



## SAMPLE EXAM

### HOSPITALITY + TOURISM CAREER CLUSTER

## THE HOSPITALITY AND TOURISM CAREER CLUSTER EXAM IS USED FOR THE FOLLOWING EVENTS:

HOSPITALITY AND TOURISM PROFESSIONAL SELLING **HTPS**

HOSPITALITY SERVICES TEAM DECISION MAKING **HTDM**

HOTEL AND LODGING MANAGEMENT SERIES **HLM**

QUICK SERVE RESTAURANT MANAGEMENT SERIES **QSRM**

RESTAURANT AND FOOD SERVICE MANAGEMENT SERIES **RFSM**

TRAVEL AND TOURISM TEAM DECISION MAKING **TTDM**

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. To obtain a job promotion is an example of a \_\_\_\_\_ goal.
  - A. physical
  - B. career
  - C. social
  - D. personal
  
2. Which of the following is a capability of presentation software:
  - A. Connecting several computers
  - B. Combining animation and sound
  - C. Copying and printing documents
  - D. Calculating mathematical data
  
3. To evaluate an online source, what aspect would you consider when assessing whether its information is easy to read?
  - A. Relevance
  - B. Objectivity
  - C. Timeliness
  - D. Presentation
  
4. Managers are more likely to persuade employees to follow new procedures if the managers have
  - A. self-motivation.
  - B. enthusiasm.
  - C. organizational skills.
  - D. credibility.
  
5. Inventing and testing a brand-new type of water-filtration system is an example of a(n) \_\_\_\_\_ project.
  - A. platform
  - B. R&D
  - C. derivative
  - D. breakthrough
  
6. Writing a follow-up letter after a job interview allows a job applicant the opportunity to
  - A. describe personal strengths and weaknesses.
  - B. restate their interest in the position.
  - C. provide references and recommendations.
  - D. explain their training and experience.
  
7. Which of the following is a result of maintaining a code of ethics:
  - A. Poor organizational integrity
  - B. Improved employee loyalty
  - C. Diminished office morale
  - D. Lower legal compliance

8. The federal government stimulates the flow of money by
  - A. raising taxes.
  - B. spending less.
  - C. raising interest rates.
  - D. increasing services.
  
9. Why is it so important for startup companies to maintain happy, engaged employees?
  - A. Entrepreneurs can make money off of employees by overworking them.
  - B. Happy employees are more likely to purchase the business's products.
  - C. Employees have practically no influence on a company's profits.
  - D. Employees have a large impact on the success of a business.
  
10. Because businesses change as often as people do, change leaders must be careful to avoid
  - A. making managers upset.
  - B. big changes.
  - C. making promises.
  - D. linear thinking.
  
11. To effectively follow directions in the workplace, it is important to
  - A. respond with a good attitude.
  - B. listen passively.
  - C. rely on your memory.
  - D. avoid asking questions.
  
12. A memo is typically used for communication that takes place
  - A. among competitors.
  - B. between friends.
  - C. infrequently.
  - D. within a business.
  
13. When giving a presentation, a presenter should speak
  - A. slowly so the audience has time to take notes.
  - B. quickly so the audience doesn't get bored.
  - C. loudly so the audience can hear their message.
  - D. with confidence to create interest in their speech.
  
14. Which of the following is a result of a leader abusing their power:
  - A. Decreased productivity
  - B. Less employee turnover
  - C. Increased team morale
  - D. High employee motivation

15. A ski resort that is mining data from its database has detected an anomaly (a deviation from standard behavior) that occurred on a holiday weekend. Which of the following is most likely to be the anomaly:
- A. Visitors to the website also viewed nearby holiday attractions.
  - B. The resort was booked to full capacity, predominately by families.
  - C. Visitors to the website also viewed nearby hotels and restaurants.
  - D. Food service decreased when the resort was filled to capacity.
16. A business decides to use some surplus cash to pay off a loan early. This is an example of using financial information to
- A. create budgets.
  - B. increase sales.
  - C. make purchases.
  - D. manage debt.
17. Alexis can't quit thinking about her father's recent job loss and has trouble listening to her friend talk about their prom dress. This is an example of
- A. an internal distraction.
  - B. random thoughts.
  - C. an environmental distraction.
  - D. focused attention.
18. One real-life opportunity in which you will need to "sell" yourself and your ideas is
- A. the first day of school.
  - B. a job interview.
  - C. meeting new friends.
  - D. a sports game.
19. The Value Corporation is examining a potential acquisition target's employment contracts, liabilities, real property, permits, licensing agreements, pending litigation, and compliance with legal requirements. The Value Corporation is conducting legal
- A. segmentation.
  - B. due diligence.
  - C. leveraging.
  - D. credit rating.
20. According to the law of diminishing returns, what usually decreases at some point with the addition of more employees if all other factors stay the same?
- A. Depreciation
  - B. Inequality
  - C. Productivity
  - D. Consumption
21. Which of the following personal traits help an employee take initiative when completing a complex task:
- A. Self-confidence
  - B. Shyness
  - C. Anxiety
  - D. Honesty

22. After a few months at her new job as a manager, Stefanie feels discouraged. She is struggling to oversee one employee, while other managers at the company oversee at least five direct reports. Which of the following is the most likely reason why Stefanie is struggling:
- A. She does not have the ability to make decisions.
  - B. She has less experience than other managers.
  - C. Her direct report is a competent worker.
  - D. She is not providing enough direction.
23. A business owner carries insurance that covers income losses that the business may experience if hurricane damage prevents the business from operating for a short period of time. What type of property insurance does the business owner carry?
- A. No-fault
  - B. Disability
  - C. Business-interruption
  - D. Collision
24. Which form of technology creates tangible prototypes and products?
- A. 3D printing
  - B. Social media
  - C. Smartphones
  - D. Computer-aided design
25. Dallas and Edisyn are in business together and each of them has unlimited liability. Dallas and Edisyn's business is an example of a
- A. joint venture.
  - B. general partnership.
  - C. corporation.
  - D. franchise.
26. Which of the following is the primary reason for a business's employees to learn as much as possible about the business and its products:
- A. To create publicity for the business
  - B. To assist coworkers
  - C. To answer customers' inquiries
  - D. To reduce the promotional budget
27. Leo is a clerk for a local hotel known for its two key values: honesty and exceptional service. One day, he is having trouble checking a couple into their room and realizes that someone on staff never completed their reservation. The room is no longer available. Leo tells the couple that the hotel has made a mistake, but that he will take care of it. Within the hour, he has consulted his manager and checked the couple into an upgraded room at no additional cost. Did Leo reinforce the company image in this interaction?
- A. No; he gave the company a negative brand image by admitting that the hotel made a mistake.
  - B. Yes; he consulted his manager and made sure to go up the chain of command before proceeding.
  - C. Yes; he was transparent about the hotel's mistake and went above and beyond to assist the customers.
  - D. No; he should not have been the one to correct the mistake, because he was not the one to make it.

28. Stella has just finished designing the webpage for her new business. Next, she needs to select a \_\_\_\_\_ and register the website's \_\_\_\_\_.
- A. media permit; server
  - B. hyperlink; modem
  - C. web host; domain name
  - D. file link; Ethernet
29. Imagine that you are at work when you witness your coworker fall and injure their leg. What is the first thing you should do?
- A. Call human resources.
  - B. Look up company protocol.
  - C. Ask them what they were doing.
  - D. Attend to the injury.
30. Which of the following is a reason that businesses extend credit to customers:
- A. To save money
  - B. To be competitive
  - C. To purchase stock as needed
  - D. To take advantage of the convenience
31. Which of the following is a specific goal:
- A. Increase sales.
  - B. Improve profitability by 10%.
  - C. Increase efficiency/productivity.
  - D. Support a cause.
32. User manuals, orientation guides, and standard operating procedures (SOPs) are examples of \_\_\_\_\_ business writing.
- A. transactional
  - B. persuasive
  - C. informational
  - D. instructional
33. A risk involved with information management is leaving customers unprotected from
- A. identity theft.
  - B. bad customer service.
  - C. high prices.
  - D. faulty products.
34. Which of the following is an example of an extensive decision:
- A. Booking an airline flight for a business trip
  - B. Wearing a blue suit to a meeting
  - C. Hiring a new department manager
  - D. Printing a document on yellow paper

35. A responsible employee who realizes that they have given a fellow employee the wrong answer to a work question would handle the situation by
- apologizing and giving the right answer.
  - pretending that they gave the right answer.
  - refusing to answer questions in the future.
  - letting the other employee figure it out.
36. Which of the following is an example of someone who is modeling ethical behavior:
- You try to tell the truth, but sometimes you lie to get out of trouble.
  - Erica shows her friends how to make braided friendship bracelets.
  - Your sister always follows the speed limit when she drives you places.
  - Luke reads the terms and conditions before downloading software.
37. An apartment management firm plans to open a new building in time for college students to lease it for the upcoming year. This is an example of how
- defining scope is the most important aspect of planning.
  - project planning keeps the focus on the overall goal.
  - a project's team members impact project planning.
  - the business environment can affect project planning.
38. Which of the following is a key reason why it is important for businesses to keep promotional records:
- To document employees' regular and overtime wages
  - To discuss reasons for an employee's promotion
  - To time their promotions appropriately
  - To maintain adequate inventory levels
39. Which of the following is a promotional method that enables businesses to introduce new products and generate new sales leads at the same time:
- Cash rebates
  - Free samples
  - Sales contests
  - Trade shows
40. Which of the following demonstrates thinking uncreatively:
- Role-playing
  - Brainstorming
  - Determining the facts
  - Stimulating your senses
41. A human resources manager sets up a digital system for maintaining employee records. What type of resource is the manager using?
- Natural
  - Human
  - Financial
  - Material

