A relevant question to clarify information that the speaker had provided. Jeff asked the speaker to clarify a fact that was stated during the presentation. The question was about the area's crime rate, which was relevant to the topic at hand. Jeff's question was a close-ended inquiry because it required the message recipient to provide a response in one of two ways—10% or 15%. The question was not reflective in nature, so the message recipient did not need to put a lot of thought into or carefully word their response. A follow-up question is a question asked to clarify a previous question. There is not enough information provided to determine if Jeff previously asked a question.

SOURCE: CO:058 Ask relevant questions

SOURCE: Birt, J. (2025, June 6). *Probing questions: Definition, comparisons and examples*. Retrieved August 1, 2025, from <https://www.indeed.com/career-advice/career-development/probing-questions>

87. A

Transmittal. A transmittal letter should always accompany important business papers, such as contracts, that are sent by mail. The purpose of the transmittal letter is to let the recipient know exactly what should be contained in the package and if the recipient needs to take any action. A transmittal letter accompanying contracts should indicate how many copies are included and if the recipient needs to sign and return a copy. An acknowledgment letter acknowledges the receipt of business papers. A claim letter requests a solution to a problem. A request letter asks for information.

SOURCE: CO:133 Write business letters

SOURCE: Indeed. (2025). *What is a letter of transmittal? (With template and example)*. Retrieved August 1, 2025, from <https://www.indeed.com/career-advice/career-development/letter-of-transmittal>

88. D

Worker. The company can install safe equipment, provide training, and develop safe operating procedures, but it is ultimately up to the worker to act in a safe manner. A company cannot force a worker to be safe. The government has laws regulating safety in businesses, but it cannot monitor each worker. The union can only encourage safe work habits.

SOURCE: OP:007 Follow safety precautions

SOURCE: Urbint. (2025). *Who is responsible for worker safety?* Retrieved August 1, 2025, from <https://www.urbint.com/blog/who-is-responsible-for-worker-safety>

89. A

Age. Stereotyping does not consider the individual's unique skills, beliefs, and attitudes. Instead, stereotyping is a set image or assumption about a person or thing. Stereotyping tends to classify certain people in groups (e.g., gender, race, age) that possess certain characteristics. These characteristics are often based on unproven, false, or distorted beliefs and information. In the example, Rick is stereotyping older workers by assuming that they lack basic computer skills. This is a broad assumption that is not always true. In fact, many older workers are very computer savvy and willing to learn new technology. The example is not a stereotype based on gender, politics, or nationality.

SOURCE: EI:017 Recognize and overcome personal biases and stereotypes

SOURCE: LAP-EI-917—Don't Jump to Conclusions! (Recognizing and Overcoming Personal Biases and Stereotypes)

90. B

Thank the fan for bringing the problem to his attention. After Jonathan listens attentively to a fan's complaints, he should thank them for bringing the problem to his attention. This can help calm angry customers, as it is difficult for them to remain angry when you're letting them know how much you appreciate their information. Generally, Jonathan's next step would be to restate the complaint in his own words to show an understanding. Then, he would promptly investigate the problem in the stadium's policy. When customers express complaints, employees should be able to follow a procedure that lines up with company policies. After explaining the stadium's policy to the fan, Jonathan's final step will be to explain the plan of action to the customer and take that action.

SOURCE: CR:010 Handle customer/client complaints

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

91. D

Convenience. Mobile payments allow you to make purchases using your mobile device rather than a physical card. Mobile payments are convenient because you do not need to carry cards or a wallet—you can simply tap your phone and authenticate the transaction. While mobile payments are convenient, they are not necessarily accessible yet—many stores and sellers are not offering mobile payments at this time. Mobile payments are also easier to track via phones, so they are less private. Finally, mobile payments differ between phones and platforms, so the technology isn't standardized yet.

SOURCE: FI:058 Explain forms of financial exchange (cash, credit, debit, electronic funds transfer, etc.)

SOURCE: GoCardless. (2022). *Pros and cons of mobile payments*. Retrieved August 1, 2025, from <https://gocardless.com/guides/posts/pros-and-cons-of-mobile-payments/>

92. D

Satellite technology. Julie using the Google Maps app on her smartphone to navigate her way, is an example of satellite technology. Google Maps uses satellite technology to function as a GPS (global positioning system) on phones. Expert systems are a special kind of computer software designed to mimic the knowledge of a human expert and are often used in fields such as medicine, finance, sales, and automotive repair. Telecommuting is working from home or a remote location. Hardware refers to the physical components of a computer system (e.g., the central processing unit, hard drive, and modem).

