



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. Charice creates a new kind of glue using a new chemical formula that she invented. She wants to make sure that none of her competitors use the formula for their products. To protect the formula, Charice should _____ it.
 - A. prototype
 - B. copyright
 - C. trademark
 - D. patent
2. What type of law focuses on protecting natural resources?
 - A. Environmental
 - B. Constitutional
 - C. Cyber
 - D. Securities
3. Consumers of hospitality products have the right to expect businesses to provide goods and services that
 - A. furnish several amenities.
 - B. meet each individual's standards.
 - C. are safe and clean.
 - D. maintain international requirements.
4. When Lauren reads an article for class, she highlights the things she wants to remember, underlines important information, and writes down questions she has about the text. She's practicing _____ reading.
 - A. passive
 - B. speed
 - C. active
 - D. extensive
5. Jack says to Wendi, "If I understand you correctly, you are saying that you want to change the format of the inventory report so it will be easier for the managers to analyze." What communication technique is Jack using to clarify Wendi's suggestion?
 - A. Expressing an opinion
 - B. Paraphrasing
 - C. Passive listening
 - D. Quoting
6. Roberto has just finished giving a presentation about global warming. An obviously irritated audience member stands and says that there is no evidence to prove global warming exists. Roberto calmly reads results from three scientific reports on its existence. Roberto's response is an example of
 - A. defending an idea objectively.
 - B. an effective conclusion.
 - C. a transition.
 - D. expressing a cultural barrier.
7. Gabriele is giving a persuasive presentation on the humane treatment of livestock. Which of the following should she do to conclude her talk in a persuasive way:
 - A. Provide an outline that contains all the information she shared
 - B. Challenge the audience to make informed choices at the grocery store
 - C. Summarize the main arguments and points shared during the talk
 - D. Share all the resources she consulted when preparing her speech
8. While reading the first draft of her report, Rachel changes some of the words and shortens some of the sentences to improve the clarity and conciseness of the document. What step in the writing process is Rachel performing?
 - A. Editing
 - B. Researching
 - C. Organizing
 - D. Formatting

9. How can you make sure that none of your social media platforms are neglected?
- Post on a different platform every day of the week
 - Use a content calendar to schedule posts on each platform
 - Focus on only the platforms that you prefer
 - Assign a different person to manage each platform
10. The use of email may put a business at more risk than memos or letters stored as paper records because
- email users may make careless spelling errors.
 - email communications are more difficult to secure.
 - email users may use slang or make embarrassing remarks.
 - email communications contain confidential information.
11. XRT Corporation's human resources manager sends a memo to all employees that describes some general changes that will affect their health insurance next year. This is an example of _____ communication.
- verbal, upward
 - lateral, downward
 - mass, upward
 - formal, downward
12. Which of the following is a common source of complaints about personnel:
- Creation of policies
 - Rudeness
 - Hidden costs
 - Faulty design
13. A passenger is upset with Petra, a flight attendant, because the plane has not taken off and he is worried about being late for an important meeting. Before responding, Petra takes a deep breath, listens to his complaint, and apologizes. Petra is
- deferring to authority.
 - solving the problem.
 - diffusing the customer's anger.
 - avoiding the conflict completely.
14. Which of the following is an example of a customer service situation related to fraud:
- A company treats customers differently based on their races.
 - A customer feels insulted by a server and wants him/her to be fired.
 - A staff member is stealing food from the kitchen.
 - A customer lies about the condition of his/her hotel room to get a discount.
15. To reinforce the company's customer-friendly image, managers should consistently
- provide employees with stock options, profit sharing, and bonuses.
 - communicate the company's service-quality expectations to employees.
 - emphasize the importance of production planning.
 - reorganize the company's resources.
16. A meal ordered at a restaurant is a _____, whereas the presentation of the meal is a _____.
- purchase; tangible good
 - promotion; sales tactic
 - product; service
 - feature; benefit
17. Esteban greets guests by name, makes eye contact, and smiles warmly as they pass. Esteban is demonstrating service that is
- distant.
 - inconsistent.
 - customer-focused.
 - accurate.

18. Lucia's Bistro is struggling to keep up with the dinner rush. The managers decide to offer half-off appetizers from 3-5 p.m. as a way to
- increase its gross sales margins.
 - manage customer experience during peaks in demand.
 - improve product quality.
 - reduce the number of customers to maximize capacity.
19. Businesses usually process customer payments by recording the amount of cash receipts and reducing the amount of
- accounts receivable.
 - capital expenditures.
 - accounts payable.
 - sales expenses.
20. The Loft Villa resort received a positive review on social media from a customer. What should the resort do to enhance the customer's experience further?
- Offer a discount on the customer's next stay
 - Respond quickly and apologetically
 - Search for customer trends
 - Post frequently to capitalize on the opportunity
21. Although there are many grocery stores near her, Sara always shops at a particular one. This is because the baggers at her preferred store help the customers carry groceries out to their cars. By offering to help customers carry their groceries, the store is increasing _____ utility.
- time
 - form
 - place
 - task
22. A music streaming service has two versions: one with advertisements and one without advertisements for a monthly fee. What business model does this describe?
- Auction
 - Franchise
 - Freemium
 - Affiliate
23. Which of the following situations would most likely indicate the need to adapt to changes in the business environment:
- The business has experienced little employee turnover during the past year.
 - The number of your business's competitors has decreased.
 - The demand for your product is stable.
 - The supply of materials used in manufacturing a product has decreased.
24. By counting the number of gifts wrapped at the gift-wrapping booth in a local mall, you are determining
- ratio.
 - input.
 - output.
 - technology.
25. When our nation enjoys economic growth, what usually happens to domestic economic problems?
- They are made worse.
 - They are not affected.
 - They are more easily resolved.
 - They are solved completely.

26. A nation's currency exchange rate is likely to increase when
- an economic contraction occurs.
 - the labor force shrinks.
 - consumer confidence is high.
 - stock values fluctuate.
27. The most common form of corruption affecting international trade is
- bribery.
 - government involvement.
 - negotiation.
 - uncertainty avoidance.
28. Andrew is preparing to go on an international business trip. Which of the following items would he most likely need to bring with him on his trip:
- List of all of his credit card numbers
 - Business visa for the country he will visit
 - His latest bank or loan statement
 - \$500 in cash for emergencies
29. Jack is the tour-guide training manager at Fort Niagara, a landmark in the United States near the Canadian border. To train the tour guides effectively, Jack needs to
- be enthusiastic and knowledgeable about the fort's history.
 - clearly communicate expectations and rules to the tourists.
 - plan entertaining activities for children and young adults.
 - exhibit an optimistic attitude when debating world events.
30. Which of the following situations demonstrates accountability:
- Orion tries to treat all of his employees the same and doesn't give anyone special privileges.
 - Meghan finishes her project by Friday, just as she promised her boss she would.
 - Moira blames her coworker for a mistake she made on a report.
 - Robert stands up for what's right even when it's not easy, fun, or popular.
31. What is the first step in accepting responsibility for a mistake that you made at work?
- Acknowledging your actions
 - Developing an excuse
 - Apologizing for causing problems
 - Determining corrective action
32. Hannah likes hanging out with her friend Tyler because Tyler is kind, considerate, friendly, and positive. In fact, when Hannah is around Tyler she feels more positive, too. Which step in the process of maintaining a positive attitude does this illustrate?
- Think positively.
 - Surround yourself with positive people.
 - Realize that it won't happen overnight.
 - Stay healthy.
33. What is an important thing to remember about change?
- A resistance to change is usually based on irrational fears.
 - If you resist change, you can usually avoid it.
 - Change requires you to accept a high degree of risk.
 - It often takes time to feel comfortable with the change.
34. Which of the following is an example of a potentially unethical action associated with providing business information:
- Discussing specific product-development processes with external business sources
 - Using passwords to limit employees' access to various types of business files
 - Providing employees with information about business practices and expectations
 - Implementing whistle-blowing procedures to report questionable workplace behavior

35. When a coworker is upset with you, you ask her/him to explain what's wrong instead of ignoring the problem. As a result, you're able to work through your problems. Which benefit of open and honest communication are you experiencing?
- A. A good reputation
 - B. Increased sales
 - C. Better ideas
 - D. Better conflict resolution
36. After you've successfully "sold" your idea to an audience, your next step is to
- A. help your audience feel good about their decision.
 - B. appeal to your audience's specific needs.
 - C. conduct research on your idea's benefits.
 - D. arm yourself with responses to objections.
37. What is the first thing you need to do when you want to persuade others to take a certain course of action?
- A. Express a need or want
 - B. State your case
 - C. Understand your audience
 - D. Communicate clearly
38. Which of the following is a benefit of determining your personal vision:
- A. A personal vision can help you discover your purpose in life.
 - B. A personal vision guarantees that you will achieve your dreams.
 - C. A personal vision finalizes every aspect of your career path.
 - D. A personal vision allows you to work less and accomplish more.
39. The staff at Twain Enterprises have little motivation and struggle to stay engaged in their work. Management consistently belittles employees, causing them to feel unimportant and disrespected. The culture at Twain Enterprises can be best described as
- A. weak.
 - B. negative.
 - C. positive.
 - D. strong.
40. Whitley's ethical beliefs are the same whether she's at work, at school, or hanging out with her friends. Whitley follows
- A. situational beliefs.
 - B. ethical principles.
 - C. ethical consequences.
 - D. popular beliefs.
41. Jenna works long and irregular hours to accommodate her clients' schedules. What characteristic of a good entrepreneur is Jenna exhibiting?
- A. Honesty
 - B. Flexibility
 - C. Initiative
 - D. Integrity
42. Which of the following is an example of legal tender issued by the federal government:
- A. Bank notes
 - B. Corporate bonds
 - C. Mutual funds
 - D. Municipal bonds

43. Individuals often gain wealth from saving money in a retirement account because
- employers sometimes match employees' contributions.
 - retirement accounts guarantee future financial security.
 - many governments offer loan relief as a reward for saving.
 - retirement account holders can accumulate rewards points.
44. Patrick wants to keep a certain amount of his money in a safe place in which he can earn interest on his savings, and also be able to withdraw his funds without experiencing sizable financial penalties. In what type of financial institution should Patrick consider placing his money?
- A retail bank
 - The stock market
 - A retirement fund
 - A holding company
45. Which of the following investments typically carries moderate risk:
- Savings accounts
 - Collectibles
 - Certificates of deposit
 - Stocks
46. A business's sales may be strong, but that doesn't mean it's making as much money as it would like. In this situation, managers may analyze financial information to determine how to
- make purchases.
 - create a budget.
 - enter into contracts.
 - boost profitability.
47. Which of the following is an example of a business using cash-control procedures:
- Writing checks for payments
 - Marking all currency
 - Eliminating expense reimbursement
 - Accepting credit cards
48. Talia manages a business's accounts payable, accounts receivable, inventory, and cash. Talia is responsible for
- working capital management.
 - capital investment decisions.
 - the business's capital structure.
 - market risk management.
49. Balancing the business's objective to make a profit with the interests of all the business's stakeholders is a primary consideration related to the business's
- creative processes.
 - financial ethics.
 - maintenance activities.
 - forecasting methods.
50. A coffee shop wants to appeal to young, technology-savvy consumers. To appeal to this demographic, the business should consider
- instituting a minimum amount for credit card payments.
 - accepting mobile credit card payments.
 - gathering analytics from credit card payments.
 - purchasing a receipt printer.
51. Human resources management exists to make sure that every employee in the company is
- friendly.
 - happy.
 - productive.
 - wealthy.

