Which of the following statements is correct regarding risk analysis?

A. The extent to which management judgments are required in an area could serve as a risk factor in assisting the auditor in making a comparative risk analysis.

B. The highest risk assessment should always be assigned to the area with the largest potential loss.

C. The highest risk assessment should always be assigned to the area with the highest probability of occurrence.

D. Risk analysis must be reduced to quantitative terms in order to provide meaningful comparisons across an organization.

Suggested Answer: *A*

Community vote distribution

A (100%)

👤 **Kristy51** 11 months, 2 weeks ago

Selected Answer: A

Management can override controls

upvoted 1 times

Which of the following statements regarding organizational governance is not correct?

A. An effective internal audit function is one of the four cornerstones of good governance.

B. Those performing governance activities are accountable to the customer.

C. Accountability is one of the key elements of organizational governance.

D. Governance principles and the need for an internal audit function are applicable to governmental and not-for-profit activities.

Suggested Answer: *B*

Community vote distribution

D (50%)	B (50%)

👤 **beautyofasia** 4 months, 2 weeks ago

Selected Answer: B

governance activities are accountable to multiple parties including the public and various stakeholders

upvoted 1 times

👤 **34205ac** 10 months ago

Selected Answer: D

Governance principles are applicable for bothe NGOs and non NGOs

upvoted 1 times

👤 **emtofid** 6 months, 3 weeks ago

i think you misread the option.

upvoted 1 times

Which of the following is a role of the board of directors in the governance process?

A. Conduct periodic assessments of the organization's governance systems.

B. Obtain assurance concerning the effectiveness of the organization's governance systems.

C. Implement an effective system of internal controls to support the organization's governance systems.

D. Review and approve operational goals and objectives.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which is the least effective form of risk management?

    A. Systems-based preventive control.

    B. People-based preventive control.

    C. Systems-based detective control.

    D. People-based detective control.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following statements is correct regarding corporate compensation systems and related bonuses?

1. A bonus system should be considered part of the control environment of an organization and should be considered in formulating a report on internal control.

2. Compensation systems are not part of an organization's control system and should not be reported as such.

3. An audit of an organization's compensation system should be performed independently of an audit of the control system over other functions that impact corporate bonuses.

A. 1 only

B. 2 only

C. 3 only

D. 2 and 3 only

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

The first stage in the development of a crisis management program is to:

    A. Formulate contingency plans.

    B. Conduct a risk analysis.

    C. Create a crisis management team.

    D. Practice the response to a crisis.

Suggested Answer: *C*

Community vote distribution

C (57%)	B (43%)

---

davidpc 1 month, 1 week ago

Selected Answer: B

The first stage in developing a crisis management program is to identify and analyze potential risks that could impact the organization. This process is known as risk analysis, and it lays the foundation for all subsequent steps, including contingency planning and team formation. Here's how the stages typically progress:

Conduct a risk analysis – Identify threats, vulnerabilities, and the potential impact on the organization.

Formulate contingency plans – Develop response strategies based on the identified risks.

Create a crisis management team – Assemble the personnel responsible for managing crises.

Practice the response to a crisis – Conduct drills and simulations to ensure preparedness.

Thus, B. Conduct a risk analysis is the appropriate first step.

upvoted 1 times

Kozy 1 month, 2 weeks ago

Selected Answer: B

Wrong: C. Create a crisis management team

This also comes after the risk analysis, so the right expertise can be selected based on identified risks.

upvoted 1 times

Elvoo 5 months ago

Selected Answer: B

Why not B?????

upvoted 1 times

Elvoo 6 months, 1 week ago

Selected Answer: C

IS C CORRECT?

upvoted 1 times

34205ac 10 months ago

Creating Crisis team is dependent upon the results of risk analysis

upvoted 3 times

Elvin 1 year, 7 months ago

Selected Answer: C

Why b? Per gleim, it says C. Assembling crisis management team

upvoted 3 times

    KonradK 1 year, 7 months ago

    Where is it stated in Gleim?

    upvoted 1 times

Elvin 1 year, 7 months ago

Why b? Per gleim, it says C. Assembling crisis management team.

upvoted 1 times

Elvin 1 year, 7 months ago

Why b? Per gleim, it says C. Assembling crisis management team.

upvoted 1 times

When developing an effective risk-based plan to determine audit priorities, an internal audit activity should start by:

    A. Identifying risks to the organization's operations.

    B. Observing and analyzing controls.

    C. Prioritizing known risks.

    D. Reviewing organizational objectives.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

The decision to implement enhanced failure detection and back-up systems to improve data integrity is an example of which risk response?

A. Risk acceptance.

B. Risk sharing.

C. Risk avoidance.

D. Risk reduction.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following activities most significantly increases the risk that a bank will make poor-quality loans to its customers?

A. Borrowers may not sign all required mortgage loan documentation.

B. Fees paid by the borrower at the time of the loan may not be deposited in a timely manner.

C. The bank's loan documentation may not meet the government's disclosure requirements.

D. Loan officers may override the lending criteria established by senior management.

Suggested Answer: *D*

Community vote distribution

D (100%)

☐ 👤 **Mariecia** 8 months, 4 weeks ago

Selected Answer: D

A refers to completeness, B refers to timeliness and C refers to compliance. If the objective is quality loans, D would be the most appropriate choice

upvoted 1 times

☐ 👤 **34205ac** 10 months ago

Why D? please explain

upvoted 1 times

The main reason to establish internal controls in an organization is to:

A. Encourage compliance with policies and procedures.

B. Safeguard the resources of the organization.

C. Ensure the accuracy, reliability, and timeliness of information.

D. Provide reasonable assurance on the achievement of objectives.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

During a review of a web-based application used by customers to check the status of their bank accounts, it would be most important for the internal auditor to ensure that:

- A. Access to read application logs is restricted to authorized users.

- B. Account balance information is encrypted in the database.

- C. The web server used to host the application is located in a physically secure area.

- D. Sensitive data, such as account numbers, are submitted using encrypted communications.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following steps should an internal auditor take during an audit of an organization's business continuity plans?

1. Evaluate the business continuity plans for adequacy and currency.

2. Prepare a business impact analysis regarding the loss of critical business.

3. Identify key personnel who will be required to implement the plans.

4. Identify and prioritize the resources required to support critical business processes.

    A. 1 only

    B. 2 and 4 only

    C. 1, 3, and 4 only

    D. 1, 2, 3, and 4

Suggested Answer: *A*

Community vote distribution

A (60%)	C (40%)

---

 beautyofasia 4 months, 2 weeks ago

Selected Answer: A

to prepare and identify is the responsibilities of the first line

upvoted 1 times

---

 emtofid 8 months, 1 week ago

Selected Answer: C

2 is the only wrong statement here because it is the responsibility of management or a business continuity planning team not IA.

upvoted 2 times

 Syuraziz23 1 year, 4 months ago

Selected Answer: A

Why currency..

upvoted 2 times

     TanjZen 1 year, 1 month ago

    It's not about the money, it is whether the plan is currently relevant.

    upvoted 1 times

Which of the following engagement observations would provide the least motivation for management to amend or replace an existing cost accounting system?

A. The distorted unit cost of a service is 50 percent lower than the true cost, while the true cost is 50 percent higher than the competition's cost.

B. The organization is losing $1,000,000 annually because it incorrectly outsourced an operation based on information from its current system.

C. The cost of rework, hidden by the current system, is 50 percent of the total cost of all services.

D. 50 percent of total organizational cost has been allocated on a volume basis.

Suggested Answer: *D*

John1237 1 year ago

Volume is a more qualitative criteria.

upvoted 1 times

koziolmutant 2 years, 8 months ago

all answers, except for D, point to real values of losses/understated costs, so malfunctions in the cost accounting system.

upvoted 2 times

AKKR 2 years, 9 months ago

D, because it does not really matter how do you allocate costs in longer terms and you have to choose one of the methods anyway.

upvoted 3 times

Shars 2 years, 10 months ago

I agree with JOcia

upvoted 1 times

JOcia 2 years, 12 months ago

I agree with D.

I would say A,B and C relates to errors in the existing system?

upvoted 2 times

PioGor9618 3 years ago

Appreciate justification why D is correct. Thanks

upvoted 1 times

Which of the following control techniques would minimize the risk of interception during transmission in an electronic data interchange system?