42. Which of the following is an example of an expense that a business would include in the cost of goods sold/cost of sales category of an income statement:
- A. Insurance
  - B. Employee wages/salaries
  - C. Cost of raw materials
  - D. Mortgage or rent
43. Marketers add possession utility to products through
- A. distribution.
  - B. personal selling.
  - C. development of new products.
  - D. delivery.
44. The goal of many governmental agencies is to protect the
- A. target markets of large corporations.
  - B. monetary policy.
  - C. barriers to international trade.
  - D. rights of businesses and consumers.
45. Operating costs that do not increase or decrease with changes in production are called \_\_\_\_\_ expenses.
- A. mixed
  - B. variable
  - C. fixed
  - D. semi-variable
46. When Solange attends a national workshop, she likes to start a conversation with the person sitting next to her. Solange is exhibiting
- A. verbal assertiveness.
  - B. empathy.
  - C. body language.
  - D. nosiness.
47. Data encryption helps keep information safe and private by
- A. requiring a password to access it.
  - B. storing it on a hard drive.
  - C. passing it through several servers.
  - D. translating it into a secret code.
48. Kent is going to start his own business. He is concerned that the merchandise he wants to carry will go out of style soon after opening his business. Which type of risk must he prepare for?
- A. Natural
  - B. Economic
  - C. Human
  - D. Incompetence

49. What can you do if you are unable to obtain the amount of financial support you need to complete the project?
- A. Decrease time.
  - B. Cut costs.
  - C. Lower expectations.
  - D. Eliminate the project.
50. Businesses operating in the global environment must be sensitive to different traditions, beliefs, and etiquette, which are \_\_\_\_\_ factors.
- A. cultural
  - B. economic
  - C. political
  - D. intellectual
51. One way to increase coupon redemption rates is to
- A. offer digital coupons.
  - B. limit the expiration dates.
  - C. decrease the discount amount.
  - D. increase quantity of coupons.
52. Which of the following businesses is the hospitality and tourism industry most likely to indirectly impact economically:
- A. A design studio
  - B. A local produce farm
  - C. A drugstore chain
  - D. A used car dealership
53. What step in the Plan-Do-Check-Act (PDCA) continuous improvement technique involves analyzing the results of a small-scale change to determine if the change was effective?
- A. Do
  - B. Act
  - C. Check
  - D. Plan
54. Corporate brands are built on all the associations and experiences
- A. consumers have toward a business or product.
  - B. companies have about other industries.
  - C. consumers have about things they want to buy.
  - D. businesses have about and with each other.
55. In an effort to pressure their employer to meet their demands, every employee stops working and leaves their office building. This describes a(n)
- A. strike.
  - B. boycott.
  - C. arbitration.
  - D. mediation.

56. It is important for companies to practice enterprise risk management (ERM) because
- A. most risks are predictable and manageable.
  - B. most risks are unexpected.
  - C. it increases business costs in the long run.
  - D. it leads to loss of shareholder value.
57. Which of the following statements about technology's impact on the tourism industry is true:
- A. It allows customers to book hotels and flights more easily.
  - B. It makes it more difficult to conduct research before a trip.
  - C. It complicates the process of leaving a review.
  - D. It makes trip navigation more challenging.
58. Which of the following research activities would provide qualitative data about customers' hotel amenity preferences:
- A. Counting how many guests use each amenity daily
  - B. Interviewing hotel guests
  - C. Identifying which spa services are used most
  - D. Analyzing which webpages guests visit
59. One of the benefits of obtaining selling information from company promotional materials is that the salesperson will be able to use that information to
- A. satisfy managers' requests.
  - B. answer customers' questions.
  - C. discuss products with buyers.
  - D. order goods from vendors.
60. A resort uses software to charge guests' food, gift shop purchases, and other resort-related expenses to their accounts through their room key cards. This software increases the resort's efficiency because it is
- A. automated.
  - B. independent.
  - C. affordable.
  - D. complicated.
61. Promotion in the travel and tourism industry is often intended to inform customers about
- A. new advertising campaigns.
  - B. publicity and public relations.
  - C. new products and services.
  - D. contests and sweepstakes.
62. One way businesses segment their markets is by studying
- A. consumers' characteristics.
  - B. mass marketing.
  - C. human relations.
  - D. their employees.

63. Cher, a front-desk clerk, listens carefully as a hotel guest explains a problem with their meal from room service. Cher also kindly repeats the guest's concerns. What skill is Cher demonstrating?
- A. Customer service
  - B. Patience
  - C. Oral presentation
  - D. Mirroring
64. Excellent customer service is crucial in the hospitality industry because the success of hospitality businesses often depends on the \_\_\_\_\_ of customers.
- A. goodwill
  - B. capital
  - C. records
  - D. return
65. To reconcile cash, which of the following should businesses do:
- A. Total up the money in each of the company's cash registers.
  - B. Multiply the cash received by the total number of receipts.
  - C. Compare cash received with receipts or transaction records.
  - D. Divide the transaction total by the amount of cash received.
66. Employees should \_\_\_\_\_ to prevent identity theft.
- A. have only one password
  - B. keep physical records
  - C. have a bad credit history
  - D. use secure web browsers
67. A business can enhance its customer-service levels after the sales transaction has occurred by
- A. offering training programs and providing technical support.
  - B. checking inventory status and advertising product specials.
  - C. arranging financing and suggestion selling.
  - D. providing product information and generating referrals.
68. Closing the sale is important because it provides the salesperson with an opportunity to
- A. get the customer's order.
  - B. determine the customer's needs.
  - C. calculate daily sales earnings.
  - D. summarize the product's features and benefits.
69. During fire emergencies, all hotel employees need to
- A. know emergency escape and route procedures.
  - B. activate the central sprinkler control system.
  - C. check all fire extinguishers for malfunctions.
  - D. keep portable smoke detectors with them at all times.

70. As competition in the hospitality industry increases, many businesses are shifting their promotional focus to build and maintain customer loyalty. This is most effectively achieved by highlighting
- A. price and discounts.
  - B. service and product.
  - C. technology and automation.
  - D. location and amenities.
71. The details regarding quotas for each salesperson would be outlined in what type of selling policy?
- A. Service
  - B. Qualifying the customer
  - C. Terms-of-sale
  - D. Selling-activity
72. Which promotional medium would be most appropriate for a low profit-margin product?
- A. Novels
  - B. Email
  - C. Magazine
  - D. TV
73. When providing first aid, what should you do first?
- A. Check the person for responsiveness.
  - B. Give care based on the condition found.
  - C. Check the scene for safety.
  - D. Ask questions about symptoms.
74. Mia is very organized and detail-oriented and enjoys helping others arrange activities such as fundraisers, receptions, and meetings. Based on her skills and interests, Mia might consider working in the hospitality industry as a(n)
- A. accounting manager.
  - B. restaurant chef.
  - C. event planner.
  - D. purchasing agent.
75. The stage of brand loyalty in which consumers will buy another brand if the brand they like is not available is called brand
- A. preference.
  - B. insistence.
  - C. recognition.
  - D. awareness.

76. Amare works as a customer service associate at a hotel. He is approached by a customer who complains that their room has not been cleaned thoroughly prior to their arrival. The customer wants a new room, but Amare knows the hotel has been completely booked for an upcoming wedding. What is the best way for Amare to respond to this customer's complaint?
- A. He should provide an alternative solution to this customer's complaint.
  - B. He should inspect the room to see for himself whether it is truly dirty.
  - C. He should apologize profusely and reprimand the cleaning staff.
  - D. He should explain in detail why he cannot accommodate the request.
77. Which of the following factors should be considered by hotels planning evacuation protocols:
- A. The average income of customers
  - B. Hotel price and ratings
  - C. Local transportation services
  - D. Hotel employee satisfaction
78. An airline executive wants to know why sales are dropping. They are most likely to need to conduct primary research if
- A. they have not conducted secondary research yet.
  - B. they have already exhausted their secondary research options.
  - C. the airline has little money for research.
  - D. no one on their team has the information they need.
79. What is the best, least costly technique for an event management company to use to encourage recycling at an event?
- A. Hire a waste management company to clean up the venue.
  - B. Purchase paper goods that do not need to be recycled.
  - C. Require attendees to turn in solid waste following the event.
  - D. Place recycling bins throughout the venue.
80. Jorge manages a bakery with five types of products: breads, muffins, cookies, quiches, and desserts. He wants to know how each type of product contributed to last year's sales in relation to the others. So, he creates a graph with sections sized proportionally to the quantity they represent to show a part-to-whole relationship. What type of chart did Jorge create?
- A. Scatter plot
  - B. Bar chart
  - C. Line graph
  - D. Pie chart
81. John's office recently ran out of printer paper. As the employee in charge of ordering office supplies, John called up the paper supplier and asked them to send the office 100 reams of paper. When the order arrived a few days later, however, John noticed that his company only received 80 reams instead of 100. When he called the supplier to complain, the agent argued that John asked for 80 reams--even though John knows he asked for 100. What could John have done to prevent this miscommunication?
- A. Completed a purchase order
  - B. Asked for a smaller quantity
  - C. Requested the order the same day
  - D. Sent the company an invoice

82. What is the typical effect of an economic slowdown on the hospitality industry?
- A. An increase in the number of guests and a decrease in the number of rooms available
  - B. A decrease in the number of guests and a decrease in the number of rooms available
  - C. A decrease in the number of guests and an increase in the number of rooms available
  - D. An increase in the number of guests and an increase in the number of rooms available
83. Which of the following is a benefit customers receive from product bundling:
- A. Increased revenue
  - B. Access to unpopular products
  - C. Improved workflow
  - D. Convenience
84. Which of the following questions would be part of product/service management:
- A. Which training method works best for employees?
  - B. How will we communicate a positive image to our clients?
  - C. Is the item packaged appropriately?
  - D. What type of insurance should we purchase?
85. What is a likely result of accommodating a customer's special request?
- A. Other customers will feel they are not being treated fairly.
  - B. The customer will generate word-of-mouth influence.
  - C. The company will be perceived as inadequate.
  - D. The customer will become even more demanding.
86. Ms. Woo is staying at a hotel that is across the street from the office of the client with whom she plans to meet. Which of the following factors most likely motivated Ms. Woo to select the hotel:
- A. Desire for convenience
  - B. Desire for safety
  - C. Need for relaxation
  - D. Need for prestige
87. To prevent sensitive customer data from being stolen by hackers, companies should
- A. ask customers to sign a waiver in case their information is stolen.
  - B. refuse to accept credit or debit cards from customers.
  - C. prohibit workers from accessing customer information.
  - D. require that employees follow good password practices.
88. According to Continental Eatery's menu, its salmon is flown in directly from Alaska every day. However, the salmon is actually purchased from a local grocery store once a week. What type of law is the restaurant potentially violating?
- A. Affinity fraud
  - B. Truth-in-menu
  - C. Petty theft
  - D. Insider trading

