Internal controls are put in place by management to provide assurance to investors that financial disclosures are reliable.

Your answer is correct.
Which of the following consists of major business functions that add value to a company's products and services?

- Value chain [✓]
- Value proposition
- Value process

Your answer is correct.
Which of the following parties would be *more* interested in managerial accounting data than in financial accounting data (check all that apply)?
Which of the following could happen to the CEO and CFO of a company if they certify financial statements and disclosures that they know are false?

- Jail time
- Promotion
- Bonus due to increase in stock price

Your answer is correct.
Which of the following are preventive controls? (Check all that apply.)

- Reconciliations
- Performance reviews
- Segregation of duties
- Authorizations

Your answer is correct.
The correct answer is shown.

Customer value propositions are the essence of strategy. (Enter only one word per blank.)

Your answer is correct.

Read about this
Which of the following is an area in which a management accountant has ethical responsibilities?

- Maintaining a high level of professional competence.
- Not disclosing any information about the business or customers to anyone outside the organization.
- Performing professional duties in accordance with personal standards.

Your answer is correct.

Read about this
The Sarbanes-Oxley Act provides a lot of power to the audit committee of the board of directors to be involved with the accounting firm that audits a company's financial reports. Which of the following functions are permitted? (Check all that apply.)

- They can compensate the accounting firm.
- They can hire the accounting firm.
- They can terminate the accounting firm.
- They can work for the accounting firm.
- They can provide incentives to the accounting firm.

Challenge
The correct answer is shown.

The leadership component of planning includes specifying how to achieve established goals. (Enter only one word per blank.)

Your answer is correct.
Which of the following is a series of steps followed to carry out a business task that can span departmental boundaries?

- Business process
- Value chain
- Strategy

Your answer is correct.
Customers, employees, suppliers, communities, and environmental and human rights advocates are all stakeholders which a company might have a corporate social responsibility to serve. (Enter only one word per blank.)

Your answer is correct.

Challenge OK
The lean production management approach: (Check all that apply.)

- is sometimes called just-in-time production.
- organizes resources around the flow of business processes.
- tends to result in fewer defects.

encourages departments to maximize output.

Your answer is correct.
A company can decrease the negative effects of a bottleneck by focusing improvement efforts on the constraint step before the constraint.
The correct answer is shown.

Controlling includes gathering feedback needed to ensure that expectations are being met. (Enter only one word per blank.)

Your answer is correct.
A(n) _____ is anything that prevents you from getting more of what you want (check all that apply).

- bottleneck
- constraint
- link
- surplus

Your answer is correct.
How does the Sarbanes-Oxley Act help companies avoid a conflict of interest between the auditor and the company being audited?

Your answer is correct.

- It prohibits accounting firms from providing non-auditing services to an audit client.
- It will not let an auditing firm audit certain companies because of location.
The correct answer is shown.

The Sarbanes-Oxley Act of 2002 was intended to protect the interests of those who invest in publicly traded companies by improving the reliability and accuracy of corporate financial reports and disclosures.

Your answer is correct.

OK
Lower inventories, fewer defects, less wasted effort, and quicker customer response time are all benefits of the:

- Your answer is correct.

  - customer intimacy strategy
  - lean production approach
  - theory of constraints
  - value chain

Challenge
What is another name for a bottleneck?

Your answer is correct.

- Defect
- Strategy
- Constraint

Challenge

OK
The correct answer is shown.

The **theory of constraints** is based on the insight that effectively managing bottlenecks is a key to success.

- Your answer is correct.
The correct answer is shown.

The Sarbanes-Oxley Act specifies that all members of the audit committee must be independent, meaning that they do not have an affiliation with the company they are overseeing, nor do they receive any consulting or advisory compensation from the company. (Enter only one word per blank.)

Your answer is correct.
Which of the following are reasons why companies are paying closer attention to their corporate social responsibilities (check all that apply)?

- Employees want to work for socially responsible companies.
- The Sarbanes-Oxley Act (SOX) requires companies to provide training opportunities for employees.
- Customers want to purchase products from socially responsible companies.
Which of these managerial accounting functions are relevant to business majors, such as marketing and human resource management (check all that apply)?

- Filing tax returns
- Decision making
- Planning
- Controlling

Your answer is correct.
Which of the following should companies provide to employees in relation to corporate social responsibility?

- Recycling and resource conservation data
- Competent management
- Fair compensation

Your answer is correct.
The correct answer is shown.

A(n) **strategy** is a game plan that enables a company to attract customers by distinguishing itself from competitors. *(Enter only one word per blank,)*
Which of the following apply to managerial accounting (check all that apply)?