1. Encryption.

2. Traffic padding.

3. Edit checks.

4. Structured data format.

    A. 1 and 2 only

    B. 2 and 3 only

    C. 3 and 4 only

    D. 1, 2, and 3 only

Suggested Answer: *A*

Community vote distribution

A (100%)

 Mariecia 7 months, 2 weeks ago

Selected Answer: A

Edit checks is an input control while structured data format refers to variety of data

upvoted 1 times

For an engineering department with a total quality management program, important elements of quality management include all of the following except:

    A. Basing performance evaluations on the number of projects completed.

    B. Comparing results with those of other engineering departments.

    C. Creating a quality council within the engineering department.

    D. Conducting post-project surveys on performance.

Suggested Answer: *A*

☐ 👤 **koziolmutant** `Highly Voted 👍` 2 years, 8 months ago

number of projects doesn't apply to quality measure

  upvoted 5 times

☐ 👤 **John1237** `Most Recent ⊘` 1 year ago

Quantity of projects may be of poor quality.

  upvoted 1 times

☐ 👤 **chung002** 2 years, 9 months ago

a qms system typically asks what else can be done rather than what has happened

  upvoted 2 times

☐ 👤 **tehasdc** 2 years, 9 months ago

why not B?

  upvoted 1 times

Refer to the exhibit.

Project Network (Activity Times in Days)
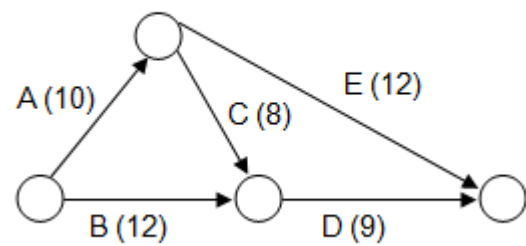
The figure below shows the network diagram for the activities of a large project. What is the shortest number of days in which the project can be completed?

A. 21 days.

B. 22 days.

C. 27 days.

D. 51 days.

Suggested Answer: *C*

Community vote distribution

C (100%)

⊟ 👤 **davidpc** 1 month, 1 week ago

Selected Answer: C

To determine the shortest number of days to complete the project, we need to identify the critical path in the network diagram. The critical path is the longest path through the network, which determines the minimum time required to complete the project.

upvoted 1 times

⊟ 👤 **Kozy** 1 month, 2 weeks ago

Selected Answer: C

Even if A → E finishes in 22 days, the project is not done until A → C → D finishes in 27 days -> THE EARLIEST

upvoted 1 times

⊟ 👤 **John1237** 1 year ago

Don't confuse path and duration.

upvoted 2 times

⊟ 👤 **Rah** 2 years, 7 months ago

Activity: B-D= 12+9=21

Activity A-C-D= 10+8+9=27

Activity A-E= 10+12=22

Critical Path= Longest Path among all possible ways to reach final destination (which is 27 days for A-C-D)

upvoted 4 times

⊟ 👤 **mbappah** 2 years, 7 months ago

Critical Path is the longest path among the three paths, which is ACD. I got it in less than a minute

upvoted 1 times

⊟ 👤 **Chance** 2 years, 9 months ago

I don't understand how they calculated it

upvoted 1 times

⊟ 👤 **chung002** 2 years, 9 months ago

at each node, choose the shorter of the options and follow that as the shortest path

upvoted 1 times

⊟ 👤 **Aleprieto** 2 years, 9 months ago

Tricky. Apparently, the shorter should consider passing thru all nodes, without jumping any of them

upvoted 1 times

☐ 👤 **Shars** 2 years, 10 months ago

I don't get it either. please explain

upvoted 1 times

☐ 👤 **Roopz** 3 years, 1 month ago

The longest path is ACD. You can't complete the project if C is not completed.

upvoted 4 times

☐ 👤 **YousefGH** 3 years, 1 month ago

I didnt get it? Illustrate plz

upvoted 1 times

☐ 👤 **Shars** 2 years, 10 months ago

I don't get it either. please explain

upvoted 1 times

☐ 👤 **Roopz** 3 years, 1 month ago

The longest path is ACD. You can't complete the project if C is not completed.

upvoted 4 times

☐ 👤 **YousefGH** 3 years, 1 month ago

I didnt get it? Illustrate plz

Which of the following is a characteristic of just-in-time inventory management systems?

A. Users determine the optimal level of safety stocks.

B. They are applicable only to large organizations.

C. They do not really increase overall economic efficiency because they merely shift inventory levels further up the supply chain.

D. They rely heavily on high quality materials.

Suggested Answer: *D*

👤 **CABhawna** `Highly Voted 👍` 4 years, 1 month ago

Implementing JIT relies heavily on few suppliers with high quality material to be effective and inventory levels maintained are just minimal.

upvoted 5 times

👤 **34205ac** `Most Recent ⊘` 10 months ago

JIT depends on few suppliers so that they will provide the required quality and to decrease inspection costs and time of getting the materials

upvoted 1 times

👤 **chung002** 4 years, 9 months ago

what has high quality materials got to do with the characteristic of a JIT inventory system?

upvoted 1 times

👤 **chung002** 4 years, 9 months ago

it is probably due to lowering the risk of sales return for defective goods disrupting the JIT ecosystem.

upvoted 3 times

The economic order quantity for inventory is higher for an organization that has:

A. Lower annual unit sales.

B. Higher fixed inventory ordering costs.

C. Higher annual carrying costs as a percentage of inventory value.

D. A higher purchase price per unit of inventory.

Suggested Answer: *B*

John1237 1 year ago

It is about the economic order quantity and not the economy to be realized.

If the inventory order is fixed (not reduced) and the cost is higher, then the numerator of the EOQ ratio increases.

upvoted 1 times

Shuchun_37 1 year, 11 months ago

So why is not D

upvoted 1 times

mbappah 2 years, 7 months ago

it's economical to buy more if the ordering cost is high. imagine situations where delivery fixed cost very high.

upvoted 2 times

What must be monitored in order to manage risk of consumer product inventory obsolescence?

1. Inventory balances.

2. Market share forecasts.

3. Sales returns.

4. Sales trends.

    A. 1 only

    B. 4 only

    C. 1 and 4 only

    D. 1, 2, and 3 only

Suggested Answer: *C*

 34205ac 10 months ago

INventory balances to keep them in the proper balance and sales trends to utilize the best time for sale and balancing between Supply and demand

upvoted 1 times

 chung002 4 years, 9 months ago

obsolency risk, one has to look at past sales (sales trend) and inventory balance.

upvoted 4 times

 John1237 3 years ago

It's therefore a vision based on the past and the present.

upvoted 1 times

The percentage of sales method, rather than the percentage of receivables method, would be used to estimate uncollectible accounts if an organization seeks to:

A. Use an aging schedule to more closely estimate uncollectible accounts.

B. Eliminate the need for an allowance for doubtful accounts.

C. Emphasize the accuracy of the net realizable value of the receivables on the balance sheet.

D. Use a method that approximates the matching principle.

Suggested Answer: *D*

👤 **Langha** 10 months, 1 week ago

D is correct ..

A pertains to the Balance sheet method

B is irrelvant because allowance will be created in both the method

C is not plausible reason

upvoted 4 times

👤 **Noma01** 1 year, 7 months ago

Where can we can the explanations for the correct answers?

upvoted 1 times

Preferred stock is less risky for investors than is common stock because:

- A. Common stock pays dividends as a stated percentage of face value.
- B. Common stock has priority over preferred stock with regard to earnings and assets.
- C. Preferred dividends are usually cumulative.
- D. Preferred stock with no conversion feature has a higher dividend yield than does convertible preferred stock.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which of the following borrowing options is an unsecured loan?

    A. Second-mortgage financing from a bank.

    B. An issue of commercial paper.

    C. Pledged accounts receivable.

    D. Asset-based financing.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

In an analysis of alternative credit-management policies, which of the following components will cause the net present value of receivables on credit sales to increase, if everything else remains constant?

A. A tougher collections policy that reduces the bad debt loss ratio.

B. A higher cost per unit sold.

C. A longer average collection period.

D. An increase in the cost of capital.

Suggested Answer: *A*

Community vote distribution

A (100%)

---

 chung002 `Highly Voted` 2 years, 9 months ago

i dont quite understand this question and answer. Can anyone help me on this.

upvoted 5 times

 koziolmutant 2 years, 8 months ago

it is only my educational guess, but the question is about an element of the credit policy, so only one answer fits in that.

upvoted 3 times

 Knot_Theory 2 years, 5 months ago

I got confused because I didn't read carefully, at first I Thought it was C because I thought it said a longer collection period, but then I realized it said a longer AVERAGE collection period. After I realized my mistake it was obvious.

upvoted 1 times

 John1237 1 year ago

When there is a loss, the receivables decrease, as well as their present value (for the same portfolio of receivables).

upvoted 1 times

 Althaf_Hussain `Most Recent` 7 months, 2 weeks ago

`Selected Answer: A`

Answer is A cuz, tougher the collection policy, company will not write off potential baddebts and hence the uncollected bad debts will remain as receivables in books. Thus NPV increases

upvoted 1 times

Which of the following budgets must be prepared first?