52. Rita is upset with her employer because she always has to work during important holidays. This is an issue most likely associated with which type of workplace diversity?
- Gender
 - Religion
 - Disability
 - Age
53. Which of the following is a source of secondary data that Angela could use to obtain information about a competitor's promotional activities:
- Statistics in a trade publication's article about the competitor's advertising campaign
 - Focus group feedback she obtains from the competitor's former employees
 - Survey administered to competitor's customers to determine the effectiveness of its promotional activities
 - Interview conducted with the competitor's advertising agency
54. Which of the following is a website that is likely to provide statistical tourism information for a specific destination:
- The local chapter of the American Marketing Association
 - The Farmer's Almanac
 - Transportation Security Administration
 - The local chamber of commerce
55. Last year's quarterly sales for Mountain High Ski Resort were as follows: 1st Quarter: \$652,276; 2nd Quarter: \$947,550; 3rd Quarter: \$423,835; 4th Quarter: \$345,766. What does the data reveal about the resort's sales?
- The fourth quarter's sales indicate that the resort is experiencing financial problems.
 - The resort's peak season occurred during the second quarter.
 - The resort failed to meet its annual sales objectives.
 - The combined first and third quarter revenues are over half of the resort's annual sales.
56. Employees can help their employers meet important deadlines by
- following trends.
 - resolving complaints.
 - improving profitability.
 - staying on task.
57. What type of market segmentation would be appropriate to use when a hotel targets people who are traveling with their pets?
- Behavioral-benefits sought
 - Psychographic-social class
 - Demographic-gender
 - Mass market
58. Which of the following types of information should a business keep on file indefinitely:
- Credit card statements
 - Cancelled checks
 - Invoices
 - Federal income tax returns
59. By maintaining information about a company's copyrights, patents, trademarks, and corporate history, the information management function helps
- preserve the company's organizational identity.
 - serve customers more effectively and efficiently.
 - maintain the company's building and equipment.
 - communicate the company's financial position.

60. What component of a computer system is responsible for storing information needed by software applications that are currently in use?
- Web-hosting service
 - Central processing unit
 - Hard disk drive
 - Random access memory
61. Aaron is conducting an online search for an article entitled "How To Make Good Decisions as a Team." The author's name is Les McKeown. Which of the following queries will provide Aaron the fewest and most accurate results?
- "how to make decisions as a team" OR "l mckeown"
 - "how to make good decisions as a team" "les mckeown"
 - make decisions team - mckeown
 - {make decisions team} + mckeown
62. Alexa wants to create and post a basic web page for her food truck. The first step she should take is to choose
- the font size.
 - a template.
 - the background colors.
 - a website-building platform.
63. Which of these lodging services would most likely be automated using software:
- Registration
 - Concierge
 - Room setup
 - Sales forecasting
64. One of the reasons why a chain of hotels might analyze and interpret the marketing information contained in databases is to
- survey guests.
 - compare variables.
 - tabulate findings.
 - organize products.
65. What data-mining technique uses "if-then" criteria to classify objects in a database?
- Neural networking
 - Histogram
 - Rule induction
 - Quantitative reasoning
66. Von is a very thorough record keeper. He always carefully files his company's bills, receipts, and cancelled checks because he knows that the company has a responsibility to prove the expenses it lists on its tax return. Von's company bears a
- burden of proof.
 - responsibility to prove.
 - record burden.
 - tax return proof.
67. Trends indicate a rise in the number of people who like to bring their dogs with them on vacation. To accommodate this travel trend, there are an increasing number of
- all-inclusive resorts.
 - residential dog parks.
 - pet-friendly hotels.
 - boutique pet stores.

68. A benefit that online reservations systems have created for properties is the ability to
- hire fewer front desk clerks.
 - communicate with guests less often.
 - rely less on the use of travel agencies for business.
 - process fewer guest reservations.
69. Discouragement of time theft is one reason a company may
- monitor employee technology.
 - cut corners on safety precautions.
 - purchase lower quality materials.
 - hire an inventory manager.
70. Which of the following company guidelines is concerned with employee safety:
- Know what to do in case there is a fire.
 - Wear identification badges at all times.
 - Identify your department first when answering the telephone.
 - Use the employee entrance when entering or leaving the building.
71. When proposing delegated tasks to her team, Becca asked for feedback so that she could
- establish openness.
 - promote her authority.
 - discourage over-reporting.
 - set expected outcomes.
72. What do you do when you reach the ending point of a finished project?
- Evaluate project success.
 - Move on to the next project.
 - Present your findings to stakeholders.
 - Identify project resources.
73. What is the best way to get an accurate picture of what it will cost to do the project?
- Prepare a budget.
 - Find out what is free.
 - Ask an advisor.
 - Compare prices.
74. What is an important consideration for many large businesses when they are selecting vendors?
- Technological capabilities
 - Segmentation method
 - Compensation policies
 - Asset depreciation
75. Elaine, a buyer for a large retail chain, needs to order paper. She chooses Sheets Paper Company because Sheets has the best prices and can ship the order tomorrow. This is an example of a _____ order.
- standard
 - blanket
 - planned
 - contract
76. Which of the following is an example of an intangible output:
- A pizza
 - Education
 - A computer
 - Shampoo

77. Which of the following is a true statement regarding operating costs:
- A. Businesses spend more on operating costs than production costs.
 - B. Purchasing a piece of equipment is an operating cost.
 - C. They are usually divided into selling expenses and manufacturing expenses.
 - D. Some may be considered either fixed or variable.
78. A hotel restaurant manager was reviewing an invoice from a food supplier and noticed that the hotel was charged for two cases of ketchup that the restaurant did not order nor receive. In this situation, the invoice helped the manager identify a(n)
- A. product-quality issue.
 - B. incorrect discount rate.
 - C. duplicate order.
 - D. billing error.
79. Tanner is sending out an online customer satisfaction survey. What technique can he use to ensure he is protecting customer data?
- A. House data on portable drives
 - B. Refrain from sharing the nature of the survey
 - C. Store the data for any future use
 - D. Only ask for the information he needs the most
80. If a motel experiences a fire, earthquake, or severe flood, the motel staff should
- A. administer first aid as soon as possible.
 - B. activate each motel room's sprinkler system.
 - C. call the appropriate medical professionals.
 - D. follow appropriate emergency procedures.
81. To reduce the risks of air-travel terrorism attacks, airports require passengers to
- A. follow security checkpoint procedures.
 - B. remain seated on airplanes at all times.
 - C. fasten their seatbelts during takeoff and landing.
 - D. board the airplane one at a time.
82. You start out college majoring in marketing, but you don't enjoy it. So you change your major to business. This is an example of a goal being
- A. broken down.
 - B. distracting.
 - C. visualized.
 - D. dynamic.
83. Employers expect their employees to show their dependability by
- A. asking for deadline extensions.
 - B. arriving at work on time.
 - C. telling coworkers how to do their jobs.
 - D. making suggestions for improvement.
84. A job application usually requests information about employment history and may ask the applicant to explain why s/he
- A. attended a certain school.
 - B. served in the military.
 - C. volunteered in the community.
 - D. left a previous job.
85. Which of the following best exemplifies an individual's career progression:
- A. Advertising coordinator, promotions manager, vice president of marketing
 - B. Sales representative, sales director, operations manager
 - C. Lead buyer, assistant buyer, finance manager
 - D. Accounts receivable clerk, production manager, human resources assistant

86. One of the services provided by some professional organizations in the travel and tourism industry is training that leads to obtaining
- A. online instruction.
 - B. firsthand experience.
 - C. college degrees.
 - D. certification.
87. Sammy's Sandwiches wants to improve its market share. This is an example of a _____ goal.
- A. cultural
 - B. product
 - C. tactical
 - D. strategic
88. Which of the following is a characteristic of the travel and tourism industry:
- A. Organizes activities in a local community
 - B. Provides overnight accommodations
 - C. Arranges for meals for international travelers
 - D. Transports people to destinations away from home
89. A station across the street is offering gasoline for five cents cheaper per gallon. The other stations in the area decide to lower their prices as well. This is an example of _____ pricing.
- A. inflexible
 - B. competitive
 - C. unrealistic
 - D. realistic
90. Shonda works at a hotel, and her boss expects her to book at least 10 rooms every day. What type of standard is this?
- A. Quality
 - B. Quantity
 - C. Time
 - D. Cost
91. Mountain View Steakhouse goes above and beyond to create an excellent dining experience for each of its guests. The steakhouse trains its wait staff to be courteous, respectful, and attentive to customers. Based on this information, delivering outstanding customer service is most likely a _____ of the restaurant.
- A. primary risk
 - B. business strategy
 - C. public relations plan
 - D. core value
92. What characteristic of the hospitality and tourism product is described in the following scenario: If an airline sells 150 of 200 seats on an airplane, the airline cannot inventory the seats until the next flight and sell 250 seats.
- A. Perishability
 - B. Seasonality
 - C. Standardization
 - D. Inseparability
93. Which of the following is a characteristic of product extensions in the hospitality and tourism industry:
- A. Necessary part of the hospitality and tourism experience
 - B. Related to the original product
 - C. Expensive addition to a trip
 - D. Sold only to generate income

94. When a business negotiates a contract that requires the vendor to arrange for transportation, the business is negotiating the
- A. logistics.
 - B. premiums.
 - C. payments.
 - D. allowances.
95. The communication of information about goods, services, images, and/or ideas defines
- A. cultural trends.
 - B. promotion.
 - C. message channels.
 - D. demand.
96. What step in the continuous improvement process will indicate if quality is increasing?
- A. Documentation
 - B. Evaluation
 - C. Recommendation
 - D. Implementation
97. If an accounting firm deliberately conceals information about a client's financial status, the government may charge the business with
- A. substantiation.
 - B. expropriation.
 - C. breach of contract.
 - D. obstruction of justice.
98. To celebrate the end of high school and the beginning of college, Frankie is planning to spend three months backpacking through Europe. Frankie wants to see a lot of sites and do a lot of things, but he doesn't have much cash to spend. Given his financial situation, what type of lodging property would you recommend to Frankie for his trip?
- A. Extended-stay hotel
 - B. Sleeping room or hostel
 - C. Destination resort
 - D. Timeshare resort
99. When processing a hotel reservation by telephone, it is most important to obtain information about the guest's
- A. transportation arrangements.
 - B. dietary requirements.
 - C. seating preferences.
 - D. arrival and departure dates.
100. To manage potential business losses, the first step a company should take is to
- A. purchase liability insurance.
 - B. identify its risks.
 - C. determine the probability of losses.
 - D. respond to risks.