- Emphasizes segment reports
- Emphasizes the future
- Mandatory for external reports
- Not mandatory
- Reports to managers inside the organization
- Must follow GAAP/IFRS

Your answer is correct.
Which of the following is *not* an activity that managers perform on a routine basis?

- Planning
- Decision Making
- Controlling
- Budgeting

**Your answer is correct.**

- Budgeting

Budgeting is typically done on an annual basis.
A lower standard of living, lower quality goods and services, less from which to choose and higher prices are all possible effects of abandoning ethical standards. (Enter only one word per blank.)

Your answer is correct.
If investors were reluctant to invest in companies with untrustworthy financial statements, what would happen to the prices of goods and services?

- They would go down.
- **They would go up.**
- They would remain the same.

Your answer is correct.
What should companies provide stockholders with in relation to corporate social responsibility?

- Honest answers to knowledgeable questions
- Greenhouse gas emission data
- Opportunities for training, promotion, and personal development

Your answer is correct.
Management's detailed plans for the future are often expressed formally in **budgets**. *(Enter only one word per blank.)*

Your answer is correct.
The correct answer is shown.

A(n) **performance** report compares actual results to budgeted amounts. *(Enter only one word per blank.)*

✅ Your answer is correct.
A company's poor social performance is likely to cause:

- stakeholders to feel the company is focused on only the bottom line
- improvement in the company's reputation
- improved fiscal performance
- customers to feel alienated

Your answer is correct.
The correct answer is shown.

When a company says to its targeted customers, "You should choose us because we understand and respond to your individual needs better than our competitors," the company is following the customer value proposition called **customer intimacy** strategy. *(Enter only one word per blank.)*
Without ethical behavior, the quality of products and services **would decrease.**
The correct answer is shown.

Corporate Governance is the system by which a company is controlled and directed.

✔ Your answer is correct.
To become a(n) ____, a test is required that focuses on financial planning, and decision-making skills.

Your answer is correct.

- CMA
- Internal auditor
- CPA

Challenge

OK
A properly implemented corporate governance system should provide incentives to:

- no one. The system does not need incentives
- the board of directors for pursuing objectives
- employees for pursuing objectives

Your answer is correct.
The internal control report must state that it is the responsibility of management to establish and maintain adequate internal controls. (Enter only one word per blank.)
Which of the following is a series of steps followed to carry out a business task that can span departmental boundaries?

- Business process
- Strategy
- Value chain

Your answer is correct.
If consumers thought every potential deal was a rip-off, what would happen?

Your answer is correct.

You would have to rely on the threat of legal counsel to enforce every contract.

Transaction costs would decrease because of competition.
The correct answer is shown.

The **lean production** model organizes resources, such as people and machines, around the flow of business processes and pulls units through these processes in response to customer orders. *(Enter only one word per blank.)*
Enterprise risk management is a process used by a company to proactively identify and manage risks. (Enter only one word per blank.)
Which of the following is not one of the basic questions asked during the decision making process?

- Who should we be serving?
- What should we be selling?
- When should we be selling?
- How should we execute?

Your answer is correct.
The correct answer is shown.
The Statement of Ethical Professional Practice describes the ethical responsibilities of management accountants.

✓ Your answer is correct.
Companies should provide _____ with competent, courteous, and rapid delivery of products and services and easy-to-use information systems for shipping and tracking orders.

Your answer is correct.

- communities
- stockholders
- customers
- suppliers
Which strategy is a company employing when it says to customers, "You should choose us because we offer higher quality products than our competitors"?

- **Customer intimacy strategy**
  - This strategy tells customers that they understand and respond to individual needs better than the competition.

- **Product leadership**
  - Correct answer: This strategy suggests the company offers superior products compared to competitors.

- **Operational excellence**
Managers need leadership skills to be able to provide competent, data-driven answers to questions.

Leadership skills encompass much more than the ability to provide data-driven answers to questions.

- lean thinking
- measurement skills
- professional certification
Which of the following statements is true?

- Your answer is correct.

If you are an accounting major, you are most likely to spend your career working in a job in public accounting.

Managerial accounting knowledge is only required if one desires employment in public accounting.

Accounting majors who want to work as management accountants still need strong financial accounting skills.

Challenge

OK
Which company was involved in a major financial scandal?

- McDonald's
- Wal-Mart
- Enron
- Apple

Your answer is correct.
Which of the following statements is correct?

- Managerial accounting skills are only needed if your career goal is to become a Certified Management Accountant.
- Managerial accounting skills are useful in a variety of careers and industries.
- Management accounting skills are most important to those who are seeking a CPA designation.

Your answer is correct.