A. Cash budget.

B. Production budget.

C. Sales budget.

D. Selling and administrative expenses budget.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which of the following performance measures would be appropriate for evaluating an investment center, which has responsibility for its revenues, costs, and investment base, but would not be appropriate for evaluating cost, revenue, or profit centers?

- A. A flexible budget.

- B. Variance analysis.

- C. A contribution margin income statement by segment.

- D. Residual income.

Suggested Answer: *D*

☐ 👤 **Mariecia** 10 months ago

The following are appropriate financial performance measures for responsibility centers:

1) Cost centers -- Variable costs and total costs

2) Revenue centers -- Gross sales and net sales

3) Profit centers -- Sales, gross margin, and operating income

4) Investment centers

a) Return on investment and residual income

upvoted 2 times

A capital investment project will have a higher net present value, everything else being equal, if it has:

A. A higher initial investment level.

B. A higher discount rate.

C. Cash inflows that are larger in the later years of the life of the project.

D. Cash inflows that are larger in the earlier years of the life of the project.

Suggested Answer: *D*

Community vote distribution

D (100%)

⊟ 👤 **64121de** 6 months, 1 week ago

Selected Answer: D

Why is D correct?

upvoted 1 times

All of the following are possible explanations for a significant unfavorable material efficiency variance except:

    A. Cutbacks in preventive maintenance.

    B. An inadequately trained and supervised labor force.

    C. A large number of rush orders.

    D. Production of more units than planned for in the master budget.

Suggested Answer: *D*

Community vote distribution

あ (100%)

Currently there are no comments in this discussion, be the first to comment!

An organization is projecting sales of 100,000 units, at a unit price of $12. Unit variable costs are $7. If fixed costs are $350,000, what is the projected total contribution margin?

    A. $350,000

    B. $500,000

    C. $850,000

    D. $1,200,000

Suggested Answer: *B*

☐   **MOZZY** `Highly Voted 👍` 1 year, 4 months ago
You just subtract SP and VC (12-7=5) to get contribution per unit. Thereafter multiply 5 * 100,000 and you get the contribution margin of 500,000
  upvoted 12 times

☐   **Shars** `Most Recent ⊘` 1 year, 4 months ago
Thanks much.....I understand
  upvoted 3 times

☐   **Shars** 1 year, 4 months ago
I do not understand ..please explain
  upvoted 1 times

    ☐   **koziolmutant** 1 year, 2 months ago
    }Contribution Margin=Sales Revenue – Variable Costs
      upvoted 5 times

When applied to international economics, the theory of comparative advantage proposes that total worldwide output will be greatest when:

    A. Each nation's total imports approximately equal its total exports.

    B. Each good is produced by the nation that has the lowest opportunity cost for that good.

    C. Goods that contribute to a nation's balance-of-payments deficit are no longer imported.

    D. International trade is unrestricted and tariffs are not imposed.

Suggested Answer: *B*

Mariecia 10 months ago
Cost is minimized, profit/output is maximized
  upvoted 1 times

chung002 4 years, 9 months ago
tricky question . one qn is on international economics and the other qn is on international trade
  upvoted 2 times

A brand manager in a consumer food products organization suspected that several days of the point-of-sale data on the spreadsheet from one grocery chain were missing. The best approach for detecting missing rows in spreadsheet data would be to:

A. Sort on product identification code and identify missing product identification codes.

B. Review store identification code and identify missing product identification codes.

C. Compare product identification codes for consecutive periods.

D. Compare product identification codes by store for consecutive periods.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

An organization uses a database management system (DBMS) as a repository for data. The DBMS, in turn, supports a number of end-user developed applications which were created using fourth-generation programming languages. Some of the applications update the database. Which of the following is the most important control related to the integrity of the data in the database?

A. End users have their read-only applications approved by the information systems department before accessing the database.

B. Concurrency update controls are in place.

C. End-user applications are developed on personal computers before being implemented on the mainframe.

D. A hierarchical database model is adopted so that multiple users can be served at the same time.

Suggested Answer: *B*

Community vote distribution

B (100%)

⊟ 👤 **emtofid** 8 months ago

Selected Answer: B

n a DBMS environment where end-user applications update the database, managing concurrent access is critical to maintaining data accuracy and reliability.

upvoted 1 times

Which of the following is not a method for implementing a new application system?

    A. Direct cutover.

    B. Parallel.

    C. Pilot.

    D. Test.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

One change control function that is required in client/server environments, but is not required in mainframe environments, is to ensure that:

     A. Program versions are synchronized across the network.

     B. Emergency move procedures are documented and followed.

     C. Appropriate users are involved in program change testing.

     D. Movement from the test library to the production library is controlled.

Suggested Answer: *A*

Community vote distribution

A (100%)

---

emtofid 8 months ago

Selected Answer: A

In a client/server environment, applications often run across multiple systems, including clients and servers, where different components of the software may reside and execute. Ensuring that program versions are synchronized across the network is critical to avoid incompatibility issues. For example, if the client software is not compatible with the server version, this could lead to errors, crashes, or data corruption.

upvoted 2 times

John1237 1 year ago

The existence of a mainframe (large computer) does not necessarily imply a network/server configuration.

upvoted 1 times

zizabala 2 years ago

A mainframe can have more than one operating systems.

upvoted 1 times

Tico 2 years, 1 month ago

pls tell me why A is correct

upvoted 1 times

Question #34

A key advantage of developing a computer application by using the prototyping approach is that it:

- A. Does not require testing for user acceptance.
- B. Allows applications to be portable across multiple system platforms.
- C. Is less expensive since it is self-documenting.
- D. Better involves users in the design process.

Suggested Answer: *D*

Mariecia 10 months ago

Prototyping continues until the end users are satisfied with the model

upvoted 1 times

Which of the following is a disadvantage of selecting a commercial software package rather than developing an application internally?

A. Lack of flexibility.

B. Incompatibility with client/server technology.

C. Employee resistance to change.

D. Inadequate technical support.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

A software that translates hypertext markup language (HTML) documents and allows a user to view a remote web page is called:

A. A transmission control protocol/Internet protocol (TCP/IP).

B. An operating system.

C. A web browser.

D. A web server.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

A software that translates hypertext markup language (HTML) documents and allows a user to view a remote web page is called:

A. A transmission control protocol/Internet protocol (TCP/IP).

B. An operating system.

C. A web browser.

D. A web server.

The first step in determining product price is:

    A. Determining the cost of the product.

    B. Developing pricing objectives.

    C. Evaluating prices set by the competitors.

    D. Selecting a pricing method.

Suggested Answer: *B*

Langha 10 months, 1 week ago

B looks correct ... because without the pricing objective organization would not able to set appropriate pricing for example what is the objective of entering into the market for price skimming , creating barrier of entry for the new competitors or beating current competitors with low price initially so there are lot of motive for the organization . option B is correct to me

upvoted 1 times

AKKR 1 year, 9 months ago

In my opinion it should be A

upvoted 1 times

    5016636409 1 year, 5 months ago

    it is just like the target, after we decide the price target, we will decide the materials and so.

    upvoted 1 times

    Knot_Theory 1 year, 5 months ago

    Theoretically it might not be. For example, loss leaders, where the objective is to not make a profit or recover the cost but to incite the purchase of other items.

    upvoted 1 times

The activity that involves a trial run of a product in a typical segment of the market before proceeding to a national launch is referred to as:

A. Test marketing

B. Experimentation

C. Segmentation

D. Positioning

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following best describes the concept of relevant cost?

    A. A future cost that is the same among alternatives.

    B. A future cost that differs among alternatives.

    C. A past cost that is the same among alternatives.

    D. A past cost that differs among alternatives.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which of the following statements pertaining to a market skimming pricing strategy is not true?