1. D

Patent. Patents protect inventions and prevent others from making, using, or selling that invention. A new chemical formula for glue is a new invention, so Charice should obtain a patent to protect it. Trademarks protect the names of products and prevent other companies from using those names for their own products. Copyrights protect original works, such as music, paintings, literary works, and television. A prototype is an early test or sample of a product, not a form of protection for intellectual property.

SOURCE: BL:051

SOURCE: AllLaw (2018). *Protecting your intellectual property: How and why*. Retrieved September 12, 2018, from http://www.alllaw.com/articles/intellectual_property/article5.asp

2. A

Environmental. The purpose of environmental law is to protect natural resources—air, water, soil, wildlife, etc. Constitutional law is a category of law that involves implementing, protecting, and interpreting the foundation of law (supreme law) for the nation (e.g., the United States Constitution and the Constitution of Canada). Cyber law focuses on rules about the Internet and computer use. Securities law is a category of law that regulates the issuance and use of financial instruments such as banknotes, stocks, bonds, etc.

SOURCE: BL:073

SOURCE: Brown University. (2018). *Fields of law*. Retrieved September 12, 2018, from <https://www.brown.edu/academics/college/advising/law-school/fields-law/fields-law>

3. C

Are safe and clean. Hospitality products differ a great deal and include such items as a meal in a restaurant or a sleeping room at a lodging facility. The guests have a right to expect that the facility provides clean linens and disinfected bathrooms. Guests expect that the locks on the doors are adequate to keep them safe from intruders or that measures have been taken to keep guests from tripping over loose carpet. Guests have the right to expect that the food that they purchase is safe and free from bacteria. Since each individual has different standards, it is not realistic to expect hospitality businesses to meet everyone's standards. For example, a hotel restaurant cannot create every menu entree to make each guest happy. The restaurant must consider several factors including the target market and costs associated with the food. Amenities are the "extras" that a hospitality business provides—the extras that guests do not usually expect. If guests do not expect certain amenities, they do not have rights to amenities. Each country and/or local government has different regulations that hospitality businesses must follow.

SOURCE: BL:135

SOURCE: Rajaram, A. (2014, July 15). *10 basic things a hotel must offer guests*. Retrieved September 12, 2018, from <http://www.cntraveler.com/stories/2014-07-15/10-basic-things-a-hotel-must-offer-guests>

4. C

Active. Active reading involves highlighting, underlining, and taking notes to help you engage with the text and understand it. Speed reading involves reading very quickly. Lauren is not being passive; instead, she is engaging with the text and making sure she comprehends it. Extensive reading is used to develop a general understanding of a text and is usually done for enjoyment, not for classwork.

SOURCE: CO:055

SOURCE: The Trustees of Princeton University. (2018). *Active reading strategies: Remember and analyze what you read*. Retrieved September 12, 2018, from <https://mcgraw.princeton.edu/active-reading-strategies>

5. B

Paraphrasing. Message recipients use many techniques to encourage and indicate their understanding of a speaker's message. In the example, Jack is paraphrasing to verify his understanding of Wendi's statement. Paraphrasing involves restating a message in other words to confirm the message recipient's understanding. To use paraphrasing effectively, the message recipient must actively listen to the speaker's message. Paraphrasing does not involve expressing an opinion. Quoting involves reciting or writing a thought, idea, or statement using the speaker's exact words.

SOURCE: CO:082

SOURCE: Mind Tools Content Team. (1996-2018). *Active listening*. Retrieved September 12, 2018, from <http://www.mindtools.com/CommSkill/ActiveListening.htm>

6. A

Defending an idea objectively. Roberto is using facts to overcome an objection and defend his idea in a professional manner. A conclusion is the prepared ending of a presentation. Since Roberto had just finished his presentation, he had already delivered the conclusion. A transition occurs mid-speech to shift from one point to another smoothly. Cultural barriers to new ideas occur when a person allows his/her cultural background to affect his/her thinking. Roberto is trying to overcome a barrier to his presentation by using fact-based research.

SOURCE: CO:061

SOURCE: Thabet, Dia. (2010, November 28). *How to defend your idea without getting defensive*. Retrieved on September 12, 2018, from <http://ezinearticles.com/?How-to-Defend-Your-Idea-Without-Getting-Defensive&id=5460159>

7. B

Challenging the audience to make informed choices at the grocery store. Challenging the audience to take action could persuade them to accept Gabriele's view. Providing an outline or summarizing the main points would do little to persuade. Sharing her resources may show she is well-informed but does little to persuade the audience to accept her view.

SOURCE: CO:025

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

8. A

Editing. Editing is the process of assessing the flow and clarity of written materials. Effective editing often involves reorganizing or shortening sentences, changing words, and correcting spelling and grammatical errors to improve the readability of the document. Researching is the process of gathering information for the report, which is done before the writing process begins. Organizing involves planning the order in which to present the information in the document. Formatting involves establishing the "mechanical" structure of the document, such as using block or indented paragraphs, page-number location, etc.

SOURCE: CO:089

SOURCE: Roberts, S.J. (2012). *Fundamentals of business communication* (1st ed.) [p. 163]. Tinley Park, IL: The Goodheart-Willcox Company.

9. B

Use a content calendar to schedule posts on each platform. A content calendar organizes the way content is created, posted, and promoted. It is an effective way to schedule posts and be sure that each social media platform is receiving attention. For example, if your calendar has a section for each platform, you will easily see if a platform does not have enough posts. Posting on a different platform every day of the week is not effective because content should be posted daily on every platform. You should not focus on only the platforms that you prefer because other effective platforms might be underutilized. Finally, assigning a different person to manage each platform might create inconsistencies in content and strategy.

SOURCE: CO:193

SOURCE: Walters, K. (2017, June 27). *How to create a social media content calendar: Tips and templates*. Retrieved September 12, 2018, from <https://blog.hootsuite.com/how-to-create-a-social-media-content-calendar/>

10. B

Email communications are more difficult to secure. Email messages can be intercepted by unscrupulous people in a number of different ways, both physically (if either the sending or receiving device is stolen or lacking effective security features) and digitally (such as through hacking). Paper records, on the other hand, can be more easily protected using locked, fireproof cabinets and other physical storage. Poor spelling, slang, and inappropriate remarks can occur in any form of communication or documentation and should be avoided. Any business communication can contain confidential information, but the inability to effectively secure email puts any private information contained in email messages at risk.

SOURCE: CO:202

SOURCE: Duncan, G. (2013, August 24). *Here's why your email is insecure and likely to stay that way*. Retrieved September 12, 2018, from <http://www.digitaltrends.com/computing/can-email-ever-be-secure/#ixzz4H8g1HSEp>

11. D

Formal, downward. Downward communication occurs when management sends messages to lower level employees. Formal communication involves following a specific protocol or systematic process when transmitting messages. In the example, the human resources manager communicates changes that affect all employees because it is an aspect of his/her job. Therefore, the human resources manager is following the protocol as indicated in his/her job description. Lateral communication occurs among employees (e.g., coworkers) at the same level. Mass communication involves simultaneous transmission of nonpersonal messages to members of a large market segment. Upward communication occurs when lower level employees send messages to management.

SOURCE: CO:092

SOURCE: Roberts, S.J. (2012). *Fundamentals of business communication* (1st ed.) [pp. 27-28]. Tinley Park, IL: The Goodheart-Willcox Company.

12. B

Rudeness. Rudeness is a common source of complaints about personnel. Customers are not going to be happy if they have to deal with a discourteous employee. Creation of policies and hidden costs are sources of complaints about the business itself. Faulty design is a source of complaints about the product.

SOURCE: CR:010

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

13. C

Diffusing the customer's anger. In the hospitality and tourism industry, it is important to know how to resolve conflicts with customers who are unhappy with the service. One of the first steps is diffusing anger because it is difficult to resolve conflict when one or more parties is angry. Petra is diffusing anger by remaining calm, listening, and expressing sympathy. In this example, Petra is not solving the problem, deferring to authority, or avoiding the conflict completely.

SOURCE: CR:044

SOURCE: BC Cook Articulation Committee and The BC Cook Articulation Committee. (2015). *Working in the food service industry: Conflict resolution*. Retrieved September 12, 2018, from <https://opentextbc.ca/workinginfoodserviceindustry/chapter/conflict-resolution/>

14. D

A customer lies about the condition of his/her hotel room to get a discount. Sometimes, customers will act fraudulently for personal gain, which can cause customer service issues. Customers who lie about the quality of their experiences to get discounts are committing fraud. Feeling insulted and wanting an employee fired is not necessarily related to fraud. Staff members stealing food from the kitchen and companies treating customers differently based on their races are not customer service situations related to fraud.

