# *Cost Accounting - A Data Analytics Approach 2024 Release 1st edition Christ Test Bank*

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# Chapter 01 Test Bank - Algorithmic and Static

CORRECT ANSWERS ARE LOCATED IN THE 2ND HALF OF THIS DOC.

**MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.**

1) Creating value through designing, manufacturing, selling, or trading products or services at a price that is greater than the cost of creating and distributing those products or services is the goal of which type of which of the following organizations?
   A) Government
   B) Nonprofit
   C) For-profit
   D) Charities

2) Which of the following is a strategic decision that management must make in order to achieve its goal of maximizing long-term profits?
   A) How often to file taxes
   B) What price to set for company stock
   C) Who to appoint as CEO
   D) What price to charge customers

3) Considering the creation of value at a university, the graduates who get jobs would be which element of the value chain?
   A) Inputs
   B) Processing
   C) Pricing
   D) Output

4) All of the items, events, and interactions that determine a company's financial health and well-being is
   A) management accounting.
   B) business process.
   C) business value.
   D) business planning.

5) A coordinated, standardized set of activities conducted by both people and equipment to accomplish a specific task is
   A) management accounting.
   B) business process.
   C) business value.
   D) business planning.

6) A chain of critical business processes that create business value at a company is a(n)
   A) significant value.
   B) process chain.
   C) business chain.
   D) value chain.

7) Which of the following are the activities that directly create value for the company and its customers?
   A) Primary activities
   B) Secondary activities
   C) Supporting activities
   D) Infrastructure activities

8) Which of the following adds value due to their deep knowledge of the costs associated with the production and distribution of the company's products or services, and the factors that increase or decrease the those costs?
   A) Data scientists
   B) Management accountants
   C) Production managers
   D) Logistics coordinators

9) Which of the following is not considered a primary activity of the value chain?
   A) Operations
   B) Marketing
   C) Procurement
   D) Logistics

10) Which of the following is not considered a secondary activity of the value chain?
   A) Operations
   B) Information technology
   C) Procurement
   D) Human resources

11) Research and development falls under which part of the value chain?
   A) Operations
   B) Information technology
   C) Procurement
   D) Human resources

12) All of the activities needed to support the primary activities of the company fall under which part of the value chain?
   A) Operations
   B) Marketing
   C) Logistics
   D) Firm infrastructure

13) A corporate strategy in which the company offers its goods and services to customers at prices lower than its competitors' prices, thereby stimulating demand and generating higher profits through higher sales volume is known as
   A) cost leadership.
   B) product differentiation.
   C) comparative advantage.
   D) economic scale.

14) A corporate strategy in which the company seeks to offer products or services that are distinct from those offered by competitors and valued by customers is known as
   A) cost leadership.
   B) product differentiation.
   C) comparative advantage.
   D) economic scale.

15) A new hire for a company finds that his daily activities include acquiring, maintaining, and statistically testing data, as well as answering questions that management has about the data. This person has been hired as a
   - A) data scientist.
   - B) management accountant.
   - C) production manager.
   - D) logistics coordinator.

16) Raw facts that describe an event and have little meaning on their own are
   - A) data.
   - B) information.
   - C) context.
   - D) knowledge.

17) Data organized in a way that is useful to the user in a given context is
   - A) decisions.
   - B) information.
   - C) a value chain.
   - D) knowledge.

18) The setting that surrounds the data is
   - A) context.
   - B) information.
   - C) the value chain.
   - D) knowledge.

19) In the AMPS data analytics model, what does the "A" stand for?
   - A) Admit defeat
   - B) Ask the question
   - C) Assign responsibility
   - D) Alternate options

20) ESG is an acronym for which of the following, which is becoming an increasingly important focus of companies across the globe?
   - A) Economic and social gains
   - B) Environmental saving goals
   - C) Environmental, social, and governance
   - D) Excellence in standardization and generalization

21) In the AMPS data analytics model, what does the "M" stand for?
   - A) Meet expectations
   - B) Maintain consistency
   - C) Master the data
   - D) Map out options

22) In the AMPS data analytics model, what does the "P" stand for?
   - A) Perfect the data
   - B) Perform the analysis
   - C) Post results
   - D) Prepare conclusions

23) In the AMPS data analytics model, what does the "S" stand for?
   A) Stop and revise
   B) See it through
   C) Sum it up
   D) Share the story

24) Which of the following is an example of a descriptive analytics question?
   A) Why did it happen?
   B) Will it happen in the future?
   C) What is happening?
   D) What should we do based on what we expect will happen?