A. The strategy is favored when unit costs fall with the increase in units produced.

B. The strategy is favored when buyers are relatively insensitive to price increases.

C. The strategy is favored when there is insufficient market capacity and competitors cannot increase market capacity.

D. The strategy is favored when high price is perceived as high quality.

Suggested Answer: *A*

Prossyn 1 year ago

It is because unit cost does not fall with an increase in units produced but rather to take advantage of the next type of customers remember under market skimming customers perceive a high cost product to be of a better quality

upvoted 1 times

Langha 2 years, 4 months ago

all other options favors price skimming , hence we are left with only option A . i don't know the logic behind option A

upvoted 1 times

NicoleG 3 years, 3 months ago

A skimming strategy sets an initial high price and then slowly lowers the price to make the product available to a wider market. The question is asking which one of the options is NOT true, and since the rest of the options (B,C & D) "could" be true, in terms of relating it to the definition of the skimming strategy, then A is NOT TRUE.. which is what the question (at face value) is asking. Hope this helps!

upvoted 2 times

dedfef 3 years, 3 months ago

explain please

upvoted 1 times

AKKR 3 years, 3 months ago

first you take advantage of being innovative or with better marketing, so you put higher margin with lower production. When competitors appear on the market, you lower price, taking advantage of higher demand and your growing in time production

upvoted 1 times

Which of the following statements is true regarding the use of public key encryption to secure data while it is being transmitted across a network?

A. Both the key used to encrypt the data and the key used to decrypt the data are made public.

B. The key used to encrypt the data is kept private but the key used to decrypt the data is made public.

C. The key used to encrypt the data is made public but the key used to decrypt the data is kept private.

D. Both the key used to encrypt the data and the key used to decrypt the data are made private.

Suggested Answer: *C*

Community vote distribution

C (80%) | B (20%)
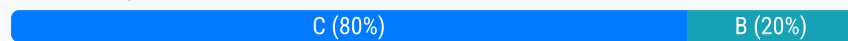
👤 **beautyofasia** 4 months, 2 weeks ago

Selected Answer: C

a pair of keys: a public key for encryption and a private key for decryption

upvoted 1 times

👤 **lely55** 11 months, 1 week ago

Selected Answer: C

Public key cryptography is a method of encrypting or signing data with two different keys and making one of the keys, the public key, available for anyone to use. The other key is known as the private key. Data encrypted with the public key can only be decrypted with the private key.

upvoted 2 times

👤 **Domiii** 1 year, 1 month ago

Selected Answer: C

The answer is correct

upvoted 1 times

👤 **Domiii** 1 year, 2 months ago

Selected Answer: B

The correct answer is B. The key used to encrypt the data is kept private, but the key used to decrypt the data is made public.

Public key encryption, also known as asymmetric encryption, involves the use of two different but mathematically related keys: a public key and a private key. In this encryption scheme, the public key is used to encrypt the data, while the private key is used to decrypt the data.

The purpose of making the public key widely available is to allow anyone to encrypt data that can only be decrypted by the owner of the corresponding private key. By keeping the private key secret, the owner maintains exclusive access to the decrypted information.

upvoted 1 times

The market price is the most appropriate transfer price to be charged by one department to another in the same organization for a service provided when:

A. There is an external market for that service.

B. The selling department operates at 50 percent of its capacity.

C. The purchasing department has more negotiating power than the selling department.

D. There is no external market for that service.

Suggested Answer: *A*

👤 **dnsl18** 2 years, 9 months ago

Pls explain.

upvoted 1 times

👤 **Ishaku** 2 years ago

When there is an external market to service, it means the selling department could sell to the market at that price. If it sells to the purchasing department at a lower price, it is not maximizing its revenue.

upvoted 2 times

👤 **John1237** 1 year ago

If there is no tax benefit, there is no incentive to buy or sell in-house.

upvoted 1 times

Which of the following is a type of network in which an organization permits specific users (such as existing customers) to have access to its internal network through the Internet by building a virtual private network?

A. Intranet.

B. Extranet.

C. Digital subscriber line.

D. Broadband.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

During the last year, an organization had an opening inventory of $300,000, purchases of $980,000, sales of $1,850,000, and a gross margin of 40 percent. What is the closing inventory if the periodic inventory system is used?

A. $170,000

B. $280,000

C. $300,000

D. $540,000

Suggested Answer: *A*

👤 **Kelime** 1 year ago

To calculate the closing inventory using the periodic inventory system, you can use the following formula:

Closing Inventory = Opening Inventory + Purchases - Cost of Goods Sold

Given:
Opening Inventory = $300,000
Purchases = $980,000
Sales = $1,850,000
Gross Margin = 40% (which implies Cost of Goods Sold is 60% of Sales)

First, calculate the Cost of Goods Sold (COGS):
COGS = Sales * (1 - Gross Margin) = $1,850,000 * 0.6 = $1,110,000

Now, use the formula to find the Closing Inventory:
Closing Inventory = Opening Inventory + Purchases - COGS
Closing Inventory = $300,000 + $980,000 - $1,110,000
Closing Inventory = $170,000

So, the correct answer is A. $170,000.

  upvoted 4 times

👤 **Chance** 3 years, 9 months ago

How was this calculated?

  upvoted 4 times

　👤 **dnsl18** 3 years, 9 months ago

　300+980-(1850×60%)

　　upvoted 7 times

Which of the following describes the free trade zone in an e-commerce environment?

A. Zone that separates an organization's servers from outside forces.

B. Area in which messages are scrutinized to determine if they are authorized.

C. Area where communication and transactions occur between trusted parties.

D. Zone where data is encrypted, users are authenticated, and user traffic is filtered.

Suggested Answer: *C*

☐ 👤 **Aly** 1 year, 1 month ago

C is the correct answer

upvoted 2 times

☐ 👤 **chrisk123** 1 year, 2 months ago

i found answer d to be more proper?

upvoted 1 times

An organization produces two products, X and Y. The materials used for the production of both products are limited to 500 kilograms (kg) per month. All other resources are unlimited and their costs are fixed. Individual product details are as follows:

Product X -

Product Y -

Selling price per unit -
$10
$13
Materials per unit (at $1/kg)
2 kg
6 kg

Monthly demand -
100 units
120 units
In order to maximize profit, how much of product Y should the organization produce each month?

A. 50 units.

B. 60 units.

C. 100 units.

D. 120 units.

Suggested Answer: *A*

👤 **koziolmutant** `Highly Voted 👍` 4 years, 8 months ago

it looks like product X demand should be fulfilled, so 100 units times 2 kg of materials = 200 kg of materials used. Materials left counts 300 kg which gives 50 units (300/6) of product Y.

upvoted 8 times

👤 **dnsl18** 4 years, 8 months ago

This makes sense. Thank you

upvoted 1 times

👤 **John1237** 3 years ago

Even with option B (60 units of Y), the profit is $6080.

upvoted 1 times

👤 **John1237** 3 years ago

If the objective is to maximize profit, this formula gives only $5900 which is [(100 x 2 x 10) + (50 x 6 x 13)]

whereas, if production meets a demand of 10 units of x and 80 units of y, the profit is $6440 which is [(10 x 2 x 10) + (80 x 6 x 13)]

upvoted 1 times

👤 **timofejj007** `Most Recent ⊘` 3 years, 9 months ago

we get 10-2 = 8 margin from X and 13-6=7 for Y, it means we should maximize product X and then produce product Y

upvoted 3 times

👤 **KLynn** 11 months, 3 weeks ago

Additionally, you can pretty much eliminate options C and D first because the material is limited to 500 kg per month for both products. The maximum unit of product Y per month is 500kg/6kg=83 units.

Option A - the total profit is Product Y $350 + Product X $800 = $1,150

Product Y = 50 units x $7=$350

Remaining materials for Product X = 500kg - 50 units x 6kg = 200kg

Product X = 200kg/2kg per unit = 100 units

Product X profit = 100 units x $8 =$800

Option B - total profit is Product Y $420 + Product X $560 = $980
Product Y = 60 units x $7=$420
Remaining materials for Product X = 500kg - 60 units x 6kg = 140kg
Product X = 140kg/2kg per unit = 70 units
Product X profit = 70 units x $8 =$560
  upvoted 1 times

⊟ 👤 **dnsl18** 4 years, 9 months ago
Pls explain the answer
  upvoted 3 times

⊟ 👤 **Brad626** 4 years, 10 months ago
Badly-formatted problem
  upvoted 3 times

Which of the following is useful for forecasting the required level of inventory?

1. Statistical modeling.

2. Information about seasonal variations in demand.

3. Knowledge of the behavior of different business cycles.

4. Pricing models linked to seasonal demand.

    A. 1 and 2 only

    B. 2 and 3 only

    C. 1, 2, and 3 only

    D. 1, 2, 3, and 4

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which of the following standards would be most useful in evaluating the performance of a customer-service group?