SOURCE: CR:048

SOURCE: Astute. (2016, May 6). *Goodwill abuse: How customer fraud can cost you big*. Retrieved September 12, 2018, from <https://www.astutesolutions.com/blog/articles/goodwill-abuse-how-customer-fraud-can-cost-you-big>

15. B

Communicate the company's service-quality expectations to employees. Image management involves the effective use of touchpoints—all of the opportunities that a company has to connect with its customers and reinforce its brand value. A company's employees are touchpoints because they interact with customers. Customers often base their impressions of a business—positive and negative—on the interactions they have with the company's employees. Therefore, the company must train employees to provide the service levels that the company expects them to provide customers, which in turn reinforces the company's image. Businesses may offer stock options, profit sharing, and bonuses as part of their benefits packages. Production planning is determining how products will be produced and in what amounts. Reorganizing involves changing or restructuring the way the company will do its company's work.

SOURCE: CR:002

SOURCE: Marken Communications. (2015). *Corporate image, we all have one, but few work to protect, project it*. Retrieved September 12, 2018, from <http://www.markencom.com/docs/03mar13.htm>

16. C

Product; service. Hospitality and tourism businesses offer both products and services. Products are the main items or services that are purchased, whereas a service is an additional activity that makes the experience better as a whole. A meal is a product because it is the main purchase, whereas the way it is presented is a service because it adds additional value to the meal. A meal is not necessarily a promotion. The presentation of a meal could be a sales tactic, but it is not a tangible good. Both a meal and a restaurant are purchases. Meals and their presentations can both be features and/or benefits.

SOURCE: CR:050

SOURCE: Reynolds, J.S., & Chase, D.M. (2014). *Hospitality services* (3rd ed.) [p. 384]. Tinley Park, IL: The Goodheart-Willcox Company.

17. C

Customer-focused. One important factor associated with positive customer experiences is being customer-focused. Esteban is demonstrating this factor by greeting the guests by name, making eye contact, and smiling to show he cares about treating the customers well. Esteban is not necessarily demonstrating distant, inconsistent, or accurate service in this example.

SOURCE: CR:052

SOURCE: Reynolds, J.S., & Chase, D.M. (2014). *Hospitality services* (3rd ed.) [pp. 24-28]. Tinley Park, IL: The Goodheart-Willcox Company.

18. B

Manage customer experience during peaks in demand. Hospitality and tourism businesses often experience peaks in demand and need to manage customers' experiences when busy. Lucia's Bistro experiences peaks in demand during regular dinner hours. Lucia's Bistro needs to manage this demand without angering impatient customers or losing business. The restaurant can shift demand by offering deals that draw people into the restaurant earlier, spreading demand out and making it easier to manage. Offering half-off appetizers will not necessarily increase gross sales margins, improve product quality, or reduce the number of customers.

SOURCE: CR:038

SOURCE: Sharma, S. (2016, March 21). *Managing demand and capacity and waiting line strategies*. Retrieved September 12, 2018, from <https://www.slideshare.net/28Sneha/8managing-demand-and-capacity-and-waiting-line-strategies>

19. A

Accounts receivable. One aspect of processing customer payments involves accurately crediting the customer's account. When a business receives payment, it records the amount of payment as a receipt of cash. The increase in cash increases the assets of the business. The payment also reduces the amount that the customer owes the business, so the payment must be deducted from accounts receivable, which are the monies owed to a business by its customers. As customers pay, the business's cash increases while the accounts receivable decrease. Capital expenditures are a business's investment in goods and other property. Accounts payable are the monies the business owes to others. Sales expenses are the costs involved in selling products.

SOURCE: CR:042

SOURCE: Accounting-Simplified.com. (2010-2017). *Cash transactions*. Retrieved September 12, 2018, from <https://accounting-simplified.com/accounting-for-cash-transactions.html>

20. A

Offer a discount on the customer's next stay. One way to engage with customers on social media is to encourage positive public feedback with discounts and other rewards. If a customer posts a positive review after his/her stay at the resort, the staff should offer the customer a discount to enhance his/her customer experience even more. There is no need for the resort to respond apologetically, as the feedback is positive. Searching for customer trends is a good strategy but will not necessarily enhance the customer's experience. Finally, posting frequently will not necessarily enhance the customer's experience.

SOURCE: CR:028

SOURCE: Zeringue, A. (2017, October 24). *4 steps to enhancing the customer experience with social media*. Retrieved September 12, 2018, from <https://marketingland.com/4-steps-enhancing-customer-experience-social-media-226632>

21. D

Task. Task utility is the usefulness created by altering or changing the characteristics of a service (or task) to make it more useful to the consumer. When marketers offer a new or updated service, they are creating or increasing benefits for consumers by doing something helpful or useful. When the grocery store offers to help people carry out their groceries, it is increasing benefits for customers like Sara. Form utility is the usefulness created by altering or changing the form or shape of a good to make it more useful to the consumer. Place utility is the usefulness created by making sure that goods or services are available at the place where they are needed or wanted by consumers. Time utility is the usefulness created when products are made available at the time they are needed or wanted by consumers.

SOURCE: EC:004

SOURCE: LAP-EC-013—Use It (Economic Utility)

22. C

Freemium. A freemium model includes giving away a service at no cost as a way to establish a relationship with customers and eventually profit from add-ons or premium options. A music streaming service with both a free and paid version is using the freemium model with the goal of eventually converting free users to paying customers. This example does not depict a franchise, auction, or affiliate business model.

SOURCE: EC:138

SOURCE: Investopedia. (2015, April 27). *What are some examples of different types of business models in major industries?* Retrieved September 12, 2018, from <http://www.investopedia.com/ask/answers/042715/what-are-some-examples-different-types-business-models-major-industries.asp>

23. D

The supply of materials used in manufacturing a product has decreased. Businesses must be alert to changes occurring in their environments so that they can be proactive in making changes rather than being reactive once changes have taken place. A reduction in the supply of materials used in manufacturing the business's products indicates that the business will be paying higher prices for the materials, or the business should find substitute materials to replace those currently used. Stable demand and little employee turnover indicate stability and would not require changes. The business may or may not need to make adjustments if the number of their competitors decreases.

SOURCE: EC:107

SOURCE: Fields, J. (2011-2013). *Adapt or die: Selling into a falling market*. Retrieved September 12 2018, from <http://www.jonathanfields.com/blog/adapt-or-die-selling-into-a-falling-market/>

24. C

Output. Outputs are the goods and services produced (the number of gifts wrapped). Inputs are the resources used to produce the outputs. Technology is scientific applications to business objectives or the methods used to attain those objectives. Ratios are used to express productivity.

SOURCE: EC:013

SOURCE: LAP-EC-018—Make the Most of It (Productivity)

25. C

They are more easily resolved. When economic growth occurs, the government has more funds to spend on solving domestic economic problems such as poverty, undereducated individuals, and inadequate medical services. The amount of economic growth directly affects the government's ability to deal with domestic economic problems. When growth stands still or declines, economic problems tend to become worse. Domestic problems will never be completely solved.

SOURCE: EC:017

SOURCE: LAP-EC-001—Measure Up? (Gross Domestic Product)

26. C

Consumer confidence is high. When consumers have confidence in a nation's economy, the currency exchange rate is likely to increase. During an economic contraction, unemployment increases, and consumer confidence and the strength of the economy decrease. Quick, dramatic changes in stock values can affect a nation's currency exchange rate; however, stock values tend to fluctuate slightly in a strong economy, so this may not have a great impact on the currency exchange rate.

SOURCE: EC:100

SOURCE: LAP-EC-030—Get Your Money's Worth (Exchange Rates)

27. A

Bribery. The most common form of corruption affecting international trade is bribery, or giving money to someone in return for some sort of favor. Bribes are often made to government officials, but government involvement in trade is not necessarily corrupt. Negotiation and uncertainty avoidance are also not forms of corruption.

SOURCE: EC:045

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

28. B

Business visa for the country he will visit. Many countries require that visitors obtain a visa before entering. Visas are provided by a foreign country's embassy or consulate in the individual's home country. It is not a good idea to bring a list of credit card numbers, a bank or loan statement, or large amounts of cash when traveling. If any of these items is lost or stolen, significant problems will arise.

SOURCE: EC:141

SOURCE: Smith, J. (2013, August 27). *Your basic guide to business travel abroad*. Retrieved September 12, 2018, from <https://www.forbes.com/sites/jacquelynsmith/2013/08/27/basic-guide-to-business-travel-abroad/#1907438c4093>

29. A

Be enthusiastic and knowledgeable about the fort's history. Tour guide managers who work at landmarks should have a lot of knowledge about the historical facts and relevance of the landmarks. When they enthusiastically share their knowledge with tour guide trainees, the trainees are then able to communicate facts and answer tourists' questions correctly when they are guiding tours. Tour guides communicate tour rules and expectations to tourists. Jack's primary responsibility is to train tour guides rather than plan entertaining activities for children and young adults or debate world events.

SOURCE: EI:090

SOURCE: Tran, L. (2018, June 24). *Tour guide characteristics: What tour operators should look for when hiring*. Retrieved September 12, 2018, from <https://www.rezdy.com/blog/tour-guide-characteristics-every-tour-operator-should-look-for/>

30. B

Meghan finishes her project by Friday, just as she promised her boss she would. Accountability means doing what you say you will do. If Meghan promises her boss she will have her project done by Friday, it's important that she actually finishes the project by that date. You should never make promises you can't keep. When Orion treats all his employees the same and doesn't give anyone special privileges, he is being fair. Fairness means that we treat everyone the way we want to be treated, without partiality or bias. When Moira blames her coworker for a mistake, she is not being accountable. Accountable people accept consequences and learn from their mistakes. They don't make excuses for their behavior, and they don't blame other people for things they did wrong. When Robert stands up for what's right, he is displaying courage. Courage means doing the right thing even when it's not easy, fun, or popular.

SOURCE: EI:021

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

31. A

Acknowledging your actions. To accept responsibility for your actions, you must first acknowledge that you made a mistake or error in judgment. If you discover the mistake yourself, then you can advise your supervisor about the mistake and determine how to correct it. If someone else discovers the mistake, you should acknowledge what you did and take steps to correct it. Taking corrective action and apologizing for a mistake can only occur after the mistake has been recognized or acknowledged. Mistakes can be small and do not always cause major problems. When you accept responsibility for your actions, you don't provide excuses or blame others.