SOURCE: NF:003 Identify ways that technology impacts business

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

93. A

Where they fit in the hierarchy. A chain of command helps employees understand how their organization operates, as well as where they fit within the organizational structure. The chain of command does not help employees understand how the economy operates, why they work for the organization, or how competitors operate.

SOURCE: PD:252 Follow chain of command

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

94. C

\$26,650. The assets of a business include all of the factors mentioned, so the assets would be the sum of these four figures ($\$3,000 + \$5,500 + \$10,050 + \$8,100 = \$26,650$). Cash includes money in a cash register, cash box, or bank account. Accounts receivable are monies owed to a business by customers who buy products on credit. Inventory is all the stock that a business has on hand. Fixed assets are permanent assets used in the operation of a business, such as land, buildings, and equipment.

SOURCE: FI:085 Explain the concept of accounting

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

95. D

Efficient. Organized employees usually are more efficient because their materials will be in order. They will know where to find things and be able to plan the use of their time. Being orderly and systematic prevents delays, reduces frustrations, and decreases the number of mistakes employees might make. Being orderly and systematic does not necessarily help employees be more creative, responsible, or honest.

SOURCE: PD:009 Demonstrate systematic behavior

SOURCE: Herrity, J. (2025, June 6). *Organizational skills: 10 types and how to improve them*. Retrieved August 1, 2025, from <https://www.indeed.com/career-advice/career-development/organization-skills>

96. D

Passive. Passive people usually fail to exercise their rights and show a lack of respect for their own needs. An assertive person respects their own rights without becoming aggressive and trampling the rights of others. A subversive person would work toward the overthrow of the government.

SOURCE: EI:008 Use appropriate assertiveness

SOURCE: LAP-EI-008—Assert Yourself (Assertiveness)

97. B

A new employee suggests changing an established procedure. Conflicts in business sometimes occur when new employees recommend changing the way that long-time employees have been operating. The long-time employees may resent a new person, who has little experience with the company, making suggestions that imply that the employees are not performing as well as they could. The long-time employees may feel threatened and put up barriers to prevent the new employee from succeeding. In this situation, the new employee and the long-time employees need to discuss the problem and find an acceptable solution. Managers often ask experienced employees to be mentors to new hires. An employee who agrees to work overtime is not creating a problem. An employee's evaluation is confidential and would not create problems with other employees.

SOURCE: PD:077 Demonstrate problem-solving skills

SOURCE: LAP-PD-077—No Problem (Demonstrating Problem-Solving Skills)

98. D

Close. Security problems are a risk to businesses because the financial losses they cause are sometimes so large that the businesses are forced to close. Therefore, businesses try to prevent security problems in order to succeed. A business faced with financial losses because of security problems would not be able to expand. Reorganizing and moving would not prevent financial losses unless the security problems were solved.

SOURCE: OP:013 Explain routine security precautions

SOURCE: Fairlie, M. (2025, February 19). *17 security practices to protect your business's sensitive information*. Retrieved August 1, 2025, from <https://www.indeed.com/career-advice/career-development/organization-skills>

99. A

Manage their time. Many employees use digital calendars to keep track of their activities and prepare schedules. The benefit of using these devices is that they allow employees to manage their time because they can keep a schedule of their activities. They know what they have to do at a certain time on a certain date, such as attend a meeting. They can also list deadlines for projects. This enables them to plan the use of free time in order to accomplish their assigned responsibilities. Employees do not use a digital calendar to communicate with coworkers or delegate tasks. Employees use digital calendars to keep track of deadlines; however, managers usually determine the deadline based on the priority of the project.

SOURCE: NF:005 Demonstrate personal information management/productivity applications

SOURCE: Rae, B. (2025, March 24). *Benefits of a digital calendar: Saving time in the workplace*. Retrieved August 1, 2025, from <https://doodle.com/en/benefits-of-a-digital-calendar-saving-time-in-the-workplace/>

100. D

Passed over for promotions. Most businesses try to act in an ethical manner, and they expect their employees to also behave ethically. Employees who behave unethically on the job may harm themselves by being passed over for promotions even if they are well qualified. Coworkers and supervisors often notice other employees' unethical behavior and may lose respect for them because of it. These employees may be passed over for promotions because their supervisors do not trust them to do the right thing, particularly in higher level positions that give them more authority. Employees are not harmed by attending training programs or being rotated to similar positions. Unethical behavior is not necessarily illegal.

SOURCE: EI:004 Demonstrate ethical work habits

SOURCE: LAP-EI-004—Work Right (Demonstrating Ethical Work Habits)