A. The average time per customer inquiry should be kept to a minimum.

B. Customer complaints should be processed promptly.

C. Employees should maintain a positive attitude when dealing with customers.

D. All customer inquiries should be answered within seven days of receipt.

Suggested Answer: *D*

⊟ 👤 **34205ac** 10 months ago

How seven days? based on what you determine this period

upvoted 1 times

⊟ 👤 **kuper92** 7 months, 1 week ago

the others don't have quantity to be measured

upvoted 1 times

A small furniture-manufacturing firm with 100 employees is located in a two-story building and does not plan to expand. The furniture manufactured is not special- ordered or custom-made. The most likely structure for this organization would be:

- A. Functional departmentalization.
- B. Product departmentalization.
- C. Matrix organization.
- D. Divisional organization.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

When writing a business memorandum, the writer should choose a writing style that achieves all of the following except:

    A. Draws positive attention to the writing style.

    B. Treats all receivers with respect.

    C. Suits the method of presentation and delivery.

    D. Develops ideas without overstatement.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Listening effectiveness is best increased by:

- A. Resisting both internal and external distractions.

- B. Waiting to review key concepts until the speaker has finished talking.

- C. Tuning out messages that do not seem to fit the meeting purpose.

- D. Factoring in biases in order to evaluate the information being given.

Suggested Answer: *A*

⊟ 👤 **NicoleG** `Highly Voted 👍` 1 year, 9 months ago

This question does not appear to belong in Part 3 topics. What section of the test is this related to?

upvoted 5 times

⊟ 👤 **Ibrahim_Rashed** `Most Recent ⊘` 1 year, 1 month ago

It's from part 2, interviewing

upvoted 2 times

An organization had three large centralized divisions: one that received customer orders for service work; one that scheduled the service work at customer locations; and one that answered customer calls about service problems. These three divisions were restructured into seven regional groups, each of which performed all three functions. One advantage of this restructuring would be:

- A. Better internal controls.
- B. Greater economies of scale.
- C. Improved work flow.
- D. Increased specialization.

Suggested Answer: *C*

Community vote distribution

C (100%)

☐ 👤 **emtofid** 8 months ago

Selected Answer: C

This restructuring facilitates quicker decision-making, smoother communication, and more efficient operations, as each regional group is self-contained and can respond more swiftly to customer needs.

upvoted 1 times

Multinational organizations generally spend more time and effort to identify and evaluate:

A. Internal strengths and weaknesses.

B. Break-even points.

C. External trends and events.

D. Internal risk factors.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which of the following is a product-oriented definition of a business rather than a market-oriented definition of a business?

    A. We are a people-and-goods mover.

    B. We supply energy.

    C. We make movies.

    D. We provide climate control in the home.

Suggested Answer: *C*

☐ 👤 **34205ac** 10 months ago

C is the only option as product oriented

upvoted 1 times

☐ 👤 **John1237** 3 years ago

Making movies... It looks like the manufacturing stage of a product.

upvoted 1 times

☐ 👤 **AbdulRahiman** 4 years ago

B not because that is market oriented

upvoted 1 times

☐ 👤 **Shars** 4 years, 10 months ago

Movies are a more tangible product than energy

upvoted 2 times

☐ 👤 **Brad626** 4 years, 10 months ago

Why C and not B ?

upvoted 1 times

A global business organization is selecting managers to post to various international (expatriate) assignments. In the screening process, which of the following traits would be required to make a manager a successful expatriate?

1. Superior technical competence.

2. Willingness to attempt to communicate in a foreign language.

3. Ability to empathize with other people.

    A. 1 and 2 only

    B. 1 and 3 only

    C. 2 and 3 only

    D. 1, 2, and 3

Suggested Answer: *C*

Community vote distribution

C (50%)	D (50%)

  ☐ 👤 **AFD22** 3 months ago

Selected Answer: C

Correct answer: C. Only 2 and 3

The basic qualities sought in managers for a successful overseas assignment are generally as follows:

• Willingness to communicate in a foreign language: This is critical for cultural adaptation and local relations.

• Ability to empathize: Indispensable for understanding and respecting different cultures and adapting to that environment.

These are critical competencies for international management, such as cultural intelligence, communication skills, and flexibility.

  🔧 Why was 1 (Superior technical competence) not included?

• Technical skills are important but are not the primary determinant of success abroad.

• Technical competence is already a prerequisite for managers.

• However, the factors that truly determine success are interpersonal and adaptability skills such as cultural adaptation, communication skills, and empathy.

  upvoted 1 times

  ☐ 👤 **emtofid** 8 months ago

Selected Answer: D

For a manager to be successful in an expatriate assignment (working in a foreign country), they need a combination of technical, interpersonal, and cultural skills. Each of the traits listed contributes to ensuring the manager can function effectively in a foreign environment.

  upvoted 1 times

  ☐ 👤 **3f2afe3** 11 months, 4 weeks ago

why not D

  upvoted 1 times

  ☐ 👤 **Crazyhydra** 1 year, 5 months ago

why 1 not considered?

  upvoted 2 times

Which of the following is the best reason for considering the acquisition of a nondomestic organization?

A. Relatively fast market entry.

B. Improved cash flow of the acquiring organization.

C. Increased diversity of corporate culture.

D. Opportunity to influence local government policy.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

When initiating international ventures, an organization should consider cultural dimensions in order to prevent misunderstandings. Which of the following does not represent a recognized cultural dimension in a work environment?

- A. Self control.
- B. Power distance.
- C. Masculinity versus femininity.
- D. Uncertainty avoidance.

Suggested Answer: *A*

 Domiii 1 year, 2 months ago

A. Self control.

Self control is not typically considered as a recognized cultural dimension in a work environment. The other options listed—power distance, masculinity versus femininity, and uncertainty avoidance—are recognized cultural dimensions that are often studied and considered when analyzing cross-cultural differences in the workplace. These dimensions help to understand how different cultures approach power dynamics, gender roles, and tolerance for ambiguity. However, self control, while important in personal and professional behavior, is not typically categorized as a distinct cultural dimension in the same way as the others listed.

 upvoted 2 times

 kapsstroi 1 year, 7 months ago

Why not D?

 upvoted 1 times

Which of the following is not a barrier to effective communication?

A. Filtering.

B. Communication overload.

C. Similar frames of reference.

D. Lack of source credibility.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

According to Porter's model of competitive strategy, which of the following is a generic strategy?

1. Differentiation.

2. Competitive advantage.

3. Focused differentiation.

4. Cost focus.

   A. 2 only

   B. 3 and 4 only

   C. 1, 3, and 4 only

   D. 1, 2, 3, and 4

Suggested Answer: *C*

Community vote distribution

C (100%)

🗕 👤 **emtofid** 8 months ago

Selected Answer: C

Competitive advantage is not a specific strategy in Porter's model. It refers to the outcome of implementing a generic strategy (differentiation, cost leadership, etc.), not a strategy itself.

upvoted 1 times

🗕 👤 **etmama** 2 years, 10 months ago

This does not appear to be within CIA Part 3 scope

upvoted 1 times

International marketing activities often begin with:

    A. Standardization.

    B. Global marketing.

    C. Limited exporting.

    D. Domestic marketing.

Suggested Answer: *C*

Community vote distribution

C (100%)

---

emtofid 8 months ago

Selected Answer: C

For many businesses, limited exporting is often the starting point when they venture into international markets. It allows them to test their products in foreign markets with relatively low risk and investment. The company typically begins by exporting a small quantity of goods to one or a few international markets to gauge demand, understand local preferences, and navigate international logistics.

upvoted 1 times

kapsstroi 1 year, 1 month ago

The question shold be sounds as "What is the prerequisite for international marketing?"

upvoted 1 times

ankara66 3 years, 5 months ago

I think not with limited export but indirect export. You start with indirect export and than you grow.

upvoted 1 times

dnsl18 3 years, 9 months ago

Pls explain

upvoted 2 times

A supervisor receives a complaint from an employee who is frustrated about having to learn a new software program. The supervisor responds that the new software will enable the employee to work more efficiently and with greater accuracy. This response is an example of:

A. Empathetic listening.

B. Reframing.

C. Reflective listening.

D. Dialogue.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

The cost to enter a foreign market would be highest in which of the following methods of global expansion?

A. Joint ventures.

B. Licensing.

C. Exporting.

D. Overseas production.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

The cost to enter a foreign market would be highest in which of the following methods of global expansion?