SOURCE: EI:075

SOURCE: LAP-EI-075—It's Up to You (Taking Responsibility for Decisions and Actions)

32. B

Surround yourself with positive people. When Hannah feels more positive hanging out with Tyler, she's illustrating the "surround yourself with positive people" step in the process of maintaining a positive attitude. By hanging out with a positive friend, she feeds her own optimism. Likewise, if she hangs out with a negative friend, her own attitude will suffer. Thinking positively, realizing it won't happen overnight, and staying healthy are all steps in the process of maintaining a positive attitude, but they are not illustrated by Hannah's actions.

SOURCE: EI:019

SOURCE: LAP-EI-003—Opt for Optimism (Positive Attitude)

33. D

It often takes time to feel comfortable with the change. Everyone experiences change—it's unavoidable. To adapt to the change, it is important to remember that it often takes time to feel comfortable with the change, which depends on the person and the situation. Being patient and recognizing your feelings will help you better adapt to the change. Resisting change often makes the change more difficult. Often, fear drives the resistance to change and may be valid or irrational. All change involves a certain level of risk, but the level of risk depends on the change involved.

SOURCE: EI:026

SOURCE: Chansky, T. (2012, November 6). *Mastering transitions: Trust that you'll adjust to the changes in your life*. Retrieved September 13, 2018, from https://www.huffingtonpost.com/tamar-chansky/transition-tips_b_1851793.html

34. A

Discussing specific product-development processes with external business sources. It is unethical to knowingly discuss private information. Employees who have knowledge of their employers' special processes or trade secrets should not discuss this confidential information with others. If a competitor gets the confidential information, it could be very costly to the business. Using passwords to limit access to confidential information, providing employees with guidelines for appropriate behavior, and implementing whistle-blowing procedures are ethical business actions.

SOURCE: EI:038

SOURCE: FindLaw. (2018). *Ten strategies for trade secret protection*. Retrieved September 13, 2018, from <https://corporate.findlaw.com/litigation-disputes/ten-strategies-for-trade-secret-protection.html>

35. D

Better conflict resolution. Disagreements, grudges, and hurt feelings take up time that could be used more efficiently. Transparent people don't hide their feelings to avoid conflict—instead, they face disagreements openly and politely. Disagreements can be resolved and laid to rest, instead of allowed to fester and create a hostile, unproductive work environment. Increased sales, better ideas, and a good reputation are all benefits of open, honest communication, but they are not illustrated in this example.

SOURCE: EI:129

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

36. A
Help your audience feel good about their decision. After you've successfully sold your idea, you need to make your audience members feel confident about their decision. You can do this by reiterating the benefits of your idea and complimenting your audience's willingness to take action. Conducting research, preparing responses to objections, and appealing to the audience's needs are all steps in the idea selling process that take place before affirming the audience's decision.
SOURCE: EI:108
SOURCE: LAP-EI-108—Do They Buy It? ("Selling" Ideas to Others)
37. C
Understand your audience. When you are persuading others, you are trying to get them to see things a certain way or to take a certain course of action. Before you can persuade people, you must first know what appeals to them. When you have a general idea about their likes, dislikes, opinions, and needs, you will be able to prepare a message that will appeal to them. After you understand your audience, and you know how to present your message in a way that will appeal to them, you can state your case using clear communication, which may include expressing a particular want or need.
SOURCE: EI:012
SOURCE: LAP-EI-121—Win Them Over (Persuading Others)
38. A
A personal vision can help you discover your purpose in life. Determining your personal vision can help you discover your true purpose in life—why you're here and what you're working toward. By understanding your purpose, you can live a more fulfilling and satisfying life. Having a personal vision does not guarantee that you will achieve your dreams, and it does not mean that you can work less and accomplish more. Achieving your personal vision will require hard work and commitment for many years. Your personal vision does not finalize any aspect of your life—you can make changes to your vision at any time.
SOURCE: EI:063
SOURCE: LAP-EI-063—Picture This! (Determining Personal Vision)
39. B
Negative. A negative organizational culture is one that hinders effective performance and that contributes to feelings of exclusion, discontent, and frustration. Negative cultures generally result in unsatisfied, unmotivated employees that are uncommitted to their work and to their companies. The culture at Twain Enterprises is not positive because it does not contribute to effective performance or satisfied employees. There is not enough information given to know if Twain Enterprises has a strong or weak culture.
SOURCE: EI:064
SOURCE: LAP-EI-064—Culture Club (The Nature of Organizational Culture)
40. B
Ethical principles. Following ethical principles means Whitley's ethical beliefs don't change when she's in a new situation. She follows the same ethical principles no matter where she is or whom she's with. Her ethics are not situational and may not be in line with popular beliefs. If Whitley did not behave ethically, she could face negative consequences.
SOURCE: EI:123
SOURCE: LAP-EI-123—Rules To Live By (Nature of Ethics)
41. B
Flexibility. Entrepreneurs must be flexible and adaptable in order for their business or project to succeed. By shaping her own schedule around the needs of her clients, Jenna is showing that she is flexible and customer-oriented. Honesty, initiative, and integrity are all characteristics of good entrepreneurs; however, Jenna is not exhibiting them in this situation.
SOURCE: EN:040
SOURCE: Daisyme, P. (2015, August 24). *7 characteristics of successful entrepreneurs*. Retrieved September 13, 2018, from <https://due.com/blog/7-characteristics-of-successful-entrepreneurs/>

42. A
Bank notes. Bank notes are currency. Currency is the paper or metal (coin) money that individuals and businesses use to buy and sell goods and services. Paper money and coins are issued by a country's government. Corporate bonds are bonds issued by corporations to fund operating expenses. A mutual fund is a collection of shareholders' money that is invested by professional fund managers in an assortment of different securities, such as stocks and bonds. A bond is a piece of paper (real or virtual) that says the governing body or corporation will borrow your money at a particular interest rate for a particular period of time. Municipal bonds are issued by local governments.
SOURCE: FI:059
SOURCE: McMahon, M., & Harris, B. (2018, August 27). *What is a bank note?* Retrieved September 13, 2018, from <http://www.wisegeek.com/what-is-a-bank-note.htm>
43. A
Employers sometimes match employees' contributions. Many employers will match an employee's contribution to his/her savings account up to a certain amount each year. As a result, individuals essentially earn "free money" for their retirement, simply by saving. Although contributing to a retirement account is a good way to ensure future financial health, it does not guarantee financial security. Governments do not typically offer loan relief as a reward for saving. Retirement account holders do not accumulate rewards points for saving.
SOURCE: FI:270
SOURCE: CNN Money. (2018). *What is a matching contribution?* Retrieved September 13, 2018, from http://money.cnn.com/retirement/guide/401k_basics.moneymag/index9.htm
44. A
A retail bank. Retail banks provide a variety of financial services, including savings and checking accounts for individuals. Opening a savings account with a properly insured bank will provide Patrick with a safe place to keep his money, and he will earn interest on the money that he places in his savings account. Patrick will also be able to remove money to pay bills without incurring the financial penalties he might experience if he borrowed money from his retirement fund. Investing in the stock market involves risk; however, Patrick may earn dividends on stocks that perform well. A holding company (parent company) is a business that owns the majority of another company's shares of stock.
SOURCE: FI:075
SOURCE: Investopedia. (2018, January 26). *Retail banking.* Retrieved September 13, 2018, from <http://www.investopedia.com/terms/r/retailbanking.asp>
45. D
Stocks. Some securities and investments are riskier than others. Low-risk investments are typically very stable, meaning that there's little chance of financial loss. However, that also means that there's little chance of substantial financial gain, either. Low-risk investments include savings accounts, money market accounts, certificate of deposits, and bonds. High-risk investments, on the other hand, provide a much greater opportunity for loss or return. Collectibles are high-risk investments—they may skyrocket or plummet in value depending on demand. Finally, moderate-risk investments fall somewhere between low-risk and high-risk investments in terms of loss and return. Stocks, mutual funds, and real estate typically carry moderate risk.
SOURCE: FI:077
SOURCE: LAP-FI-077—Invest for Success (Types of Investments)
46. D
Boost profitability. When a business is not making as much money as it would like to, its managers look for ways to boost profitability. They do so by analyzing financial information. In this situation, managers would not be creating a budget, entering into a contract, or making purchases.
SOURCE: FI:579
SOURCE: LAP-FI-009—By the Numbers (The Need for Financial Information)

47. A

Writing checks for payments. Controlling cash also involves the payment of cash for purchases. To control cash, businesses usually write checks to pay invoices, and for other purchases and expenses. The checks draw on the business's cash; however, writing checks is safer than paying with cash because there is a record of the transaction. Businesses do not mark currency. Eliminating expense reimbursements is not a cash-control procedure. Businesses accept credit cards as a convenience to customers rather than to control cash.

SOURCE: FI:113

SOURCE: Tatum, M., & Harris, B. (2018, August 27). *What is cash control?* Retrieved September 13, 2018, from <https://www.wisegeek.com/what-is-cash-control.htm>

48. A

Working capital management. An organization's finance function is responsible for managing the business's working capital and making capital investment decisions for the company. Working capital is the difference between a business's current assets and current liabilities. Working capital management focuses on the company's current balance of assets and liabilities and involves the management of accounts payable and receivable, inventory, and cash. Working capital management involves decisions made for the short-term—one year or less. Capital investment decisions determine which projects the business will invest in, how the investment(s) will be financed, and whether or not to pay dividends to the company's shareholders. The business's capital structure consists of the mix of debt and equity financing used to finance investments and projects. Market risk is the risk of financial loss due to the decreased value of an investment, and market risk management involves using financial instruments to manage exposure to market risk. Capital investment decisions, the business's capital structure, and market risk management are typically long-term in nature. Talia is not responsible for capital investment decisions, the business's capital structure, or market risk management.

SOURCE: FI:354

SOURCE: LAP-FI-007—Money Matters (Role of Finance)

49. B

Financial ethics. An important aspect of financial ethics is making sure the business makes a profit and serves the best interests of its stakeholders (e.g., employees, customers, investors). This would include honest communication, transparent financial reporting, and fair pricing practices. Creative processes, maintenance activities, and forecasting methods are important business considerations; however, these activities are not directly related to the business's profitability and the stakeholders' best interests.