89. Which of the following is an example of how databases help improve customer satisfaction:
- A. Management can determine inventory remotely.
  - B. A variety of services can be integrated into one system.
  - C. Hotels can customize guest room preferences.
  - D. Restaurants receive customer feedback from social media.
90. Benjamin, a human resources manager, is in charge of screening and interviewing potential employees for his company. Screening and interviewing are important components of which managerial function?
- A. Staffing
  - B. Planning
  - C. Directing
  - D. Organizing
91. The executives of an airline recently determined that the cost of their extensive employee training program was too high and decided to terminate the program. What is a possible consequence of this decision?
- A. Decreased quality of customer service
  - B. Increased number of repeat customers
  - C. Reduced focus on productivity by management
  - D. Stronger financial standing
92. Which of the following businesses is most likely to provide services that directly relate to the guests' desire for rest and relaxation:
- A. Wild and Wacky Amusement Park
  - B. Whispering Hills Resort and Spa
  - C. Metropolis Bureau of Travel and Tourism
  - D. Rugged River Whitewater Rafting Company
93. Which of the following is subtracted from operating cash flow to find free cash flow:
- A. Capital expenditures
  - B. Dividends
  - C. Earnings
  - D. Acquisitions
94. At the end of each day, Bob, owner of Bob's Barbecue, deposits the restaurant's cash in the bank. Laura, a manager at Bob's Barbecue, keeps track of the restaurant's accounting journals. This separation of duties is an example of a(n)
- A. bank reconciliation.
  - B. petty cash fund.
  - C. internal control.
  - D. external control.
95. Under which of the following circumstances might a chain of quick-serve restaurants decide to eliminate a certain food item from its product mix:
- A. Product's reputation is positive.
  - B. Product's sales are in decline.
  - C. Product complements other products.
  - D. Product is similar to competitors' products.

96. Which of the following agencies is most likely to impact the hospitality and tourism industry on an international scale:
- A. Florida Restaurant & Lodging Association (FRLA)
  - B. World Tourism Organization (UNWTO)
  - C. UKHospitality
  - D. American Hotel & Lodging Association (AHLA)
97. Which of the following statements about guest recovery is true:
- A. Companies should not keep records of their customer feedback.
  - B. It is important to wait a day to respond to a customer.
  - C. Companies should avoid implementing a customer response process.
  - D. Communication is vital to the recovery process.
98. Selling is often referred to as personal selling because it
- A. provides specific product information.
  - B. involves interaction with customers.
  - C. can take place in the customer's home.
  - D. follows a standardized format.
99. To make it easier to find specific information in a business report, you should include a(n)
- A. introduction.
  - B. title page.
  - C. appendix.
  - D. table of contents.
100. A hotel that buys advertising space on a travel agency's website is using this form of promotion to
- A. recruit new employees.
  - B. obtain publicity.
  - C. attract potential guests.
  - D. obtain an agency rating.

1. B

Career. Career goals are goals connected with work (e.g., added responsibility, a new job title, or a promotion). An example of a personal goal might be to improve self-control in trying situations. To run two miles every day is an example of a physical goal. To make new friends is an example of a social goal.

SOURCE: PD:018 Set personal goals

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

2. B

Combining animation and sound. Presentation software programs give the user the capability of presenting information by combining graphics, text, animation, photographs, and sound. Presentation software can be used to create slide shows, multimedia presentations, etc. This software enables users to develop visual presentations that are lively, colorful, and appealing to viewers. Presentation software programs are typically not used to connect several computers, copy and print documents, or calculate mathematical data.

SOURCE: NF:008 Demonstrate basic presentation applications

SOURCE: Awati, R. (2023, May 19). *Presentation software*. Retrieved August 13, 2025, from <https://www.techtarget.com/whatis/definition/presentation-software-presentation-graphics>

3. D

Presentation. Presentation is the way in which the information is communicated. It addresses such factors as clarity of language used, sufficiency of font size, clarity of layout, effectiveness of colors, usefulness of graphics or photos, clarity of audio or video (if included), and helpfulness of any animation used. Presentation is particularly important on the internet since so much time is spent reading online. Relevance deals with whether the information pertains to the topic being researched. Objectivity deals with presenting unbiased information. Timeliness deals with how up to date the information is; however, the importance of timeliness will vary from topic to topic.

SOURCE: NF:079 Evaluate quality and source of information

SOURCE: Kent State University Libraries. (2025). *Criteria for evaluating web resources*. Retrieved August 13, 2025, from <https://www.library.kent.edu/university-libraries/criteria-evaluating-web-resources>

4. D

Credibility. Credibility is believability. If employees believe what managers are saying, they are more likely to be persuaded to do what the managers want them to do. Managers develop credibility by always being truthful with employees. As a result, employees often like and trust managers who are credible and, therefore, are willing to follow their instructions. Having organizational skills, enthusiasm, or self-motivation does not necessarily mean that managers will be able to persuade employees.

SOURCE: EI:012 Persuade others

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

5. B

R&D. Inventing and testing a brand-new type of water-filtration system is an example of an R&D project, a risky endeavor that creates new technologies or processes. A derivative project enhances, adds to, or extends an existing project. A platform project creates something entirely new. A breakthrough project relies on the use of new technology but does not create new technology as an R&D project does.

SOURCE: OP:158 Explain the nature of project management

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

6. B

Restate their interest in the position. A follow-up letter allows a job applicant the opportunity to thank the interviewer for a job interview. It also allows the job applicant to restate their interest in the job and reinforce the ways in which they can benefit the company if hired. The applicant describes specific training and experience in a résumé, which may also include the applicant's references. The applicant is usually asked about personal strengths and weaknesses during the interview.

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

SOURCE: Doyle, A. (2024, April 7). *Best thank you letter examples and templates*. Retrieved August 13, 2025, from <https://www.thebalancemoney.com/thank-you-note-examples-2063979>

7. B

Improved employee loyalty. Maintaining a code of ethics can help improve employee loyalty because people typically like affiliating with ethical organizations—and tend to stay away from organizations that act unethically. Maintaining a code of ethics also results in increased organizational integrity, greater legal compliance, and improved office morale.

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

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

8. D

Increasing services. An increase in the level of government services would increase the flow of money in the economy. The federal government restricts the flow of money by raising taxes, raising the interest rates to borrow money, or by purchasing fewer goods and services with which to run the government.

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

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

9. D

Employees have a large impact on the success of a business. Entrepreneurs who integrate ethical decision-making into all aspects of their operations are more likely to attract and retain quality employees—and keep them happy and engaged in the company's mission. This is especially important for new business ventures since a startup's employees can make or break a company's success. It is not necessarily true that happy employees will buy their company's products. It would not be ethical to overwork employees in an attempt to make money off of them.

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

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

10. D

Linear thinking. Because businesses are not static, change leaders must be careful to avoid linear thinking. This means that change can occur in a “two steps forward, one step back” manner, and there may be a loss of productivity along the way. Change leaders should expect this and not become discouraged by it. Change leaders don't want to upset managers, but this is not because businesses change. Big changes are sometimes necessary. It's OK for change leaders to make promises as long as they can keep them.

SOURCE: EI:005 Lead change

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

11. A

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

SOURCE: CO:119 Follow oral directions

SOURCE: XDesign. (2024). *5 steps to giving & following instructions in the workplace*. Retrieved August 13, 2025, from <https://thinkx.net/blog/5-steps-to-giving-and-following-instructions-in-the-workplace>

12. D

Within a business. Memos are a frequently used form of brief, written communication exchanged by people within an organization. Memorandums are rarely used among competitors or between friends.

SOURCE: CO:094 Prepare simple written reports

SOURCE: Cantero, C. (2019). *Writing professional memos*. Retrieved August 15, 2025, from <https://www.sjsu.edu/writingcenter/docs/handouts/Memos.pdf>

13. D

With confidence to create interest in their speech. It's important for a presenter to speak with confidence and energy to create interest in their message. Speakers should not speak too slowly, quickly, or loudly, because doing so can make it difficult for the audience to understand.

SOURCE: CO:025 Make oral presentations

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

14. A

Decreased productivity. A leader who abuses their power brings down morale by causing followers to feel anxious and intimidated. This can harm overall productivity as followers lose their motivation and inspiration to do good work. The abuse of power can also lead to higher turnover in the workplace, since employees are unlikely to remain at a company where they feel threatened or disrespected.

SOURCE: EI:135 Use power appropriately

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

15. D

Food service decreased when the resort was filled to capacity. A decrease in food service is an anomaly because food service is much more likely to increase when the resort is filled to capacity. The resort is likely to be booked on the busy holiday weekend by families free to travel during that time. It is common for website visitors to view nearby hotels, restaurants, and nearby holiday attractions.

SOURCE: NF:149 Describe data mining tools and techniques

SOURCE: Twin, A. (2025, July 27). *What is data mining?* Retrieved August 15, 2025, from <https://www.investopedia.com/terms/d/datamining.asp>

16. D

Manage debt. Paying off a loan early is one way a business can manage its debt. Analyzing financial information helps managers understand the different ways its debt can be managed. Paying off a loan early is not the same as increasing sales, making purchases, or creating budgets.