A. Joint ventures.

B. Licensing.

C. Exporting.

D. Overseas production.

Which of the following is a characteristic of an emerging industry?

    A. Established strategy of players.

    B. Low number of new firms.

    C. High unit costs.

    D. Technical expertise.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which of the following distinguishes the added-value negotiation method from traditional negotiating methods?

A. Each party's negotiator presents a menu of options to the other party.

B. Each party adopts one initial position from which to start.

C. Each negotiator minimizes the information provided to the other party.

D. Each negotiator starts with an offer, which is optimal from the negotiator's perspective.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

For a multinational organization, which of the following is a disadvantage of an ethnocentric staffing policy?

1. It significantly raises compensation and staffing costs.

2. It produces resentment among the organization's employees in host countries.

3. It limits career mobility for parent-country nationals.

4. It can lead to cultural myopia.

    A. 1 and 4 only

    B. 2 and 3 only

    C. 1, 2, and 3 only

    D. 1, 2, and 4 only

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

If a bank's activities are categorized under such departments as community banking, institutional banking, and agricultural banking, what kind of departmentalization is being utilized?

   A. Product departmentalization.

   B. Process departmentalization.

   C. Functional departmentalization.

   D. Customer departmentalization.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following conflict resolution methods should be applied when the intention of the parties is to solve the problem by clarifying differences and attaining everyone's objectives?

A. Accommodating.

B. Compromising.

C. Collaborating.

D. Competing.

Suggested Answer: C

Currently there are no comments in this discussion, be the first to comment!

Which of the following factors would reduce dissatisfaction for a management trainee but would not particularly motivate the trainee?

A. A sense of achievement.

B. Promotion.

C. Recognition.

D. An incremental increase in salary.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

In mergers and acquisitions, which of the following is an example of a horizontal combination?

A. Dairy manufacturing company taking over a large dairy farm.

B. A movie producer acquires movie theaters.

C. A petroleum processing company acquires an agro-processing firm.

D. A baker taking over a competitor.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

According to the Standards, the internal audit activity must evaluate risk exposures relating to which of the following when examining an organization's risk management process?

1. Organizational governance.
2. Organizational operations.
3. Organizational information systems.
4. Organizational structure.

    A. 1 and 3 only

    B. 2 and 4 only

    C. 1, 2, and 3 only

    D. 1, 2, and 4 only

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

An organization engages in questionable financial reporting practices due to pressure to meet unrealistic performance targets. Which internal control component is most negatively affected?

    A. Monitoring.

    B. Control activities.

    C. Risk assessment.

    D. Control environment.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which mindset promotes the most comprehensive risk management strategy?

     A. Increase shareholder value.

     B. Maximize market share.

     C. Improve operational efficiency.

     D. Mitigate losses.

Suggested Answer: *D*

Community vote distribution

D (63%)	A (25%)	13%

 beautyofasia 4 months, 2 weeks ago

Selected Answer: A

most comprehensive concept is shareholders interests

upvoted 1 times

 137a7a9 5 months, 1 week ago

Selected Answer: D

Risk management applies to all types of organisations, not just publicly listed. Shareholder value does not apply to Gov, private, NFP etc. Plus it can place too much focus purely on financial results. It is too limited to be a good answer. The purpose of risk management is to protect the assets of the organisation it makes sense that a mindset of mitigating losses will foster a positive risk management strategy.

upvoted 2 times

 64121de 6 months, 1 week ago

Selected Answer: A

If Part2, I would choose A.

upvoted 1 times

 64121de 6 months, 1 week ago

Selected Answer: B

If part2, I would choose B

upvoted 1 times

     64121de 6 months, 1 week ago

     sorry mistaking

     upvoted 1 times

 emtofid 8 months ago

Selected Answer: D

D. Mitigate losses provides a more balanced and holistic approach to risk management, ensuring that threats across the organization are addressed systematically.

upvoted 1 times

 34205ac 9 months, 1 week ago

Selected Answer: D

D is more reasonable answer

upvoted 2 times

An internal auditor is reviewing physical and environmental controls for an IT organization. Which control activity should not be part of this review?

A. Develop and test the organization's disaster recovery plan.

B. Install and test fire detection and suppression equipment.

C. Restrict access to tangible IT resources.

D. Ensure that at least one developer has access to both systems and operations.

Suggested Answer: *D*

Community vote distribution

D (100%)

🗕 👤 **SiweBalala** 8 months, 1 week ago

Selected Answer: D

This activity is not related to physical and environmental controls but rather to access controls and segregation of duties

upvoted 1 times

🗕 👤 **34205ac** 10 months ago

D is logical and segregation of duties control

upvoted 1 times

🗕 👤 **Prossyn** 2 years, 6 months ago

The test is focusing on physical and environmental controls and D is not

upvoted 2 times

🗕 👤 **_char** 4 years, 4 months ago

When did Internal auditors "install" anything?

upvoted 3 times

🗕 👤 **[Removed]** 2 years ago

auditors are not installing but controlling the installations. but you are right the question is asked too badly.

upvoted 1 times

🗕 👤 **SAA1** 4 years, 6 months ago

pls explain.

upvoted 1 times

🗕 👤 **Java_Girl** 4 years, 5 months ago

D, this is a segregation of duty concept

upvoted 1 times

🗕 👤 **Walewweeeed** 4 years ago

Organizational control also

upvoted 1 times

According to the International Professional Practices Framework, internal auditors who are assessing the adequacy of organizational risk management processes should not:

A. Recognize that organizations use different techniques for managing risk.

B. Seek assurance that the key objectives of the risk management processes are being met.

C. Determine and accept the level of risk for the organization.

D. Treat the evaluation of risk management processes differently from the risk analysis used to plan audit engagements.

Suggested Answer: *C*

Community vote distribution

C (50%) | B (50%)

👤 **137a7a9** 5 months, 1 week ago

Selected Answer: C

IA cannot determine the level of risk. Poor English / question structure as it can also mean that the IA seeks information to determine what the org level of risk is and accepts that as the basis for conducting the audit.

upvoted 2 times

👤 **34205ac** 9 months, 1 week ago

Selected Answer: B

Internal Auditor cannot provide determination and acceptance. this is against objectivity

upvoted 2 times

Which audit approach should be employed to test the accuracy of information housed in a database on an un-networked computer?

A. Submit batches of test transactions through the current system and verify with expected results.

B. Use a test program to simulate the normal data entering process.

C. Select a sample of records from the database and ensure it matches supporting documentation.

D. Evaluate compliance with the organization's change management process.

Suggested Answer: *C*

Tico 1 year, 1 month ago

why not A?

upvoted 1 times

Ren_92 11 months, 2 weeks ago

A leans more to testing the integrity of data processing and an output stored in the database. It doesn't test for the existing data while tracing the data in the database is the strongest form of verifications. It's even stronger than compared the un-networked database with one that's networked.

upvoted 1 times

Which of the following statements accurately describes the responsibility of the internal audit activity (IAA) regarding IT governance?

1. The IAA does not have any responsibility because IT governance is the responsibility of the board and senior management of the organization.

2. The IAA must assess whether the IT governance of the organization supports the organizations strategies and objectives.

3. The IAA may assess whether the IT governance of the organization supports the organizations strategies and objectives.

4. The IAA may accept requests from management to perform advisory services regarding how the IT governance of the organization supports the organizations strategies and objectives.

    A. 1 only

    B. 4 only

    C. 2 and 4

    D. 3 and 4

Suggested Answer: *C*

Community vote distribution

C (100%)

⊟ 👤 **Elvoo** 4 months, 4 weeks ago

Selected Answer: C

Why not C?

upvoted 1 times

⊟ 👤 **34205ac** 10 months ago

I am with D

upvoted 2 times

⊟ 👤 **seanshine** 1 year ago

I guess it is D

upvoted 1 times

⊟ 👤 **jicabratme** 4 years, 2 months ago

#2 is "must", #3 is "may"

upvoted 3 times

⊟ 👤 **5016636409** 4 years, 3 months ago

what is difference between #2 and #3? :)

upvoted 1 times

According to IIA guidance, which of the following corporate social responsibility (CSR) activities is appropriate for the internal audit activity to perform?

    A. Determine the optimal amount of resources for the organization to invest in CSR.

    B. Align CSR program objectives with the organization's strategic plan.

    C. Integrate CSR activities into the organization's decision-making process.

    D. Determine whether the organization has an appropriate policy governing its CSR activities.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

An organization decided to install a motion detection system in its warehouse to protect against after-hours theft. According to the COSO enterprise risk management framework, which of the following best describes this risk management strategy?