SOURCE: FI:355

SOURCE: Peavler, R. (2018, April 26). *How financial ethics and profitability are connected.* Retrieved September 13, 2018, from <https://www.thebalancesmb.com/how-financial-ethics-and-profitability-are-connected-393247>

50. B

Accepting mobile credit card payments. Businesses have a lot to consider when deciding whether or not to accept credit card payments—and how to accept credit card payments. Mobile credit cards are increasingly popular with the younger, technologically-savvy demographic, so the coffee shop should consider accepting mobile credit card payments. Instituting a minimum amount for credit card payments, gathering analytics from credit card payments, and purchasing a receipt printer are not necessarily related to appealing to a young, tech-savvy demographic.

SOURCE: FI:789

SOURCE: Worldpay. (2018). *Need to accept credit cards? 5 critical considerations.* Retrieved September 12, 2018, from <https://www.vantiv.com/merchant-services/choose-merchant-card-processing>

51. C

Productive. Human resources management exists to make sure that every employee in the company is productive because human resources control all other resources and can truly “make or break” a business. HR managers cannot necessarily ensure that an employee will be happy, friendly, or wealthy.

SOURCE: HR:410

SOURCE: LAP-HR-035—People Pusher (Nature of Human Resources Management)

52. B

Religion. One issue associated with religious diversity is that different religions celebrate different holidays. If Rita has to work during her most important holidays, it is likely that her employer does not have a policy that accommodates religious diversity. Working during important holidays is not necessarily associated with gender, disability, or age.

SOURCE: HR:515

SOURCE: Gibson, D. (2013, September 1). *Religion in workplace increasingly diverse; Comes with potential pitfalls*. Retrieved September 13, 2018, from https://www.huffingtonpost.com/2013/09/01/diversity-religion-workplace-increasing_n_3846021.html

53. A

Statistics in a trade publication's article about the competitor's advertising campaign. Secondary data are facts, figures, and statistics that have been collected for projects other than the one at hand. In this case, the statistics in the trade publication's article were generated for a purpose other than providing the competition with data about its promotional activities. Surveys, focus groups, and interviews are used to collect primary data: facts, figures, and statistics collected for the project at hand.

SOURCE: NF:281

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2012). *Marketing essentials* (pp. 681-683). Columbus, OH: Glencoe/McGraw-Hill.

54. D

The local chamber of commerce. Many local chambers of commerce post tourism information on their websites. The sites post different types of statistics—from occupancy rates of lodging facilities and the demographic characteristics of typical visitors to the number of cars that drive the toll roads during vacation season. This type of information helps travel agents determine the best destinations for travel clients. It may also help convention planners determine the optimal site for a trade show or business meeting. The Farmer's Almanac provides long-range weather forecasts. The Transportation Security Administration is a government agency that protects the nation's transportation systems. The American Marketing Association is a professional organization for individuals who work in the field of marketing.

SOURCE: NF:286

SOURCE: Cape Cod Chamber of Commerce. (2018). *Tourism statistics*. Retrieved September 13, 2018, from <http://www.whycapcod.org/tourism-statistics.html>

55. B

The resort's peak season occurred during the second quarter. Successful hospitality businesses monitor their sales data on a continuous basis. Monitoring sales data helps resorts identify trends and selling cycles, establish sales forecasts, and determine if they are meeting their sales objectives. The provided sales information reveals a substantial sales increase during the second quarter, which indicates that this is the resort's peak season. This is likely due to higher resort occupancy rates, and the purchase of more ski passes and ski rentals during the winter months, when guests stay at the resort to snow ski. There is not enough information provided to determine if the resort is experiencing financial problems or if it did not meet its annual sales objectives. Total sales for the year were \$2,369,427 ($\$652,276 + \$947,550 + \$423,835 + \$345,766 = \$2,369,427$). The first and third quarter sales were \$1,076,111 ($\$652,276 + \$423,835 = \$1,076,111$). Half of the annual sales would be \$1,184,713.50 ($\$2,369,427 / 2 = \$1,184,713.50$). Therefore, the combined sales for the first and third quarters did not exceed half of the year's annual sales.

SOURCE: NF:288

SOURCE: Abbott, M. (2014, May 25). *Why monitor your sales statistics*. Retrieved September 13, 2018, from <http://www.melinaabbott.com/why-monitor-your-sales-statistics/>

56. D

Staying on task. Employees who stay on task are focused on the activity at hand and do not allow themselves to be distracted. When employees are focused on their work, they are more likely to finish their assignments and meet deadlines. Meeting deadlines is an important aspect of achieving the company's goals. Tasks vary by job and may or may not include communicating with customers and vendors, finishing reports, and developing products within a set time frame. Following trends is an ongoing process that helps the company identify new markets and changing needs and, if acted upon, can improve the company's profitability.

SOURCE: MK:015

SOURCE: LAP-MK-002—Act Now! (Employee Actions and Company Goals)

57. A

Behavioral-benefits sought. A market consists of buyers who differ in one or more ways. By identifying those differences, hospitality and tourism businesses can tailor their marketing efforts to appeal to specific groups. With behavioral segmentation, people are grouped together on the basis of their knowledge, attitude, and use/response to a product. In this scenario, the group is travelers who have pets with them. This form of behavioral segmentation is based on the product benefits that the group wants—lodging that accepts pets. Psychographic segmentation based on social class divides people into different social classes. Demographic segmentation divides people into groups based on certain variables such as age, gender, race, religion, educational level, or income level. Use of a mass market approach would indicate that the hotel will not be differentiating among its guests and will be using the same marketing strategies with all guests.

SOURCE: MP:035

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 202-209]. Boston, MA: Prentice Hall.

58. D

Federal income tax returns. The IRS suggests there are some records that a company should keep for the life of the business. These records include federal income tax returns. Some other types of business documents don't need to be kept as long. Documents such as cancelled checks and invoices only need to be kept about six or seven years, while credit card statements only need to be retained for a year. It's important to keep documents for the recommended amount of time in the event of a tax audit. When it's time to dispose of a file, per the company's policy, that file should be completely destroyed.

SOURCE: NF:081

SOURCE: Hourigan, M. (2017, March 7). *7 documents small business owners should keep for important tax records*. Retrieved September 13, 2018, from <https://www.infusionsoft.com/business-success-blog/business-management/finance/7-documents-small-business-owners-should-keep-for-tax-records>

59. A

Preserve the company's organizational identity. A company's information management function is responsible for keeping track of important documents and files pertaining to the company's corporate history. The function also manages information regarding the company's copyrights, patents, trademarks, etc. By doing so, information management helps preserve the company's organizational identity and history. Maintaining information about a company's copyrights, patents, trademarks, and corporate history does not help serve customers more effectively and efficiently, maintain the company's building and equipment, or communicate the company's financial position.

SOURCE: NF:110

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

60. D

Random access memory. Random access memory (RAM) is the computer's short-term memory responsible for storing information needed by software applications that are currently in use. The number of applications that a computer can run at once depends a great deal on the amount of RAM that the computer has. A computer with a lot of RAM can run several applications at once, while a computer with little RAM can run a much more limited number of programs at the same time. The central processing unit (CPU) is the brains of the computer—it performs calculations and tasks that allow software to function properly. The hard disk drive (HDD) is the computer's long-term memory where more permanent information is stored. A web-hosting service is an Internet service provider (ISP) that keeps businesses' web pages up and running for a fee.

SOURCE: NF:084

SOURCE: Nicholls, M. (n.d.). *Components of a computer system and storage devices*. Retrieved September 13, 2018, from <https://www.ictlounge.com/html/computercomponents.htm>

61. B

"how to make good decisions as a team" "les mckeown". When searching for something very specific, the goal is to have the search field retrieve the fewest results possible. When the search engine retrieves fewer results, the researcher can often avoid reading through a lot of material to get the desired information. Placing quotation marks (rather than parentheses) around the exact article title, as well as the author's name, narrows the results that the search mechanism retrieves. Placing OR between the phrase and the author's name increases the number of results retrieved because the search engine looks for the article title and the author's name as individual queries as well as a combined query. Additionally, the search should contain the author's full name to narrow the results. Placing a minus sign before a search term removes the term from the search, which increases the search results because all articles containing the key words written by other authors are likely to show up in the results. Brackets are not generally used in searching.

SOURCE: NF:006

SOURCE: Norton, A. (2011, April 27). *10 tips for smarter, more efficient Internet searching*. Retrieved September 13, 2018, from <https://www.techrepublic.com/blog/10-things/10-tips-for-smarter-more-efficient-internet-searching/>

62. D

A website-building platform. The first step in creating and posting a basic web page is selecting a website-building platform (such as Wordpress). Choosing a template, background colors, and font size all come later.

SOURCE: NF:042

SOURCE: Mening, R. (2018). *How to make a website*. Retrieved September 13, 2018, from <http://websitesetup.org/>

63. A

Registration. Software best handles routine tasks such as registration. Registration can be handled online, over the phone, or in person. All registrations go into a software program. This makes it easy to analyze sales and marketing data. Concierge and room setup services are performed by humans. Sales forecasting is not a service.

SOURCE: NF:106

SOURCE: Captterra. (n.d.). *Reservations software FAQs*. Retrieved September 13, 2018, from <https://www.captterra.com/reservations-software/faq/>

64. B

Compare variables. A chain of hotels might analyze and interpret the marketing information contained in databases in order to compare several variables that change from property to property. For example, one hotel might be located in an affluent suburb while another one is located in an urban area. The chain might analyze the information in its database concerning both communities in order to make appropriate marketing decisions such as the type of services to offer in each location. Although the chain provides the same type of goods and services to both communities, it needs to analyze data in order to know if the consumers in each community have different wants and needs. Before analyzing databases to compare variables, a chain of hotels might survey guests and tabulate the findings. A chain would not analyze databases in order to organize products.

SOURCE: NF:185

SOURCE: Zikmund, W.G., & Babin, B.J. (2010). *Exploring marketing research* (10th ed.) [p. 614]. Mason, OH: South-Western Cengage Learning.

65. C

Rule induction. Rule-induction data mining techniques are often used to determine if-then relationships among a set of data. A histogram is a graphic that is similar to a bar chart but groups data into specific ranges. The neural networking approach uses computer applications that mimic the ways in which the human brain processes data, which often involve sequencing data patterns. Quantitative reasoning is a fictitious term.

SOURCE: NF:149

SOURCE: Tutorials Point. (2018). *Data mining - Rule based classification*. Retrieved September 13, 2018, from https://www.tutorialspoint.com/data_mining/dm_rbc.htm

66. A

Burden of proof. It's important to keep good records because you are responsible for proving the expenses you deduct on your tax return. This includes things like bills, receipts, and cancelled checks. Von carefully files these items so that they can be easily found.