SOURCE: FI:579 Describe the need for financial information

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

17. A

An internal distraction. When a listener can't quit thinking about something else, they are dealing with an internal distraction. Environmental distractions are distractions present in the listening environment, not within the speaker's mind. A speaker with focused attention would not experience distractions. Random thoughts are thoughts that suddenly occur and distract the listener.

SOURCE: CO:017 Demonstrate active listening skills

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

18. B

A job interview. A job interview is a perfect example of a real-life opportunity in which you'll need to "sell" an idea—the idea of yourself as a future employee. You won't necessarily need to "sell" yourself or your ideas when meeting new friends, on the first day of school, or during a sports game.

SOURCE: EI:108 "Sell" ideas to others

SOURCE: LAP-EI-108—Do They Buy It? ("Selling" Ideas to Others)

19. B

Due diligence. Prior to making an acquisition decision, most companies conduct an investigation or examination of the potential acquisition target. Companies conducting due diligence typically do so to determine how to structure the acquisition and how much money to pay for the acquisition. When conducting legal due diligence, a company analyzes its target's compliance with legal obligations and requirements. Doing so helps the company determine how much risk is involved in acquiring the target business. Companies do not conduct legal segmentation, legal credit rating, or legal leveraging during the acquisition process. Segmentation involves dividing customers into smaller groups based on similarities and differences. A credit rating is the score assigned to a borrower based on previous loans. Leveraging involves using something to its maximum advantage.

SOURCE: FI:356 Explain legal considerations for finance

SOURCE: Bragg, S. (2025, July 6). *Acquisition due diligence checklist*. Retrieved August 15, 2025, from <https://www.accountingtools.com/articles/acquisition-due-diligence-checklist>

20. C

Productivity. The law of diminishing returns states that if all the factors of production remain the same except one, additions to the one variable factor will eventually decrease the level of productivity. Most businesses are most productive with a certain number of employees because there is only a certain amount of space, equipment, and supplies available. When a business hires additional employees but does not increase these other factors, overall productivity eventually decreases because employees get in each other's way and do not have the equipment they need. Depreciation is the reduction in value of goods occurring over a period of time. Inequality means that two or more entities are not equal. Consumption is the process or activity of using goods and services.

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

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

21. A

Self-confidence. People with self-confidence believe in themselves and their abilities, making it is easier for them to complete complex tasks. Being shy, honest, or anxious is not likely to help an employee take initiative when completing a complex task. In fact, being shy or anxious could even hinder a person's ability to take initiative when completing a complex task.

SOURCE: EI:024 Explain the importance of demonstrating initiative

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

22. B

She has less experience than other managers. One reason that some managers can take on more direct reports than others is that they have more management experience. The more management experience you have, the better equipped you are to manage many employees. There is no indication that Stefanie is not providing enough direction. Having a competent worker on her staff would make it easier for Stefanie to manage more employees, rather than more difficult. Finally, there is no indication that she does not have the ability to make decisions.

SOURCE: SM:100 Explain factors that affect management

SOURCE: Denker, R. (2025). *Critical domains to managing others successfully*. Retrieved August 15, 2025, from <https://www.rdpusa.com/6-critical-domains-managing-others-successfully>

23. C

Business-interruption. Hurricanes and other natural disasters can shut down a business for weeks or months. When a business does not have electricity, products, or a safe building in which to operate, employees cannot work, and the business cannot earn money. Business-interruption insurance helps businesses cover income losses during the period in which they are unable to operate. Disability insurance provides individuals with financial support when they cannot work due to an injury or illness. Collision and no-fault are types of automobile insurance.

SOURCE: FI:081 Describe the concept of insurance

SOURCE: Kagan, J. (2025, August 7). *What is insurance?* Retrieved August 15, 2025, from <https://www.investopedia.com/terms/i/insurance.asp>

24. A

3D printing. Computer-aided design (CAD), social media, and smartphones are very useful in operations, but they can't produce a tangible prototype or product. 3D printers allow companies to create cheaper prototypes and products in smaller quantities. This technology is currently being used to produce apparel, automobile and aircraft parts, medical devices, and more.

SOURCE: OP:189 Explain the nature of operations

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

25. B

General partnership. A general partnership is a type of partnership agreement in which all partners are liable for a business's losses. A corporation is a form of business ownership that is owned by stockholders who have purchased units or shares in the company. A joint venture is an arrangement that involves two or more businesses entering into a relationship by combining complementary resources for the benefit of all parties. The joint-venture relationship is usually for a short term or for a single project. A franchise is a contractual agreement between a parent company and a franchisee and allows the franchisee to distribute the parent company's goods and services for a certain amount of money.

SOURCE: BL:003 Explain types of business ownership

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

26. C

To answer customers' inquiries. Customers expect a business's employees to be able to answer all of their inquiries, especially those about products the customers want to buy. When employees can answer customer inquiries, they help to create a good image for the business. Being knowledgeable about the business and its products may enable employees to help each other, but that is not a primary reason for them to be knowledgeable. Knowledgeable employees do not necessarily create publicity for the business or reduce its promotional budget.

SOURCE: CR:006 Respond to customer inquiries

SOURCE: Quality Unit. (2025). *How to respond to a customer request*. Retrieved August 15, 2025, from <https://www.liveagent.com/academy/customer-requests-questions-issues>

27. C

Yes; he was transparent about the hotel's mistake and went above and beyond to assist the customers. The hotel is a company that strives to be honest and provide exceptional service. Leo showed honesty by admitting a mistake was made, and he provided quality service by ensuring the couple was taken care of, even if it meant that they did not pay extra money for an upgraded room. Consulting a manager before proceeding might have been preferred by the company, but it is not an action that reflects on the company's image. Intentionally trying to hide that the hotel made a mistake would go against the hotel value of honesty. If Leo had refused to correct the mistake, he would not have provided exceptional service.

SOURCE: CR:002 Determine ways of reinforcing the company's image through employee performance

SOURCE: Fast Company. (2022, February 28). *15 ways to manage your company's image from the inside out*. Retrieved August 15, 2025, from <https://www.fastcompany.com/90722848/16-ways-to-manage-your-companys-image-from-the-inside-out>

28. C

Web host; domain name. After creating a webpage, the developer needs to post the webpage through a web host (web server) or internet service provider (ISP). The web host may charge a fee to post and store the webpage, although some web hosts will provide the service free of charge. The domain name is the business's web address. Internet users enter the web address to view Stella's website. Stella can register her domain name directly with the Internet Corporation for Assigned Names and Numbers (ICANN). Or, Stella can work with her web host to register the domain name for her. Stella does not need to register a hyperlink, media permit, or file link with any organization. A hyperlink (link) is the component of an electronic document (file) that can be clicked on to jump to another place within the document or into a different document. A modem is an internal or external computer communications device that is used to transmit information over a particular medium such as telephone lines or television cables. Ethernet is a local area network.

SOURCE: NF:042 Create and post basic web page

SOURCE: Kyrnin, J. (2020, January 30). *How to build your first web page*. Retrieved August 15, 2025, from <https://www.thoughtco.com/how-to-build-a-web-page-3466384>

29. D

Attend to the injury. The first priority in an accident situation is responding to the medical needs of the person(s) in the accident. Looking up company protocol, calling human resources, and finding out how the accident occurred can all wait until after the injury is attended to.

SOURCE: OP:009 Explain procedures for handling accidents

SOURCE: Durham, J. (2021, September 30). *Accidents at work examples – most common workplace injuries*. Retrieved August 15, 2025, from <https://www.safeworkers.co.uk/workplace-safety/common-workplace-accidents/>

30. B

To be competitive. Businesses must compete with each other for customers. The convenience of being able to buy now and pay later is often the deciding factor for customers in selecting a company with which to do business. Extending credit to customers does not help the business to purchase stock as needed. It may, in fact, make it more difficult since the business may not have as much cash on hand to pay for stock as it would if its customers paid in cash. Extending credit is an expense to the business, not a saving.

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

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

31. B

Improve profitability by 10%. Improving profitability by 10% would be considered a specific goal. Many companies would like to improve profitability, but the specific percentage would vary from organization to organization. Goals are statements that clearly describe tasks to be accomplished. Some are specific, and some are general. Increasing efficiency/productivity, supporting a cause, and increasing sales are all general goals with no specific benchmarks attached.

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

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

32. D

Instructional. User manuals, orientation guides, and standard operating procedures (SOPs) are examples of instructional business writing, or writing that provides readers with information they need to complete a task, assignment, or process. While these documents may also be informational, their primary purpose is to provide instructions. User manuals, orientation guides, and SOPs are not typically persuasive or transactional.

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

SOURCE: Cullen, M. (2025, June 17). *4 types of business writing styles [and when to use them]*. Retrieved August 15, 2025, from <https://www.instructionalsolutions.com/blog/types-of-business-writing>

33. A

Identity theft. A risk involved with information management is leaving customers unprotected from identity theft. An information management program that does not use technology properly may put customers' personal information at risk. Appropriate information management will not necessarily protect customers from bad service, high prices, or faulty products.

SOURCE: NF:110 Discuss the nature of information management

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

34. C

Hiring a new department manager. An extensive decision is a type of decision that requires a lot of consideration. Hiring a department manager is an extensive decision because the decision maker(s) must evaluate each applicant's skills in relation to the standards and expectations for the position. Often, this requires a lot of input from others, including other department managers and executive-staff members. Printing a document on yellow paper and wearing a blue suit to a meeting are routine decisions. Booking an airline flight for a business trip is an example of a limited decision because the individual has a few alternatives (flights) from which to choose.

SOURCE: PD:017 Make decisions

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

35. A

Apologizing and giving the right answer. A responsible person acknowledges their mistakes as soon as they are aware of them and then corrects them whenever possible. Since an incorrect answer may have caused a problem for the other employee, an apology is also in order. Letting the other employee figure out that the answer was incorrect, pretending that the right answer was given, and refusing to answer questions in the future are examples of irresponsible behavior.