    A. Avoidance.

    B. Reduction.

    C. Elimination.

    D. Sharing.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

The internal audit activity completed an initial risk analysis of the organization's data storage center and found several areas of concern. Which of the following is the most appropriate next step?

A. Risk response.

B. Risk identification.

C. Identification of context.

D. Risk assessment.

Suggested Answer: *D*

Community vote distribution

D (100%)

⊟ 👤 **emtofid** 8 months ago

Selected Answer: D

Typically, after identifying risks, organizations perform a risk assessment to prioritize those risks based on their likelihood and impact.

upvoted 1 times

⊟ 👤 **Java_Girl** 3 years, 1 month ago

after risks were identified, this risk needs to be assessed level (high, medium or low)

upvoted 3 times

⊟ 👤 **khashah** 3 years, 5 months ago

Why D plz explain

upvoted 1 times

Organizations use matrix management to accomplish which of the following?

A. To improve the chain of command.

B. To strengthen corporate headquarters.

C. To focus better on a single market.

D. To increase lateral communication.

Suggested Answer: *D*

Community vote distribution

D (100%)

👤 **emtofid** 8 months ago

Selected Answer: D

Matrix management is a structure that creates dual reporting relationships in an organization, where employees report to both functional managers (e.g., finance, HR) and project or product managers. This structure is designed to increase lateral communication across different departments and functions.

upvoted 1 times

Which of the following costs would be incurred in an inventory stockout?

A. Lost sales, lost customers, and backorder.

B. Lost sales, safety stock, and backorder.

C. Lost customers, safety stock, and backorder.

D. Lost sales, lost customers, and safety stock.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following methods, if used in conjunction with electronic data interchange (EDI), will improve the organization's cash management program, reduce transaction data input time and errors, and allow the organization to negotiate discounts with EDI vendors based on prompt payment?

- A. Electronic funds transfer.

- B. Knowledge-based systems.

- C. Biometrics.

- D. Standardized graphical user interface.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following are included in ISO 31000 risk principles and guidelines?

    A. Standards, framework, and process.

    B. Standards, assessments, and process.

    C. Principles, framework, and process.

    D. Principles, practices, and process.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

The audit committee of a global corporation has mandated a change in the organization's business ethics policy. Which of the following approaches describes the best way to accomplish the policy's diffusion worldwide?

A. Deploy the policy in the corporate headquarters' language, so everyone gets an unfiltered version simultaneously.

B. Introduce the policy region by region, using any lessons learned to change the subsequent version of the policy for the next area.

C. Consult with legal and operational management in each affected country to ensure the final version can be implemented globally, following audit committee approval.

D. Send the board-approved version of the policy to each country's senior leadership, and empower them to tailor the policy to the local language and culture.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which of the following best describes a market signal?

A. The bargaining power of buyers is forcing a drop in market prices.

B. There is pressure from the competitor's substitute products.

C. Strategic analysis by the organization indicates feasibility of expanding to new market niches.

D. The competitor announces a new warranty program.

Suggested Answer: *D*

Community vote distribution

D (100%)

---

emtofid 8 months ago

Selected Answer: D

A market signal refers to any action or announcement by a competitor that provides insights into their strategic intentions, priorities, or anticipated market moves. It serves as a form of communication, either intentional or unintentional, that other market participants can interpret to adjust their own strategies.

upvoted 2 times

Domiii 1 year, 2 months ago

The correct answer is A. The bargaining power of buyers is forcing a drop in market prices. This option describes a market signal where the buyers have significant power and influence, leading to a decrease in prices.

upvoted 1 times

KonradK 1 year, 1 month ago

Please provide source of this

upvoted 1 times

dedfef 4 years, 3 months ago

explain

upvoted 4 times

Which of the following is a limiting factor for capacity expansion?

A. Government pressure on organizations to increase or maintain employment.

B. Production orientation of management.

C. Lack of credible market leader in the industry.

D. Company diversification.

Suggested Answer: *D*

Community vote distribution

A (100%)

👤 **emtofid** 8 months ago

Selected Answer: A

When governments put pressure on companies to maintain or increase employment, it can create inflexibility. For instance, companies might be forced to keep more employees than they need, making it harder to allocate resources to expand capacity efficiently.

upvoted 1 times

👤 **Domiii** 1 year, 2 months ago

The correct answer is A. Government pressure on organizations to increase or maintain employment. This option describes a limiting factor for capacity expansion as government policies or pressures can restrict organizations from expanding their capacity if it affects employment levels

upvoted 3 times

👤 **Crazyhydra** 1 year, 5 months ago

I dont think D is correct. Option B seems to be more reasonable.

upvoted 1 times

👤 **5016636409** 3 years, 9 months ago

i dont understand well why D, but after elimination process, D is only option left. :)

upvoted 1 times

👤 **Knot_Theory** 4 years ago

I reasoned through this one as follows -

A - wouldn't be a problem if expansion is the goal expansion will require more employees not less

B - Seems like kind of a nonsense answer, if management can be described as being or having "production" orientation that seems like a good thing for expansion

C - Also nonsense, if there's no leader in the industry, doesn't that just leave room for someone to become one, which bodes well for expansion

I picked D because if a company is trying to make many different kinds of products, it has to make more of some and less of others which means resources are limited for each product, limiting expansion, or possibly it's referring to the fact you can only sell so many of a given product because there's only so much need for any single product so to expand you have to figure out how to diversify. Not sure either of those is what they meant but I got the right answer.

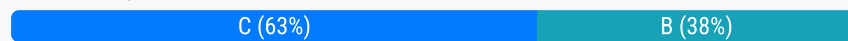upvoted 3 times

👤 **dedfef** 4 years, 3 months ago

explain

upvoted 3 times

Which of the following stages of group development is associated with accepting team responsibilities?

A. Forming stage.

B. Performing stage.

C. Norming stage.

D. Storming stage.

Suggested Answer: *C*

Community vote distribution

C (63%) | B (38%)

---

lely55 `Highly Voted 👍` 11 months, 1 week ago

`Selected Answer: C`

Key points for the norming stage:

Team members accept their roles within the group. They come to terms with the other members' idiosyncrasies. There is an emergence of insight, as everyone becomes more receptive to feedback. Group communication becomes more open as members share task status updates amongst themselves.

Reference:

https://pumble.com/learn/collaboration/stages-of-group-

development/#:~:text=Key%20points%20for%20the%20norming,task%20status%20updates%20amongst%20themselves.

upvoted 5 times

Domiii `Most Recent ⊙` 1 year, 2 months ago

`Selected Answer: B`

The correct answer is B. Performing stage. The performing stage of group development is associated with accepting team responsibilities. During this stage, the group members are focused on achieving their goals and working together effectively.

upvoted 3 times

KonradK 1 year, 1 month ago

Provide a source for that

upvoted 1 times

Which of the following is false with regard to Internet connection firewalls?

A. Firewalls can protect against computer viruses.

B. Firewalls monitor attacks from the Internet.

C. Firewalls provide network administrators tools to retaliate against hackers.

D. Firewalls may be software-based or hardware-based.

Suggested Answer: *A*

Community vote distribution

A (56%) | C (44%)

Elvoo 4 months, 4 weeks ago

Selected Answer: A

I think A is right

upvoted 1 times

---

emtofid 9 months ago

Selected Answer: C

Firewalls are defensive tools designed to block unauthorized access and protect networks, not to launch retaliatory actions against attackers.

upvoted 1 times

34205ac 10 months ago

Both A and D is false

upvoted 1 times

---

seanshine 1 year, 1 month ago

Selected Answer: A

I think the answer is A. Firewalls are tools to monitor traffic, so they don't have the ability to detect viruses. Viruses are usually detected by anti-virus apps, based on signatures or self-learning.

upvoted 2 times

Edward7612 1 year, 1 month ago

Selected Answer: A

Answer is A

I want to correct it, based on the content of Gleim Section 3, Study Unit Nine of the 2024 ,Information Security

Firewalls do not provide adequate protection against computer viruses.

upvoted 2 times

---

sundpr 1 year, 7 months ago

Selected Answer: C

Answer is C - There is no tool to retaliate against hacker that are provided by a firewall

upvoted 1 times

---

sundpr 1 year, 7 months ago

Answer is C - There is no tool to retaliate against hacker that are provided by a firewall

upvoted 1 times

Domiii 1 year, 8 months ago

Selected Answer: C

The correct answer is C. Firewalls provide network administrators tools to retaliate against hackers. This statement is false. Firewalls are designed to monitor and filter network traffic to protect against unauthorized access and attacks from the Internet. However, they do not provide tools for network administrators to retaliate against hackers.

upvoted 2 times

Which of the following application software features is the least effective control to protect passwords?