25) Which of the following is an example of a predictive analytics question?
   A) Why did it happen?
   B) Will it happen in the future?
   C) What is happening?
   D) What should we do based on what we expect will happen?

26) Which of the following is an example of a diagnostic analytics question?
   A) Why did it happen?
   B) Will it happen in the future?
   C) What is happening?
   D) What should we do based on what we expect will happen?

27) Which of the following is an example of a prescriptive analytics question?
   A) Why did it happen?
   B) Will it happen in the future?
   C) What is happening?
   D) What should we do based on what we expect will happen?

28) Which type of management accountant question is "How much did Job number 333 cost?"
   A) Descriptive
   B) Diagnostic
   C) Predictive
   D) Prescriptive

29) Which type of management accountant question is "What is driving our labor rate variance this month?"
   A) Descriptive
   B) Diagnostic
   C) Predictive
   D) Prescriptive

30) Which type of management accountant question is "What level of sales will allow us to break-even on Product X in January?"
   A) Descriptive
   B) Diagnostic
   C) Predictive
   D) Prescriptive

31) Which type of management accountant question is “Should the company lease or buy a new factory machine?"
   - A) Descriptive
   - B) Diagnostic
   - C) Predictive
   - D) Prescriptive

32) Which of the following is true regarding management and financial accounting?
   - A) Management and financial accounting are basically the same fields.
   - B) Management accounting is used primarily for compliance purposes, while financial accounting is used by management internally.
   - C) Financial accounting is used primarily for compliance purposes, while management accounting is used by management internally.
   - D) Both management accounting and financial accounting are extensively regulated by the SEC and FASB.

33) Which of the following accurately describes the audiences of management and financial accounting information?
   - A) Management and financial accounting information is used extensively by external users.
   - B) Management accounting is used by company employees at many different levels, while financial accounting is used externally.
   - C) Financial accounting is used by company employees at many different levels, while management accounting is used externally.
   - D) Both management accounting information and financial accounting information are used by external users.

34) Which of the following is a professional accounting organization that focuses on research, practice development, education, knowledge sharing, and advocacy for the best and most ethical business practices in management accounting and finance?
   - A) IIA
   - B) IMA
   - C) CMA
   - D) FASB

35) Which of the following is a true statement regarding submissions to the SEC?

A) Submissions are composed of discretionary information gathered for management accounting purposes.
B) Submissions must first be vetted by the IIA before being sent to the SEC.
C) Submissions are composed of mandatory information gathered for financial accounting purposes.
D) Cost of producing the necessary information for submissions is not considered since the SEC requires it.

36) A competing personal or financial interest that makes it challenging to fulfill one's duties is a

A) biased report.
B) breach of confidentiality.
C) conflict of interest.
D) lack of competence.

37) Which of the following principles in the Institute of Management Accountants' Statement of Ethical Professional Practice involves not participating in activities that may pose a conflict of interest?

A) Competence
B) Confidentiality
C) Integrity
D) Credibility

38) Which of the following principles in the Institute of Management Accountants' Statement of Ethical Professional Practice involves maintaining skills and knowledge necessary to appropriately carry out one's duties?

A) Competence
B) Confidentiality
C) Integrity
D) Credibility

39) Which of the following principles in the Institute of Management Accountants' Statement of Ethical Professional Practice involves being objective and fair in carrying out one's duties?

A) Competence
B) Confidentiality
C) Integrity
D) Credibility

40) Which of the following principles in the Institute of Management Accountants' Statement of Ethical Professional Practice involves only disclosing private information of one's client if legally required to do so?