SOURCE: EI:021 Demonstrate responsible behavior

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

36. C

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

SOURCE: EI:132 Model ethical behavior

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

37. D

The business environment can affect project planning. The world around you can change the way you plan your project. In this case, the arrival of college students affects the planned schedule for a new apartment building. The apartment management firm is considering changes in the market when planning for its new project. This is not an example of how a project's team members impact project planning, how project planning keeps the focus on the overall goal, or how defining scope is the most important aspect of planning.

SOURCE: OP:519 Plan project

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

38. C

To time their promotions appropriately. Promotional records are documents containing information about communications that businesses use to inform, persuade, or remind customers of their products, images, or ideas. A key reason it is important for businesses to keep promotional records is to time their promotions effectively. Another primary reason is to evaluate the effectiveness of their promotions. Maintaining adequate inventory levels is a reason that businesses use inventory records, not promotional records. Discussing reasons for an employee's promotion relates to personnel records rather than promotional records. Documenting employees' regular and overtime wages is a reason that businesses use payroll records, not promotional records.

SOURCE: NF:001 Describe the nature of business records

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

39. D

Trade shows. A trade show is a promotional method that many businesses use to introduce new products, generate new sales leads, and contact current customers at the same time. A trade show gives businesses the opportunity to display their products and meet with a large number of potential and current customers. Many businesses spend a significant portion of their promotional budgets on trade shows because they are an effective promotional method. Cash rebates involve returning part of the price a customer pays for a good or service. A sales contest is a way of motivating salespeople to increase their sales performance. Free samples are offers of a small amount of a product.

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

SOURCE: International Trade Administration. (2025). *Trade shows*. Retrieved August 15, 2025, from <https://www.trade.gov/trade-shows>

40. C

Determining the facts. By determining the facts, you are already working on creative problem solving. You should work on getting your creativity going before you try to solve any problems in a creative way. Role-playing, brainstorming, and awakening your senses are ways of being creative. Role-playing is the process of assuming roles and acting through a given situation. Brainstorming is a creative thinking technique involving the identification of as many different ideas as possible during a certain time frame. By stimulating (awakening) your senses, you can do more to enhance your senses and their awareness, allowing you to create more.

SOURCE: PD:012 Demonstrate appropriate creativity

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

41. D

Material. Material resources are equipment and supplies used by businesses in their operation. Financial resources are all the sources of money available to the business. Human resources are people who work to produce goods or services. Natural resources are resources found in nature that are used to produce goods and services.

SOURCE: SM:001 Explain the concept of management

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

42. C

Cost of raw materials. The cost of goods sold/cost of sales category of an income statement includes all direct costs to obtain or produce the goods or services that a business sells. This includes the cost of raw materials, shipping charges, labor costs, and items returned by customers, among others. The operating expenses do not cover the cost of goods sold/the cost of sales; rather, they cover all other expenses associated with the business. This includes employee wages/salaries, mortgage or rent, insurance, utilities (natural gas, electricity, water, etc.), and interest paid on outstanding loans, to name a few.

SOURCE: FI:094 Describe the nature of income statements

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

43. B

Personal selling. Possession utility is usefulness created when ownership of a product is transferred from the seller to the user. Salespeople add possession utility to products by helping customers choose the right goods and services. Delivery and distribution affect place utility, and the development of new products affects form utility.

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

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

44. D

Rights of businesses and consumers. Many governmental agencies are responsible for enforcing rules and regulations that are intended to protect the rights of businesses and customers. Some of these agencies help to keep the marketplace competitive and protect businesses' trade secrets and formulas from being stolen. The agencies often develop a strong relationship with businesses in the process of protecting their rights. Governmental agencies do not typically protect the barriers to trade, the target markets of large corporations, or the monetary policy.

SOURCE: BL:072 Explain the nature of agency relationships

SOURCE: FTC. (2025). *Federal Trade Commission*. Retrieved August 15, 2025, from <https://www.ftc.gov/>

45. C

Fixed. Operating costs that do not increase or decrease with changes in production are called fixed expenses. Variable expenses fluctuate along with production. Semi-variable, or mixed, expenses are fixed until a certain level of production is reached; after that, they become variable.

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

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

46. A

Verbal assertiveness. Verbal assertiveness is a confident attitude that involves the use of words. Some of the ways in which you can be verbally assertive include starting conversations, saying what you think, asking questions, requesting help, and refusing others' requests. Nonverbal assertiveness is assertive behavior that does not involve words. It is often expressed through body language. Empathy is the ability to put yourself in another person's situation. People can start conversations with others without asking prying questions that would indicate nosiness.

SOURCE: EI:008 Use appropriate assertiveness

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

47. D

Translating it into a secret code. Data encryption helps keep information safe and private by translating it into a secret code that can then be decoded by the intended receiver. Data encryption does not necessarily store information on a hard drive, pass it through several servers, or require a password for access.

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

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

48. B

Economic. Economic risks are changes in the market that force prices to be lowered, products to change, or even businesses to fail. Changes in the market that may make some products go out of style are a type of economic risk. Natural risks result from such natural causes as floods, tornadoes, fires, lightning, blizzards, and earthquakes. Human risks are caused by human weakness and the unpredictability of employees or customers. Incompetence is a form of human risk whereby the employee does not have the skills, knowledge, or attitudes needed to succeed in the position.

SOURCE: EC:011 Determine factors affecting business risk

SOURCE: LAP-EC-911—Lose, Win, or Draw (Business Risk)

49. B

Cut costs. In some cases, the amount of money you think you will need will not be possible to obtain. When this happens, the most realistic approach is to look for ways to cut costs. If your ideal budget is based on getting everything you want or would like to have, consider substituting inexpensive materials for costly ones or making do without some supplies. By cutting costs, you will be able to proceed with the project. It is not necessary to lower your expectations because, in most cases, you will be able to complete the project by making some substitutions. Decreasing the amount of time that is allotted for the project will not necessarily make up for a lack of funding. Eliminating the project is not a good choice, either.

SOURCE: OP:003 Identify resources needed for project

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

50. A

Cultural. Culture refers to the customs, habits, and traditions of a particular group of people. If businesses want to develop favorable relationships with foreign businesses, they need to recognize, understand, and respect other cultures. A business that does not learn about the cultural differences may do or say something to offend a foreign customer or potential customer. Political factors relate to government issues. Economic factors are ways that a nation meets consumers' competing wants with limited resources. Intellect is a person's cognitive ability.

SOURCE: EC:104 Discuss the global environment in which businesses operate

SOURCE: LAP-EC-104—Stretch Your Boundaries (The Global Business Environment)

51. A

Offer digital coupons. Digital coupons have a higher redemption rate than printed coupons because they are convenient and easily accessible. If a business wants to increase the effectiveness of its coupons, it should consider offering digital or mobile coupons. Decreasing the discount amount will not increase the use of coupons. Increasing the quantity of coupons could lead to over-coupons, which can tarnish brand value. Finally, limiting expiration dates would not necessarily lead to an increase in redemption rates.

SOURCE: SE:149 Process complimentary offers and coupons/discounts

SOURCE: Macri, D. (2018). *Understanding mobile coupons*. Retrieved August 15, 2025, from <https://www.mobilemarketer.com/ex/mobilemarketer/cms/opinion/columns/2306.html>

52. B

A local produce farm. The hospitality and tourism industry has both direct and indirect impacts on the economy. It indirectly impacts other members of its supply chain, such as a local produce farm that provides the ingredients that a restaurant needs to serve customers. When the restaurant purchases produce, the produce farm receives an economic boost. A used car dealership, a drugstore chain, and a design studio are less likely to be economically impacted by the hospitality and tourism industry.

SOURCE: EC:136 Explain the relationship between the economy and hospitality and tourism

SOURCE: Reich, A. (2024, November 18). *Using tech to support supply chain management in hospitality*. Retrieved August 15, 2025, from <https://www.order.co/blog/procurement/supply-chain-management-in-hospitality-industry/>

53. C

Check. The first step in the PDCA continuous improvement technique is planning a change. During the second step of the process, the business implements (does) the small-scale change. The third step involves checking the results to determine if the small-scale change was effective. If the change was successful, then the business takes action to implement the change on a larger scale.

SOURCE: QM:003 Discuss the need for continuous improvement of the quality process

SOURCE: ASQ. (2025). *What is the plan-do-check-act (PCDA) cycle?* Retrieved August 15, 2025, from <https://asq.org/quality-resources/pdca-cycle>

54. A

Consumers have toward a business or product. The current meaning of "brand" is completely consumer focused and combines the consumers' experiences, images, and associations regarding a company, good, or service. A brand is the relationship a company or product has with its customers. A brand is not built on how businesses view each other or other industries, nor is a brand about consumers' views of things they want to buy.

SOURCE: PM:206 Explain the nature of corporate branding

SOURCE: LAP-PM-206—Corporate Identity (Nature of Corporate Branding)

55. A

Strike. A strike is a union pressure strategy in which employees stop working and leave their jobs. Arbitration is the act of settling a dispute by using an uninvolved third party. Mediation is the process in which a neutral third party works to help opposing parties resolve a conflict. A boycott is a union pressure strategy in which union members refuse to buy a company's products and encourage others to do the same.

SOURCE: HR:452 Explain labor-relations issues

SOURCE: Phaneuf, T. (2023, September 26). *What is a strike?* Retrieved August 15, 2025, from <https://www.nerdwallet.com/article/finance/what-is-a-strike>

56. A

Most risks are predictable and manageable. Enterprise risk management is important and helpful because most business risks are predictable and manageable. If a company can plan for risks, it can minimize its losses. Although some risks are surprises, most of them are not. Not managing risks can cause loss of shareholder value. ERM should reduce business costs in the long run by helping a business avoid or manage risks that could lose money.