SOURCE: NF:014

SOURCE: IRS. (2018, May 8). *Recordkeeping*. Retrieved September 13, 2018, from <https://www.irs.gov/businesses/small-businesses-self-employed/recordkeeping>

67. C

Pet-friendly hotels. Because many people consider pets to be important members of their families, they often prefer to travel with them. Many hotel chains and destination rental properties are beginning to provide pet-friendly accommodations. Some boutique hotels even provide special services to pamper pets such as grooming, spa, and walking services. Many communities are opening dog parks, which tend to attract local residents that need a place for their pets to exercise rather than travelers. All-inclusive resorts are those in which food and beverages are included in the price of the guest's stay. All-inclusive resorts may or may not allow pets on the property.

SOURCE: NF:048

SOURCE: Ahearn, B. (2018, April 16). *Why pet-friendly hotels are winning over new customers*. Retrieved September 13, 2018, from <https://www.socialtables.com/blog/hospitality/pet-friendly-hotels/>

68. C

Rely less on the use of travel agencies for business. The Internet has made it possible for individuals to bypass travel agencies by checking on room availability and making their own reservations online. This is beneficial for properties because they don't have to pay as many sales commissions to travel agencies. The number of guest reservations that need to be processed so that guests can be assigned a room upon check-in remains the same, regardless of whether the reservation was made online or offline. The property still needs to communicate important information about reservations, including a confirmation number, through email or by other means. The number of individuals needed to staff the front desk is not affected by an online reservations system, although the number of reservation clerks required to take telephone reservations might be.

SOURCE: NF:060

SOURCE: Oakley, R. (2017, July 19). *The advantage of online reservations*. Retrieved September 13, 2018, from <https://traveltips.usatoday.com/advantages-online-reservations-63078.html>

69. A

Monitor employee technology. Discouragement of time theft (loss of productivity that occurs when employees spend time on personal matters instead of job tasks) is one reason a company may monitor employee technology. It would not be reasonable to combat time theft by cutting corners on safety precautions, purchasing lower quality materials, or hiring an inventory manager.

SOURCE: OP:190

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

70. A

Know what to do in case there is a fire. This guideline is concerned with safety because it may be too dangerous for employees to put out some fires themselves. They should know how to call for help and which exits to use in a fire emergency. Wearing identification badges and using an employee entrance help maintain security. Identifying the department when answering the telephone is good customer service.

SOURCE: OP:007

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2010). *Marketing dynamics: Teacher's edition* (2nd ed.) [pp. 406-410]. Tinley Park, IL: Goodheart-Willcox Company, Inc.

71. A

Establish openness. When delegating tasks, it is important to create an open environment in which team members feel comfortable being honest and up front about their progress. Because Becca began her delegation process by inviting her team to provide feedback, they will feel that they can be honest and open throughout the process. Becca is not promoting her authority, discouraging over-reporting, or setting expected outcomes in this instance.

SOURCE: OP:354

SOURCE: Free Management eBooks. (n.d.). *Monitoring delegated tasks*. Retrieved September 13, 2018, from <http://www.free-management-ebooks.com/faqps/delegation-05.htm>

72. A

Evaluate project success. Evaluating project success is the process of assessing the accomplishments of a project and reflecting on lessons learned. It should be done at the end of any project so that you can know how well your project has done, whether or not you've achieved your goals, and how your project has benefited its stakeholders. You should not move on to the next project or present your findings to stakeholders unless you have evaluated your project's success. Identifying project resources comes during the planning process, not when the project is finished.

SOURCE: OP:521

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

73. A

Prepare a budget. Most projects have costs involved. Before identifying financial resources to cover these costs, first you need to get an accurate picture of what it will cost to do the project. The best way to do this is usually to prepare a budget, which is an estimate of what income and expenses will be for a specific time period or for a specific project. Part of preparing a budget involves finding out what is free and what is not, and comparing the prices of items that you will need to buy. Asking an advisor may not be effective.

SOURCE: OP:003

SOURCE: LAP-OP-531—Get What You Need (Identifying Project Resources)

74. A

Technological capabilities. Businesses evaluate their vendors' technological frameworks because they want to be able to communicate efficiently and streamline ordering, shipping, and inventory processes. Businesses also consider the vendors' terms-of-sales policies. Compensation policies are internal policies that guide the way a business compensates its employees. Segmentation methods and asset depreciation are not primary considerations for vendor selection.

SOURCE: OP:161

SOURCE: Berlin, J. (2015, October 10). *6 factors to consider when selecting a new tech vendor*. Retrieved September 13, 2018, from <https://www.itproportal.com/2015/10/10/6-factors-consider-when-selecting-new-tech-vendor/>

75. A
Standard. A standard order is placed when a need arises. Elaine places a standard purchase order with Sheets Paper Company when she needs to do so. A blanket order involves planning several orders at once. There is no indication that a blanket order was used in this example. A planned purchase order is done in advance based on future needs, which is not Elaine's situation. A contract order is a formal version of a planned purchase order, involving a legal agreement. There is no indication that a contract order was used.
SOURCE: OP:250
SOURCE: Digital Purchase Order. (2012-2016). *Understanding four different types of purchase orders*. Retrieved September 13, 2018, from <https://www.digitalpurchaseorder.com/types-of-purchase-orders/>
76. B
Education. Intangible outputs are not capable of being detected through the senses. Education is intangible because it cannot be touched, smelled, tasted, seen, or heard. Pizza, computers, and shampoo are all tangible goods because they are able to be detected through the senses.
SOURCE: OP:017
SOURCE: LAP-OP-017—Can You Make It? (Nature of Production)
77. D
Some may be considered either fixed or variable. Some operating expenses may be considered either fixed or variable. It's up to the individual business how to classify the expense, but the classification must remain consistent for accounting purposes. Purchasing a piece of equipment is a capital expenditure, not an operating cost. Operating costs are divided into fixed and variable expenses—they can be further subdivided into selling and manufacturing expenses, but this is not always the case. Businesses don't necessarily spend more on operating costs than production costs; as a matter of fact, they usually strive to keep operating costs low.
SOURCE: OP:024
SOURCE: LAP-OP-009—Watch Your (Over) Head (Overhead/Operating Costs)
78. D
Billing error. An invoice is the formal, printed record of a sale that includes all necessary information of a sales transaction. The information includes the buyer, the seller, items purchased, quantities, prices, delivery date, credit, discount terms, etc. Before paying an invoice, the hotel restaurant manager should compare it with the original purchase order and shipper's packing slip to make sure the information is accurate. In the situation described, the manager noticed that the restaurant was billed for items that it did not order nor receive. In this situation, the manager should contact the vendor to get a corrected invoice before paying the bill. The hotel restaurant did not receive a duplicate order. There is not enough information provided to determine if there were problems with the discount rate or product quality.
SOURCE: OP:184
SOURCE: Pollick, M. (2018, August 14). *What is an invoice?* Retrieved September 13, 2018, from <http://www.wisegEEK.org/what-is-an-invoice.htm>
79. D
Only ask for the information he needs the most. To protect customer data, Tanner should only ask for the customer information he needs the most so he does not unnecessarily collect private data that are not needed. This technique will help him limit the risk associated with collecting data. It is not a good idea to refrain from sharing the nature of the survey because it is best to be open and transparent with customer data. Tanner should not store the data for any future use because to protect customers, their data should only be used for the intended purpose. Finally, housing data on portable drives will not necessarily help protect customer data.
SOURCE: OP:518
SOURCE: Howell, D. (2012, August 1). *How to protect customer data*. Retrieved September 13, 2018, from <http://www.techradar.com/news/world-of-tech/roundup/how-to-protect-customer-data-1090747>

80. D

Follow appropriate emergency procedures. Motels must be prepared to handle emergencies if they occur. Depending on the property's geographic location, the property might be more likely to experience some emergencies (e.g., earthquakes, floods) than others. And because the effects of natural disasters differ from one another, motels should have procedures for the various types of emergencies they are likely to encounter. A motel should thoroughly explain to employees the procedures for each emergency it might face. By preparing employees for each type of emergency, the employees can better respond and get guests, themselves, and coworkers out of harm's way. The sprinkler system usually goes off automatically when fires occur. Calling medical professionals and administering first aid may or may not be necessary and depends on the type of emergency at hand.

SOURCE: OP:119

SOURCE: AlBattat, A.R., & Som, A.P.M. (2014, September 2). *Safety security and loss prevention during hospitality emergencies*. Retrieved September 13, 2018, from <http://www.drj.com/articles/online-exclusive/safety-security-and-loss-prevention-during-hospitality-emergencies.html>

81. A

Follow security checkpoint procedures. Due to terrorism threats, airports require passengers to follow several procedures before boarding airplanes. The procedures typically involve baggage searches and electronic body scans to check for potentially deadly items such as explosives, guns, and knives. Passengers are required to remain seated and wear seatbelts during takeoff and landing for personal safety reasons. While in the air, airlines typically allow passengers to get out of their seats to use the bathroom facilities. Boarding the airplane one person at a time does not reduce the risk of air-travel terrorism attacks because security measures occur before the passengers board the airplane.

SOURCE: OP:115

SOURCE: Transportation Security Administration. (2018). *Security screening*. Retrieved September 13, 2018, from <https://www.tsa.gov/travel/security-screening>

82. D

Dynamic. Goals are dynamic, meaning that they can change. You may decide to change your goal by choosing a different major. This is not an example of a goal being distracting. Goals should be visualized and broken down, but those steps are not shown in this example.

SOURCE: PD:018

SOURCE: LAP-PD-016—Go for the Goal (Goal Setting)

83. B

Arriving at work on time. Because employers pay employees to perform the work, they have the right to expect the employees to conduct themselves in a professional manner. This includes being honest, being respectful of coworkers, and being dependable. Dependable employees arrive at work on time, and complete tasks in an efficient and timely manner. Asking for a deadline extension is not demonstrating dependable behavior. Managers are responsible for monitoring the work effort, which includes providing feedback about the employees' work performance. Making suggestions for improvement demonstrates creative problem-solving skills.