A) Competence
B) Confidentiality
C) Integrity
D) Credibility

41) Based on Lab 1.1 Excel Assessment, given the chart/linegraph below, what would be the expected profitability if the Labor Cost per Lawn went to $30?


A) $30 profit margin per lawn
B) $3,000 monthly profit margin
C) $4,000 monthly profit margin
D) Cannot be determined

42) Based on **Lab 1.2 Working with Data in Excel Ranges and Tables**, which of the following is an advantage of working with data in a table instead of a range in Excel?

A) You can only reference cells in tables
B) You can automatically create a Total Row at the bottom of a table, not a range
C) You can only create functions and formulas in a table
D) The function VLOOKUP only works in a table, not a range

43) Based on **Lab 1.3 Excel: Inventory Management by SKU Profitability** and the output from Excel below, what is the gross margin of FRT-JAI SKU?

| SKU | Description | Sales Price per Pound | Cost |
|---|---|---|---|
| FRT-SAR | Salal berry | 1.12 | |
| FRT-REN | Redcurrant | 1.42 | |
| FRT-AVD | Avocado | 1 | |
| FRT-PUE | Purple mangos | 1.01 | |
| FRT-BIT | Bilberty | 2 | |
| FRT-PLT | Plumcot (or Plı | 2.1 | |
| FRT-BLN | Blackcurrent | 2 | |
| FRT-PIL | Pineapple | 0.77 | |
| FRT-PLM | PlumPrune (dr | 1.31 | |
| FRT-CUN | Currant | 1.75 | |
| FRT-PEA | Pear | 1.83 | |
| FRT-PAY | Papaya | 1.06 | |
| FRT-CHI | Chico fruit | 1.75 | |
| FRT-MII | Miracle fruit | 2.05 | |
| FRT-LOA | Longan | 1.85 | |
| FRT-LIM | Lime | 0.96 | |
| FRT-CUE | Cucumber | 1.82 | |
| FRT-KII | Kiwifruit | 2.32 | |
| FRT-JAU | Jambul | 1.95 | |
| FRT-JAI | Jackfruit | 0.63 | |
| FRT-JAB | Jabuticaba | 0.89 | |
| FRT-GUV | Guava | 0.94 | |
| FRT-GRI | GrapeRaisin | 1.25 | |

A) 0.63
B) 0.37
C) 0.26
D) 0.74

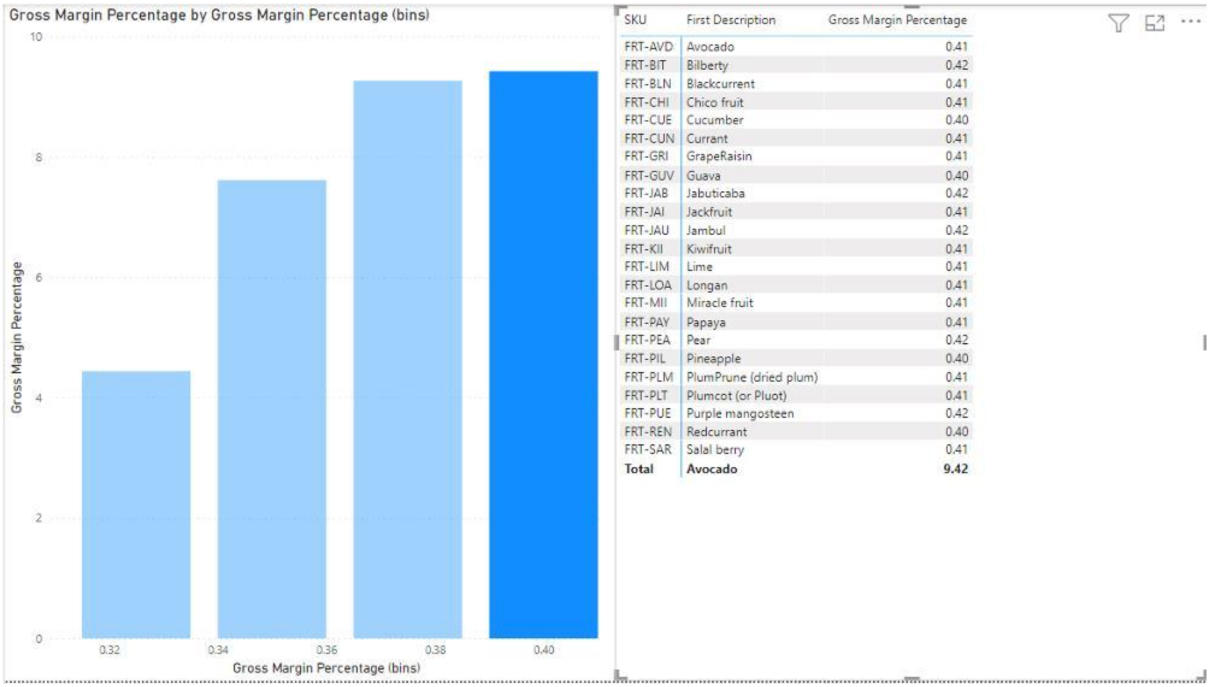
44) Based on **Lab 1.3 Tableau: Inventory Management by SKU Profitability** and the output from Tableau below, what is the gross margin percentage of FRT-BAN SKU?