SOURCE: RM:062 Discuss the nature of enterprise risk management (ERM)

SOURCE: Hayes, A. (2025, April 10). *Enterprise risk management (ERM)*. Retrieved August 15, 2025, from <https://www.investopedia.com/terms/e/enterprise-risk-management.asp>

57. A

It allows customers to book hotels and flights more easily. Mobile technology has drastically changed the tourism industry over the last two decades. Thanks to many hotels and airlines creating mobile apps, customers can book hotels and flights more easily. Mobile technology has made it easier for tourists to conduct research before a trip and to leave reviews, as they can do it on their cell phones and tablets. Thanks to apps like Google Maps, it is easier for tourists to navigate while on a trip.

SOURCE: NF:313 Describe the impact of mobile technology on the hospitality and tourism industry

SOURCE: Mansuri, S. (2017, February 28). *How mobile technology is revolutionizing the travel industry*. Retrieved August 15, 2025, from <https://www.justluxe.com/luxe-insider/trends/feature-1965252.php>

58. B

Interviewing hotel guests. Interviews with guests are a way to capture in-depth, personalized information that is likely to be based on thoughts and feelings, not on numbers. Qualitative data are subjective information based on opinion and personal interpretations, not numbers. Analyzing webpages visited, tracking guests' use of amenities, and identifying which spa services are used most are all research activities that would provide quantitative data based on numerical information.

SOURCE: NF:283 Describe methods used to collect hospitality and tourism business information (e.g., observations, mail, telephone, Internet, discussion groups, interviews)

SOURCE: EHL Insights. (2024, April 26). *What is hospitality management?* Retrieved August 15, 2025, from <https://hospitalityinsights.ehl.edu/hospitality-management>

59. B

Answer customers' questions. Salespeople often use the selling information they obtain from company promotional materials to answer customers' questions. Company promotional materials, such as advertisements and brochures, usually contain valuable information that salespeople can use when customers ask questions during the selling process. Salespeople need to be well informed about the features and benefits of products because customers expect salespeople to be knowledgeable about the goods and services they sell. Salespeople usually do not order goods from vendors. Managers may suggest that salespeople read company promotional materials, which may make it easier for salespeople to discuss the products with buyers. However, these are not benefits of obtaining selling information from company promotional materials.

SOURCE: SE:062 Acquire product information for use in selling

SOURCE: LAP-SE-062—Get Informed (Acquiring Product Information for Use in Selling)

60. A

Automated. Automation is the use of technology to control a process. When a resort guest swipes their room key card to make a purchase, it transmits a transaction to the hotel's software system, which adds the expense to the guest's bill. Guests typically pay for their purchases when they check out of the resort. This software increases the hotel's efficiency because it reduces paperwork by using a central bookkeeping system. The software is not independent. Whether the software is affordable or complicated does not impact how it increases the resort's efficiency.

SOURCE: NF:106 Use software to automate services

SOURCE: Chi, C. (2022, September 26). *Workflow automation explained & 12 best workflow software for 2023*. Retrieved August 15, 2025, from <https://blog.hubspot.com/marketing/workflow-automation>

61. C

New products and services. The overall goal of promotion is to inform, persuade, and remind. In the travel and tourism industry, promotion is often intended to inform customers about new travel products and services. By informing potential customers, the industry is building awareness during the early stages of the buying process. If customers have been adequately informed, future promotions might persuade them to buy or remind them of positive experiences that will encourage them to buy again. The travel and tourism industry often uses contests, sweepstakes, advertising campaigns, publicity, and public relations as promotional tools.

SOURCE: PR:121 Describe the concept of promotion in the hospitality and tourism industry

SOURCE: Epos Now. (2022, June 17). *What is hospitality marketing?* Retrieved August 15, 2025, from <https://www.eposnow.com/us/resources/what-is-hospitality-marketing/>

62. A

Consumers' characteristics. To satisfy their customers, many businesses segment the whole market into smaller groups and focus their marketing efforts on a specific group. Consumer characteristics that they consider include age, occupation, gender, educational level, and life stage. Mass marketing is designing products and directing marketing activities to appeal to the whole market. A firm's employees would not necessarily provide information about the target market. Studying human relations—all the ways people form and conduct relationships with one another—would not help a firm to segment its market.

SOURCE: MP:003 Explain the concept of market and market identification

SOURCE: LAP-MP-003—Have We Met? (Market Identification)

63. A

Customer service. Customer service involves activities and benefits that a business and its employee provide to increase customer satisfaction and create goodwill. By listening and then repeating the customer's issue back to them, Cher shows that the guest is important to her and that she wants to make things right for the guest. By doing so, she helps increase the guest's satisfaction with their hotel stay and, more specifically, their meal. Mirroring occurs when someone unconsciously mimics another person's body language, speech, or attitude. Patience is the ability to endure life's aggravations and difficulties calmly. An oral presentation is a speech that brings an idea to someone's attention.

SOURCE: EI:090 Describe personal traits important to success in hospitality and tourism

SOURCE: CareerBuilder. (2025). *These 4 hospitality skills will help land any job*. Retrieved August 15, 2025, from <https://www.careerbuilder.com/advice/blog/these-4-hospitality-skills-will-help-land-any-job>

64. D

Return. Most businesses in the hospitality industry rely on repeat customers to be profitable. Poor customer service is the primary reason that customers do not return to a business, so it is important that every customer receive good service every time. Goodwill is either the kindness of customers—something a business cannot rely on to be profitable—or an intangible asset related to a company purchase. Capital is wealth and is not directly related to customer service. While some customers might review businesses in the hospitality industry, their personal records will not determine the success of a business.

SOURCE: CR:049 Explain the nature of customer service in the hospitality and tourism industry

SOURCE: Bhatnagar, P. (2021, June 3). *10 ways to win more repeat customers at hotels*. Retrieved August 15, 2025, from <https://blog.hotelogix.com/ways-win-more-repeat-customers-hotels/>

65. C

Compare cash received with receipts or transaction records. To reconcile cash, a business should compare the total amount of cash received with the total on transaction records or receipts. For example, if a business wanted to reconcile its cash daily, it would count the amount of money in its cash registers and then look at all the sales receipts to make sure the numbers match. Reconciling cash does not involve any multiplication or division. Simply counting up the cash in cash registers would not be enough to reconcile a business's cash for any given period.

SOURCE: FI:396 Reconcile cash

SOURCE: University of Illinois. (2023). *Reconcile cash receipts daily*. Retrieved August 15, 2025, from <https://www.busfin.uillinois.edu/bfpp/section-10-cash-handling/reconcile-cash-receipts-daily>

66. D

Use secure web browsers. Identity theft occurs when an individual obtains and uses another person's information (e.g., credit cards) without that person's consent. To reduce the risk of identity theft, people should use secure web browsers to make purchases. Because internet sales transactions often require a person to provide credit card information, it is important to make sure that the web browsers are secure. Physical records do not prevent identify theft; information kept on paper is also vulnerable to theft. It is recommended to use many unique passwords online, rather than one password. Having a bad credit history is a potential consequence of identity theft, not a preventative measure.

SOURCE: OP:654 Explain the nature of identity theft controls

SOURCE: Upadhyaya, A. (2025, April 14). *Why a secure enterprise browser should be on your security short list in 2025*. Retrieved August 15, 2025, from <https://www.cybersecuritydive.com/spons/why-a-secure-enterprise-browser-should-be-on-your-security-short-list-in-20/744784/>

67. A

Offering training programs and providing technical support. Providing quality customer service after the sale helps to reinforce the customer's buying decision and often leads to repeat sales. Offering training programs and providing technical support are two ways in which a business can provide customer service after the sale. Arranging financing, suggestion selling, providing product information, checking inventory, and advertising are actions that businesses take before the sales transaction occurs. Generating referrals is a way for salespeople to increase their clientele rather than providing customer service after the sale.

SOURCE: SE:076 Explain the role of customer service as a component of selling relationships

SOURCE: LAP-SE-076—Go Beyond the Sale (Customer Service in Selling)

68. A

Get the customer's order. Getting the order is one of the main reasons for closing the sale, because the ultimate goal of the selling process is to sell. Summarizing the product's features and benefits should be done prior to the close. Determining the customer's needs should be completed after approaching the customer. Calculating daily sales earnings is not a part of the selling process.

SOURCE: SE:048 Explain the selling process

SOURCE: LAP-SE-048—Set Your Sales (The Selling Process)

69. A

Know emergency escape and route procedures. Every hotel employee should know and understand escape and route procedures in the event of a fire. A fire can occur anywhere, so each employee should be familiar with escape routes and alternate escape routes in all areas of the hotel. Understanding and following the procedures, if possible, helps to lessen chaos and increases the chance to get everyone out of harm's way in a safe manner. Most emergency plans specify certain employees to conduct certain activities during the evacuation. For example, one group of employees might make sure guests are alerted to evacuate. Others might need to follow procedures to protect hotel documents such as guest folios. During a fire emergency, a hotel's sprinkler system should activate automatically. If the sprinkler system malfunctions, all employees should know how to activate the system. However, it is not necessary for all employees to activate the system during the actual fire. Generally, the person closest to the system would activate any backup system on the property. Fire extinguishers are not checked for malfunctions during a fire emergency. They are evaluated by qualified inspectors during nonemergency times. Hotels are often required to keep smoke detectors throughout the facility, including in each sleeping and meeting room. Therefore, employees do not usually carry portable smoke detectors.

SOURCE: OP:119 Handle emergency situations in hospitality and tourism

SOURCE: Fire Retardants, Inc. (2023, July 5). Hotel fire safety tips for employees and guests. Retrieved September 12, 2025, from <https://www.fireretardantsinc.com/advice/hotel-fire-safety-tips-for-employees-and-guests/>

70. B

Service and product. As competition in the hospitality industry increases, many businesses are focusing on maintaining long-term customer loyalty. The best way to build this loyalty is to focus on providing excellent service, which includes the actions and care provided by staff, and a high-quality product, which includes physical aspects like the room, food, and amenities. These two elements create a positive customer experience, which in turn leads to long-term customer loyalty. Technology is a tool used to enhance the guest experience and improve efficiency. While a business may promote its use of technology, the ultimate goal is to highlight the improved service it provides. Customers expect a great location and worthwhile amenities; the quality of the service and experience make them return. Customers who only come for the lowest price often leave when they find a cheaper option; discounts don't necessarily keep customers loyal.