SOURCE: PD:020

SOURCE: Lister, J. (2018, June 29). *Why is dependability important for a person to have in the workplace?* Retrieved September 13, 2018, from <https://smallbusiness.chron.com/dependability-important-person-workplace-15463.html>

84. D

Left a previous job. Applications often ask the applicants why they left previous jobs. Acceptable answers include leaving to take better jobs, leaving because the jobs were seasonal, and leaving to continue education. Applicants should avoid making negative comments about former employers. Businesses want to know if applicants left previous jobs for good reasons or if they have a habit of changing jobs frequently for no reason. The job application does not ask why the applicant attended certain schools, volunteered community service, or did military duty.

SOURCE: PD:027

SOURCE: Hansen, R.S. (2018, July 13). A job-seeker's guide to successfully completing job applications. Retrieved October 2, 2018, from <https://www.livecareer.com/career/advice/jobs/job-applications>

85. A

Advertising coordinator, promotions manager, vice president of marketing. A career describes a lifetime work history or long-term participation in a particular field of expertise. As individuals progress in their careers, they tend to work in the same field and gain more responsibility with each job that they hold. An example of a career progression is a person who starts working as an advertising coordinator, and then moves to a higher position, such as a promotions manager. The individual may then be promoted or go to work for another company as the vice president of marketing. The remaining listings of job titles involve job changes to different areas of expertise.

SOURCE: PD:034

SOURCE: Agency Sparks. (2016, October 11). *The marketing career path: From entry-level to Chief Marketing Officer*. Retrieved September 13, 2018, from <https://www.agencysparks.com/blog/the-marketing-career-path>

86. D

Certification. Some professional organizations in the travel and tourism industry provide training that results in conferring a certificate of completion. This certification indicates that an individual has completed an approved training course and is qualified to perform certain functions. For example, the National Tour Association awards a certificate to tour professionals who take specific courses and have at least five years of experience in the tour industry. Not all training programs provide firsthand experience. Professional organizations do not award college degrees. Some courses are offered online as a way for participants to obtain certification.

SOURCE: PD:061

SOURCE: Reynolds, J.S., & Chase, D.M. (2014). *Hospitality services* (3rd ed.) [pp. 470-471]. Tinley Park, IL: The Goodheart-Willcox Company.

87. D

Strategic. Strategic goals are general, overall goals that are developed in relation to the mission of the organization. Improving market share is a strategic goal. Product goals are those that are specifically related to the characteristics of the goods or services. Tactical goals are those that are more specific and detail the actual steps needed to achieve the strategic goals. Cultural goals are related to the organization's environment or philosophies.

SOURCE: PD:254

SOURCE: Brydson, D. (2018). *Strategic and tactical planning: Understanding the difference*. Retrieved September 13, 2018, from <http://smallbizlink.monster.com/training/articles/855-strategic-and-tactical-planning-understanding-the-difference>

88. D

Transports people to destinations away from home. Travel and tourism is a vast industry that provides services to millions of travelers each year. A characteristic of the industry is that it transports people to destinations away from home. This might range from a day trip on a motorcoach to a 14-day Caribbean cruise. The common factor is that people leave their homes and travel by some form of transportation to other destinations for a period of time. Depending on the length of the trip, overnight accommodations and meals might be included. However, providing accommodations is a characteristic of the hospitality industry. Meals might be arranged for all travelers, not just international travelers. The travel and tourism industry does not organize activities in a local community.

SOURCE: PD:111

SOURCE: Reynolds, J.S., & Chase, D.M. (2014). *Hospitality services* (3rd ed.) [pp. 9-10]. Tinley Park, IL: The Goodheart-Willcox Company.

89. B

Competitive. Adjusting prices to meet or beat the competition is competitive pricing. Competitive pricing often means being flexible, not inflexible. It also means being realistic (not too low or too high) rather than unrealistic.

SOURCE: PI:001

SOURCE: LAP-PI-002—The Price Is Right (Nature of Pricing)

90. B

Quantity. Quantity standards specify the amount of work to be done. If Shonda's boss expects her to book at least 10 rooms every day, then she is being judged by a quantity standard. Quality standards indicate the degree of excellence to be expected from a good or service. Time standards monitor the amount of time it takes to complete an activity. Cost standards are used to specify project or product costs.

SOURCE: PM:019

SOURCE: LAP-PM-008—Raise the Bar (Grades and Standards)

91. D

Core value. Core values describe what is most important to a business and what the business wants to be known for. Mountain View Steakhouse goes above and beyond to serve its customers because excellent customer service is most likely one of its core values—something it takes pride in and wants to be known for. Delivering excellent customer service may be part of a business strategy or public relations plan, but customer service alone is not a strategy or plan. Delivering excellent customer service is not a risk to a restaurant; rather, it prevents risk because customers are happy with the service that they receive.

SOURCE: PM:214

SOURCE: Your Dictionary. (2018). *Examples of core values*. Retrieved September 13, 2018, from <http://examples.yourdictionary.com/examples-of-core-values.html>

92. A

Perishability. If the 50 seats on the airplane go unsold, they are lost forever because they cannot be stockpiled or inventoried for a later flight. Inseparability refers to the need for the customer and service provider to be present for the service to be performed—the service provider cannot be separated from the service. Although businesses train employees to provide the same quality of outstanding service, in effect attempting to standardize the service provided, services are performed by people whose personalities, attitudes, and abilities vary. While many hospitality and tourism services are seasonal, the scenario does not relate to that characteristic.

SOURCE: PM:081

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 36-39]. Boston: Prentice Hall.

93. B

Related to the original product. A product extension is an additional product, related to but different than the main hospitality and tourism product. For example, the main product might be a cruise, while the product extension is a tour of the port city before departure. The product extension adds value to the original product and often meets the needs of customers. Product extensions are extras rather than necessary parts of the hospitality and tourism experience. Extensions are not necessarily expensive, such as a sightseeing tour of a city. Staff often suggest product extensions to meet customers' needs, not simply to generate income.

SOURCE: PM:099

SOURCE: Hirsh, L. (2017, November 21). *What is product extension in marketing?* Retrieved September 13, 2018, from <http://smallbusiness.chron.com/product-extension-marketing-65988.html>

94. A

Logistics. Logistics involves all aspects of handling and transporting goods. It is an important part of negotiating a contract because transportation charges are often costly. As a result, most businesses negotiate who will pay those charges. In some cases, a business might prefer to arrange and pay for transportation, while other times, a business might want the vendor to be responsible for transportation. Both parties try to negotiate the best deal. For example, a business might agree to pay for transportation if the vendor agrees to give a larger discount. The business is not negotiating payments, premiums, or allowances when requiring the vendor to arrange for transportation.

SOURCE: PM:264

SOURCE: Investopedia. (2018, July 13). *Logistics*. Retrieved September 13, 2018, from <https://www.investopedia.com/terms/l/logistics.asp>

95. B

Promotion. Promotion is personal if it involves contact between people and nonpersonal if other means of communicating the message are used. Message channels are the media used by sellers to promote goods, e.g., radio, television. Demand is the quantity of a good or service that buyers are ready to buy at a given price at a particular time. Cultural trends are the direction of changes in people's beliefs, behavior patterns, and attitudes.

SOURCE: PR:001

SOURCE: LAP-PR-002—Razzle Dazzle (Nature of Promotion)

96. B

Evaluation. To determine if quality has improved, the business needs to compare the product or process before the improvement was made with the product or process after improvements were implemented. After evaluating the improvements, the business can document results and recommend additional improvements, if necessary.

SOURCE: QM:003

SOURCE: Gartenstein, D. (2018, June 30). *Continuous improvement process definition*. Retrieved September 13, 2018, from <http://smallbusiness.chron.com/continuous-improvement-process-definition-4534.html>

97. D

Obstruction of justice. Obstruction of justice is a legal penalty that applies to individuals or businesses that hide important information from law enforcement agencies, such as concealing a client's questionable financial data. If evidence indicates that unethical or illegal business practices have obstructed a criminal investigation, the business could be fined, and the employees concealing the information could face imprisonment. A public scandal could severely tarnish a business's reputation, as in the case of the Arthur Andersen accounting firm and its affiliation with Enron. Expropriation is the act of government taking over private property. Breach of contract involves breaking the terms of a legal agreement. Substantiate means to provide proof or evidence of something.

SOURCE: RM:043

SOURCE: FindLaw. (2018). *Obstruction of justice*. Retrieved September 13, 2018, from <http://criminal.findlaw.com/criminal-charges/obstruction-of-justice.html>

98. B

Sleeping room or hostel. Sleeping rooms and hostels are inexpensive lodging alternatives that are frequented by young adults and others who are interested in paying very little for their sleeping accommodations. An extended-stay hotel is a mid-priced hotel that caters to guests who need accommodations for an extended length of time. Although Frankie plans to be in Europe for three months, he probably doesn't intend to stay in any one place for a long period of time. In addition, extended-stay hotels, destination resorts, and timeshares are much more expensive than sleeping rooms and hostels. Destination resorts are full-service hotels that provide additional attractions and recreational alternatives for travelers. Timeshares are not necessarily resorts. Time shares are lodging properties that sell their rooms to travelers for use each year during a specific period of time.

SOURCE: SE:221

SOURCE: Reynolds, J.S., & Chase, D.M. (2014). *Hospitality services* (3rd ed.) [pp. 172, 179-180]. Tinley Park, IL: The Goodheart-Willcox Company.

99. D

Arrival and departure dates. To process a hotel reservation by telephone, the reservationist must know the guest's arrival and departure dates to determine if and what types of sleeping accommodations are available for the guest's anticipated stay. The reservationist does not need to know the guest's dietary requirements, seating preferences, or transportation arrangements.

SOURCE: SE:477

SOURCE: Hospitality School. (2010, January 13). *How to take reservation on phone*. Retrieved September 13, 2018, from <http://www.hospitality-school.com/hotel-telephone-reservation>

100. B

Identify its risks. Risk is the possibility of loss (failure) or gain (success). Risk management involves planning, controlling, preventing, and limiting business losses, as well as enhancing possibilities for gain. The first step in risk management is identifying risks, which are broadly categorized as hazard, financial, operational, and strategic risks. After identifying risks, the business can determine the probability of each risk occurring and the potential losses associated with the risk. Then, the business can determine how to respond to the risk. Depending on the type of risk, the business may decide to avoid, accept, mitigate, or transfer the risk. Transferring risk typically involves purchasing insurance.

SOURCE: SM:075

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