Tabular Data

| SKU | Description | |
|---|---|---|
| FRT-APL | Apple | 0.35882 |
| FRT-APO | Apricot | 0.37143 |
| FRT-AVD | Avocado | 0.41000 |
| FRT-BAN | Banana | 0.38000 |
| FRT-BIT | Bilberty | 0.41500 |
| FRT-BLN | Blackcurrent | 0.41000 |
| FRT-BLR | Blueberry | 0.38857 |

A) 41%
B) 39%
C) 38%
D) 40%

45) Based on **Lab 1.3 Power BI: Inventory Management by SKU Profitability** and the output from Tableau below, what gross margin percentage bin has the largest number of SKU's?




| SKU | First Description | Gross Margin Percentage |
|---|---|---|
| FRT-AVD | Avocado | 0.41 |
| FRT-BIT | Bilberty | 0.42 |
| FRT-BLN | Blackcurrent | 0.41 |
| FRT-CHI | Chico fruit | 0.41 |
| FRT-CUE | Cucumber | 0.40 |
| FRT-CUN | Currant | 0.41 |
| FRT-GRI | GrapeRaisin | 0.41 |
| FRT-GUV | Guava | 0.40 |
| FRT-JAB | Jabuticaba | 0.42 |
| FRT-JAI | Jackfruit | 0.41 |
| FRT-JAU | Jambul | 0.42 |
| FRT-KII | Kiwifruit | 0.41 |
| FRT-LIM | Lime | 0.41 |
| FRT-LOA | Longan | 0.41 |
| FRT-MII | Miracle fruit | 0.41 |
| FRT-PAY | Papaya | 0.41 |
| FRT-PEA | Pear | 0.42 |
| FRT-PIL | Pineapple | 0.40 |
| FRT-PLM | PlumPrune (dried plum) | 0.41 |
| FRT-PLT | Plumcot (or Pluot) | 0.41 |
| FRT-PUE | Purple mangosteen | 0.42 |
| FRT-REN | Redcurrant | 0.40 |
| FRT-SAR | Salal berry | 0.41 |
| **Total** | **Avocado** | **9.42** |

What gross margin percentage bin has the largest number of SKU's?

A) 32.5% to 35.0%
B) 35.0% to 37.5%
C) 37.5% to 40.0%
D) 40.0% to 42.5%

# Chapter 01 Test Bank - Algorithmic and Static

## Answer Key

Test name: Chapter 01 Test Bank - Algorithmic and Static

1) C
2) D
3) D
4) C
5) B
6) D
7) A
8) B
9) C
10) A
11) B
12) D
13) A
14) B
15) A
16) A
17) B
18) A
19) B
20) C
21) C
22) B
23) D
24) C
25) B
26) A
27) D
28) A
29) B
30) D
31) D
32) C
33) B
34) B
35) C
36) C
37) C
38) A
39) D
40) B
41) C
42) B
43) C
44) C
45) D