SOURCE: NF:048 Describe current issues and trends in the hospitality and tourism industry

SOURCE: Lighthouse. (2024, October 4). *Everything you need to know about the hotel marketing mix*. Retrieved August 15, 2025, from <https://www.mylighthouse.com/resources/blog/hotel-marketing-mix>

71. D

Selling-activity. The details regarding quotas for each salesperson would be outlined in a selling-activity policy. Selling-activity policies involve salespeople's interactions with customers. Terms-of-sale policies involve the parts of the sale that concern customers most (e.g., pricing, discounts). Service policies involve what happens after the sale. Qualifying the customer is another selling-activity policy that involves ensuring that a customer is right for the purchase.

SOURCE: SE:932 Explain company selling policies

SOURCE: LAP-SE-932—Sell Right (Selling Policies)

72. B

Email. Email marketing is very inexpensive relative to other mediums such as TV and magazine print. For products with a low profit margin, seeking cheap methods for marketing is ideal. Novels are not used for product promotion.

SOURCE: PI:001 Explain the nature and scope of the pricing function

SOURCE: LAP-PI-001—The Price Is Right (Nature of Pricing)

73. C

Check the scene for safety. Checking the scene for safety, obtaining consent, forming an initial impression, and using any personal protective equipment (PPE) as needed must happen before any following first aid steps. Otherwise, you might hurt yourself or do more harm than good. Checking the person for responsiveness, giving care based on the condition found, and asking questions about signs and symptoms are steps involved in providing first aid, but they should be completed after checking that the scene is safe.

SOURCE: OP:657 Provide first-aid

SOURCE: The American Red Cross. (2025). *First aid steps*. Retrieved August 15, 2025, from <https://www.redcross.org/take-a-class/first-aid/performing-first-aid/first-aid-steps>

74. C

Event planner. Convention centers, hotels, restaurants, and other types of businesses hire and employ event planners to coordinate many types of events including fundraisers, wedding receptions, trade shows, and business meetings. To ensure that their clients have everything they need for successful events, event planners should be organized and detail-oriented. A restaurant chef develops the menu, prepares entrees, and manages the kitchen staff. A purchasing agent locates, negotiates, and buys goods and services for the business. An accounting manager supervises the accounting function's staff and activities.

SOURCE: PD:272 Explain career opportunities in hospitality and tourism

SOURCE: LAP-PD-272—Career Opportunities in Hospitality and Tourism

75. A

Preference. At this stage of brand loyalty, consumers recognize the brand, are aware of its existence, have purchased it, and are satisfied with the brand. However, they have not yet reached the stage of brand insistence because they will still accept a substitute for the brand they prefer and recognize.

SOURCE: PM:021 Explain the nature of product/service branding

SOURCE: LAP-PM-021—It's a Brand, Brand, Brand World! (Nature of Product Branding)

76. A

He should provide an alternative solution to this customer's complaint. When an employee receives a customer complaint, they should focus on how they can help the customer, not how they can't. While Amare could not offer a new room, because the hotel had been completely booked, he could potentially have offered some other complimentary amenity to the customer as their room was being cleaned. Explaining in detail why he could not accommodate the request, inspecting the room, or reprimanding the staff would not help the customer and could potentially only exacerbate the issue.

SOURCE: CR:044 Resolve hospitality and tourism related conflicts for customers

SOURCE: HITEC. (2024, October 9). *Guidelines for managing guest conflict and preventing negative online reviews*. Retrieved August 15, 2025, from <https://www.hitec.org/news/4124033/guidelines-for-managing-guest-conflict-and-preventing-negative-online-reviews>

77. C

Local transportation services. When planning evacuation protocols, hotels should consider the availability of local transportation services to determine how evacuees will be removed from the premises. Hotel price and ratings, hotel employee satisfaction, and the average income of customers are not relevant factors to consider when planning an evacuation protocol.

SOURCE: OP:527 Identify factors affecting evacuation procedures/protocols

SOURCE: U.S. Homeland Security. (2019, July). *Planning considerations: Evacuation and shelter-in-place*. Retrieved August 15, 2025, from <https://www.fema.gov/sites/default/files/2020-07/planning-considerations-evacuation-and-shelter-in-place.pdf>

78. B

They have already exhausted their secondary research options. Primary research is that which a person or company generates on their own for their exact needs and purposes. Primary research is generally done when the needed information does not exist yet. Therefore, the airline executive should first do an exhaustive search of secondary sources before deciding to conduct primary research. Even if no one on the executive's team has the information they need, the executive still might not need to conduct primary research because they might be able to use secondary research. If the airline has little money for research, the executive might be better off focusing on secondary research because it is cheaper than primary research.

SOURCE: NF:282 Explain types of primary hospitality and tourism market information

SOURCE: Alchemer. (2018, April 26). *Research methods: How and when to use primary and secondary research*. Retrieved August 15, 2025, from <https://www.alchemer.com/resources/blog/research-methods-how-and-when-to-use-primary-and-secondary-research/>

79. D

Place recycling bins throughout the venue. Many universities and businesses use large, green recycling bins to encourage event goers to participate in recycling efforts. It's not feasible to require attendees to turn in solid waste following an event. Some attendees would, but others would resist being told what to do. Hiring a waste management company is a good technique to use; however, it's more costly than providing recycling bins. Purchasing paper products that don't need to be recycled defeats the whole purpose of encouraging recycling efforts.

SOURCE: OP:134 Practice safe and sanitary handling/disposal of wastes/recyclables

SOURCE: Wisconsin Department of Natural Resources. (n.d.). *Recycling and waste reduction at your special event*. Retrieved August 15, 2025, from <https://apps.dnr.wi.gov/doclink/waext/wa1537.pdf>

80. D

Pie chart. A pie chart is a circular graph that is divided into sections sized proportionally to the quantity they represent. Pie charts are best used to show a part-to-whole relationship; in this case, Jorge's chart was showing how the sales from each type of product made up last year's total sales. A bar chart presents categorical data with proportional rectangle bars. A line graph connects a series of data points. A scatter plot uses dots to represent values for two different variables.

SOURCE: NF:289 Display hospitality and tourism data in charts/graphs or in tables

SOURCE: Ricks, E. (2020, May 14). *What is a pie chart?* Retrieved August 15, 2025, from <https://www.storytellingwithdata.com/blog/2020/5/14/what-is-a-pie-chart>

81. A

Completed a purchase order. A purchase order is a formal, written request for a product or service. Purchase orders generally include all of the specifications of the order, such as the amount of product requested, the price of the products requested, and the contact information for both buyer and seller. Completing a purchase order would have prevented this miscommunication between John's office and the paper supplier. John should not have sent an invoice to the paper supplier. Invoices are sent to businesses that owe money for purchases they already made. Asking for a smaller quantity or requesting the order the same day would not necessarily have reduced the chance of miscommunication between John and the paper supplier.

SOURCE: OP:250 Describe types of purchase orders

SOURCE: Loi, K. (2025, June 11). *Purchase orders: All you ever need to know.* Retrieved August 15, 2025, from <https://www.procurify.com/blog/purchase-orders-all-you-need-to-know/>

82. C

A decrease in the number of guests and an increase in the number of rooms available. A decrease in the number of guests occurs during economic slowdowns because people are reluctant to spend their discretionary income on travel. Consequently, there is an increase in the number of rooms available as more rooms become available for rent. An increase in the number of guests and an increase in the number of rooms available does not follow the law of supply and demand, which suggests that as demand for rooms goes up, supply typically goes down. A decrease in the number of guests and a decrease in the number of rooms available would work the other way because as demand goes down, the supply of rooms available for rent typically goes up. An increase in the number of guests and a decrease in the number of rooms available typically occurs during good economic times when people are more willing to spend their discretionary income on travel.

SOURCE: PD:111 Describe the nature of the hospitality and tourism industry

SOURCE: Novak, P. (2017, April 24). *What are the 4 segments of the hospitality industry.* Retrieved August 15, 2025, from <https://www.hospitalitynet.org/opinion/4082318.html>

83. D

Convenience. Product bundling is when two products are sold together as one item or purchase. It is convenient for customers because they have fewer separate purchases to make and can obtain several items that they need at once. Product bundling can increase revenue for businesses rather than for customers. Access to unpopular products is not a benefit for customers. Improved workflow is a benefit for business rather than for customers.

SOURCE: PM:041 Describe the nature of product bundling

SOURCE: Liberto, D. (2024, June 7). *Bundling.* Retrieved August 15, 2025, from <https://www.investopedia.com/terms/b/bundling.asp>

84. C

Is the item packaged appropriately? Product/Service management is the process of obtaining, developing, maintaining, and improving a product or service mix in response to market opportunities. It includes all activities from the time of a product's creation to the time of its removal from the company's line of products. Choosing the appropriate packaging for the item is one of those activities. Purchasing insurance is not a function of product/service management. The choice of training method is a management decision. How a business communicates to outsiders is a function of promotion.

SOURCE: PM:001 Explain the nature and scope of the product/service management function

SOURCE: LAP-PM-001—Serving Up Products (Nature of Product/Service Management)

85. B

The customer will generate word-of-mouth influence. When customers request special treatment, honoring their requests will create an exceptional experience for them. They will be much more likely to provide positive word-of-mouth feedback to other potential customers. It is not likely that other customers will feel that they are not being treated fairly, that the customer will become even more demanding, or that the company will be perceived as inadequate.

SOURCE: CR:054 Accommodate special needs/specific requests of customers

SOURCE: O'Neill, T. (2019, September 24). *What going "above and beyond" for the customer really means*. Retrieved August 15, 2025, from <https://blog.fctgcareers.com/blog/what-going-above-and-beyond-for-the-customer-really-means>

86. A

Desire for convenience. Travelers select certain lodging facilities for many reasons or for a combination of reasons. Ms. Woo staying in a hotel across the street from her client's office implies that one reason Ms. Woo selected the hotel was for the convenience of being near the office where she was planning to attend a business meeting. Because there is not enough information revealed about the location or Ms. Woo, it cannot be determined whether additional factors for her selection included relaxation, safety, or prestige.

SOURCE: SE:220 Explain factors that motivate people to choose a hospitality and tourism site

SOURCE: Tas, G. (2023, March 21). *How do customers choose hotels?* Retrieved August 15, 2025, from <https://www.gourmetmarketing.net/blog/how-do-customers-choose-hotels>

87. D

Require that employees follow good password practices. Good password practices, such as changing your password frequently and using a password that is at least 12 characters long, can help companies protect customer data from hackers. Companies do not need to prohibit workers from accessing customer information; however, it might be wise to limit access to those who need it for their everyday work. Asking customers to sign a waiver in case their information is stolen would be inappropriate and would likely drive customers away. Refusing to accept credit or debit cards might help prevent hackers from targeting the company, but it may be financially unrealistic to be a cash-only business.

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

SOURCE: National Cybersecurity Alliance. (2025). *Cybersecure my business*. Retrieved August 15, 2025, from <https://www.staysafeonline.org/cybersecure-my-business>

88. B

Truth-in-menu. Truth-in-menu laws are designed to protect consumers by mandating that restaurants' menus accurately describe the food that restaurants serve to their guests. Insider trading laws prevent a company's owners, directors, or key management from trading company stock if they are making those trades on information that is not disclosed to the public. Petty theft, also known as pilferage, involves the theft of small sums of money or inexpensive items. Affinity fraud is an investment scam in which the scammer claims to be a member of the group they are targeting.

SOURCE: BL:065 Explain the nature of regulations affecting the hospitality and tourism industry

SOURCE: Hall, A. (2025, April 19). *Truth in menu law*. Retrieved August 15, 2025, from <https://aaronhall.com/truth-in-menu-law/>

89. C

Hotels can customize guest room preferences. A customer database allows hotels to gather guest information and preferences so they can personalize the guests' experiences. For example, if a customer purchases several soft drinks from room service, the hotel can store that information in a database and then prepare the room by stocking the mini fridge with the same soft drink upon the customer's return. While restaurants can use social media to receive feedback, they are not necessarily using a database to improve customer satisfaction when they do so. A variety of services can be integrated into one system, but this does not necessarily depend on a database; rather, it is due to hotel and restaurant management system software. Finally, while technology such as washable chips allows management to determine inventory remotely, this is also not an example of how databases help improve customer satisfaction.

SOURCE: NF:060 Explain ways that technology impacts the hospitality and tourism industry

SOURCE: Barawid, N. (2022, May 4). *6 technology trends redefining the hospitality industry*. Retrieved August 15, 2025, from <https://www.entrepreneur.com/article/423654>

90. A

Staffing. Staffing is the management function of finding, training, and compensating workers for the business. Most often, human resources managers are the primary staffers within a company. Planning is the management function of deciding what will be done and how it will be accomplished. Directing is the management function of providing guidance to workers and work projects. Organizing is the management function of setting up the way the business's work will be done.

SOURCE: SM:065 Describe managerial considerations in staffing

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

91. A

Decreased quality of customer service. The costs of customer service training programs are a challenge for the hospitality and tourism industry, especially with high turnover rates. However, training is essential to customer service, and without it, quality is sure to suffer. Terminating a customer service training program is not likely to lead to an increased number of repeat customers or a stronger financial standing. Although the training program has been terminated, management will not reduce its productivity focus.

SOURCE: CR:043 Describe customer-service challenges in the hospitality and tourism industry

SOURCE: Grant, M. (2025, February 24). *What is customer service, and what makes it excellent?* Retrieved August 15, 2025, from <https://www.investopedia.com/terms/c/customer-service.asp>

92. B

Whispering Hills Resort and Spa. The resort's lodging facilities provide sleeping accommodations, which satisfies the guests' desire for rest, while the spa services (e.g., massages and facials) satisfy the guests' desire for relaxation. The Wild and Wacky Amusement Park and the Rugged River Whitewater Rafting Company provide services that are adventure oriented. The Metropolis Bureau of Travel and Tourism promotes tourism for the city and helps individuals and businesses identify resources that they might want and need during their visit.

SOURCE: PM:095 Describe services offered by the hospitality and tourism industry

SOURCE: Novak, P. (2017, April 24). *What are the 4 segments of the hospitality industry*. Retrieved August 15, 2025, from <https://www.hospitalitynet.org/opinion/4082318.html>

93. A

Capital expenditures. Free cash flow is a measure of a company's performance. It is calculated by subtracting capital expenditures from operating cash flow. Capital expenditures include equipment, buildings, and other property. You do not need to subtract dividends, acquisitions, or earnings to find free cash flow.

SOURCE: FI:541 Interpret cash-flow statements

SOURCE: Fernando, J. (2025, June 15). *Free cash flow (FCF): How to calculate and interpret it*. Retrieved August 15, 2025, from <https://www.investopedia.com/terms/f/freecashflow.asp>

94. C

Internal control. Internal accounting controls are policies and procedures that are created and enforced to ensure the reliability of accounting systems. Examples of internal controls include separations of duties, access control/authorization, documentation, physical audits, trial balances, reconciliations, and approval authority. Separation of duties is the dividing of accounting responsibilities so that no one person oversees the lifespan of a single financial transaction. By separating the duties that pertain to Bob's Barbecue's finances, Bob is safeguarding his restaurant from theft, fraud, and other financial issues. A petty cash fund is a small amount of money kept on hand by a business for business purchases. A bank reconciliation is a comparison of a business's internal accounting records to its bank account statements. External controls also impact business operations, but the source of these controls is outside the business, rather than in.

SOURCE: FI:113 Explain cash control procedures (e.g., signature cards, deposit slips, internal/external controls, cash clearing, etc.)

SOURCE: Cook, B. (2025, April 29). *What are cash controls in business finance?* Retrieved August 15, 2025, from <https://tipalti.com/resources/learn/cash-controls/>

95. B

Product's sales are in decline. When a product's sales and profits decline, the product is considered to be weak. Such a product can become a financial burden to the quick-serve restaurant and have a negative impact on the restaurant's image. A chain of quick-serve restaurants might decide to eliminate a certain food item, such as corn dogs, if the item was not popular with customers and was not selling well. A quick-serve restaurant would not eliminate a food item if it complemented other products and had a positive reputation. Many quick-serve restaurants sell food items that are similar to the ones sold by their competitors.

SOURCE: PM:003 Explain the concept of product mix

SOURCE: LAP-PM-003—Mix & Match (The Nature of Product Mix)

96. B

World Tourism Organization (UNWTO). There are many hospitality and tourism organizations across the world. Some deal with local hospitality and tourism, while others deal with this industry on a much greater scale. The World Tourism Organization is the United Nations agency responsible for global tourism initiatives and is most likely to impact hospitality and tourism on an international scale. The American Hotel & Lodging Association, UKHospitality, and Florida Restaurant & Lodging Association all handle hospitality and tourism on a smaller scale.

SOURCE: PD:398 Explain the roles and responsibilities of hospitality and tourism organizations

SOURCE: UNWTO. (2025). *Mission and principles*. Retrieved August 15, 2025, from <https://www.unwto.org/about-us>

97. D

Communication is vital to the recovery process. Guest recovery refers to the steps a company takes to address or correct a customer's complaints. When it comes to addressing a customer's complaints, communication is vital to the recovery process. Without proper communication, important information from either side may fall through the cracks or the customer may not feel they are being heard. Companies should prioritize establishing a response process for customer complaints. A response process can serve as a blueprint for staff members for handling customer feedback. Without this process, customers will experience varied levels of responses and response times. Rather than wait a day to respond to a customer, companies should try to respond as soon as possible. Companies should keep records of their customer feedback. Tracking customer feedback can help companies analyze their processes and improve where needed.

SOURCE: CR:045 Explain the nature of guest recovery

SOURCE: Kuzmanoff, A. (2025, March 31). *Guest recovery: Getting maximum impact at minimum cost*. Retrieved August 15, 2025, from <https://get.tattleapp.com/blog/guest-recovery-getting-maximum-impact-at-minimum-cost/>

98. B

Involves interaction with customers. Selling is referred to as personal selling because salespeople interact with their customers and try to meet their individual needs. Providing specific product information is one of the ways salespeople meet those needs. Selling seldom follows a standardized format except in situations such as telemarketing. Personal selling can take place in a variety of places, including the home, but it is the interaction with customers that gives it its name.

SOURCE: SE:017 Explain the nature and scope of the selling function

SOURCE: LAP-SE-017—Sell Away (The Nature and Scope of Selling)

99. D

Table of contents. When preparing a business report, it is often a good idea to include a table of contents, the portion of a document in which the sections are listed with their page numbers for easy navigation. This allows a reader to sift through a lengthy document to find the needed information. While title pages, introductions, and appendices are also helpful in a written business report, their main purposes are not to make it easier to find specific information.

SOURCE: NF:292 Prepare written reports for hospitality and tourism decision-making

SOURCE: University of Nevada Writing & Speaking Center. (n.d.). *How to write a business report*. Retrieved August 15, 2025, from <https://www.unr.edu/writing-speaking-center/student-resources/writing-speaking-resources/how-to-write-a-business-report>

100. C

Attract potential guests. Hotel advertising on websites is intended to catch the attention of people making travel plans and prompt them to make reservations at the hotel. Buying advertising is not a method of obtaining publicity or a rating from a travel agency. A website ad is not an appropriate channel for recruiting new employees.

SOURCE: PR:082 Explain promotional methods used by the hospitality and tourism industry

SOURCE: Synytsia, M. (2019, December 23). *Marketing for travel agencies: Understanding and surviving the online travel industry*. Retrieved August 15, 2025, from <https://www.altexsoft.com/blog/travel-agency-marketing/>