A. Suspension of user IDs after a user's repeated attempts to sign on with an invalid password.

B. Encryption of passwords prior to their transmission or storage.

C. Forced change of passwords after a designated number of days.

D. Automatic logoff of inactive users after a specified time period of inactivity.

Suggested Answer: *C*

Community vote distribution

C (50%)	B (33%)	D (17%)

👤 **fadsinyav** 2 months ago

bende d, şifreyi korumaz, otutumu korur.

upvoted 1 times

👤 **SiweBalala** 8 months, 1 week ago

Selected Answer: C

I would rule out Option D because it deals specifically with session security. In this particular context, I would then say Option D is cropped out of the picture, leaving option A to option C. Why C? Password changes can sometimes lead to weak password practices, hence being the least effective as much as it helps in preventing password compromise, but encryption and suspension of USER ID would be what I consider better controls than (C)

upvoted 3 times

👤 **emtofid** 9 months ago

Selected Answer: D

D is the least effective control for protecting passwords specifically, as its primary purpose is to secure active sessions rather than safeguarding the passwords themselves.

upvoted 1 times

👤 **Domiii** 1 year, 8 months ago

Selected Answer: B

The correct answer is B. Encryption of passwords prior to their transmission or storage. This option is the least effective control to protect passwords. While encryption is important for securing passwords, it only protects against unauthorized access to the stored or transmitted password. Other options provide additional layers of protection, such as suspending user IDs after repeated invalid password attempts, forcing password changes, and automatic logoff of inactive users

upvoted 2 times

👤 **Crazyhydra** 1 year, 11 months ago

D is the correct answer, it does not protect the password.

upvoted 1 times

👤 **sed999** 3 years, 9 months ago

The correct answer is B , according to GTAG

upvoted 1 times

👤 **Steve8Taiwan** 3 years, 10 months ago

I think D should be the answer.

upvoted 1 times

👤 **Walewweeeed** 3 years, 11 months ago

I think b is correct regarding GTAG of auditing identity and access management

upvoted 2 times

👤 **dedfef** 4 years, 9 months ago

the answer doesnt make sense. How is the forced changing of passwords a weak control?

upvoted 2 times

👤 **AKKR** 4 years, 9 months ago

It does not protect from stealing password, but only from using stolen one.

Tico 4 years, 1 month ago

"D. Automatic logoff" also doesn't protect from stealing passwords, either. Is there any other reasonable explanation to choose C as an answer?

Tico 4 years, 1 month ago

"D. Automatic logoff" also doesn't protect from stealing passwords, either. Is there any other reasonable explanation to choose C as an answer?

Which of the following are likely indicators of ineffective change management?

1. IT management is unable to predict how a change will impact interdependent systems or business processes.

2. There have been significant increases in trouble calls or in support hours logged by programmers.

3. There is a lack of turnover in the systems support and business analyst development groups.

4. Emergency changes that bypass the normal control process frequently are deemed necessary.

    A. 1 and 3 only

    B. 2 and 4 only

    C. 1, 2, and 4 only

    D. 1, 2, 3, and 4

Suggested Answer: *C*

Tico 1 year, 1 month ago

In my understanding, staff turnover is not a clear indicator of effectiveness. It may affect but only indirectly.

upvoted 1 times

Waveback 1 year, 4 months ago

Lack of staff turnover is a good thing and supports effective, not ineffective, change management.

upvoted 2 times

SAA1 1 year, 6 months ago

same question, why 3 is not included?

upvoted 1 times

dnsl18 1 year, 8 months ago

Why is 3 not included?

upvoted 1 times

Which of the following is the primary benefit of including end users in the system development process?

    A. Improved integrity of programs and processing.

    B. Enhanced ongoing maintenance of the system.

    C. Greater accuracy of the testing phase.

    D. Reduced need for unexpected software changes.

Suggested Answer: *D*

Community vote distribution

D (67%)   C (33%)

---

 emtofid 8 months ago

Selected Answer: D

End-user involvement can contribute to more relevant testing scenarios, but the accuracy of testing depends on the thoroughness of the test design and execution.

upvoted 2 times

 ZoeLee 11 months, 2 weeks ago

Selected Answer: C

Reduced need for ""unexpected"" software change is not a primary benefit .

C is the correct answer.

upvoted 2 times

 Crazyhydra 1 year, 5 months ago

Selected Answer: D

D is the primary objective

upvoted 2 times

 sed999 3 years, 3 months ago

Answer D According to GTAG, early and frequent interventions by management and end users to adapt IT changes to business needs

upvoted 2 times

    Crazyhydra 1 year, 5 months ago

    Yes D is more important factor in involving the end users

    upvoted 2 times

 sed999 3 years, 3 months ago

Answer C According to GTAG, early and frequent interventions by management and end users to adapt IT changes to business needs

upvoted 1 times

 ankara66 3 years, 11 months ago

Testing with end users is a better choice.

upvoted 1 times

 kudha 3 years, 11 months ago

D is the correct answer

upvoted 4 times

 SAA1 4 years ago

why isn't D correct? pls explain.

upvoted 2 times

    jicabratme 3 years, 8 months ago

    Because the end users are the ones who know the processes and it is best decision that they are testing systems through which these processes are performed

    upvoted 1 times

Which of the following is the most appropriate test to assess the privacy risks associated with an organization's workstations?

A. Penetration test.

B. Social engineering test.

C. Vulnerability test.

D. Physical control test.

Suggested Answer: *C*

Community vote distribution

C (100%)

Domiii 1 year, 2 months ago

Selected Answer: C

The most appropriate test to assess the privacy risks associated with an organization's workstations would be a Vulnerability test (Option C).

A Vulnerability test focuses on identifying weaknesses and vulnerabilities in the organization's workstations and their associated software, configurations, or network settings. It helps determine if there are any security flaws that could potentially lead to privacy breaches.
A Physical control test (Option D) is geared towards evaluating the physical security measures in place, such as access controls, surveillance systems, or environmental controls. While physical security is important for overall data protection, it does not directly assess the privacy risks associated with workstations.

upvoted 4 times

Which of the following statements is true regarding the relationship between an individual's average tax rate and marginal tax rate?

A. In a regressive personal tax system, an individual's marginal tax rate is normally greater than his average tax rate.

B. In a regressive personal tax system, an individual's marginal tax rate is normally equal to his average tax rate.

C. In a progressive personal tax system, an individual's marginal tax rate is normally equal to his average tax rate.

D. In a progressive personal tax system, an individual's marginal tax rate is normally greater than his average tax rate.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

An organization needs to borrow a large amount of cash to fund its expansion plan. Which of the following annual interest rates is least expensive?

    A. 7 percent simple interest with a 10 percent compensating balance.

    B. 7 percent simple interest paid at the end of each year.

    C. 7 percent discount interest.

    D. 7 percent compounding interest.

Suggested Answer: *B*

☐ **👤 3f2afe3** 11 months, 3 weeks ago

pls explain

upvoted 1 times

    ☐ **👤 emtofid** 6 months, 3 weeks ago

    Simple interest means the interest is only charged on the principal, without compounding.

    Since no compensating balance or discounting applies, the actual rate remains 7%.

    This is the cheapest option.

    upvoted 1 times

Which of the following statements accurately describes one of the characteristics that distinguishes a multinational company from a domestic company?

- A. A multinational company has stockholders in other countries.
- B. A multinational company exports its products to other countries.
- C. A multinational company operates outside of its country of origin.
- D. A multinational company uses raw materials and components from more than one country.

Suggested Answer: C

Currently there are no comments in this discussion, be the first to comment!

Which of the following best describes an objective for an audit of an environmental management system?

A. To assess whether an annual control review is necessary.

B. To determine conformance with requirements and agreements.

C. To evaluate executive management oversight.

D. To promote environmental awareness.

Suggested Answer: *B*

Community vote distribution

D (100%)

34205ac 9 months, 1 week ago

Selected Answer: D

conformance is related to compliance auditing

upvoted 1 times

Which of the following statements is true regarding the roles and responsibilities associated with a corporate social responsibility (CSR) program?

A. The board has overall responsibility for the internal control processes associated with the CSR program.

B. Management has overall responsibility for the effectiveness of governance, risk management, and internal control processes associated with the CSR program.

C. The internal audit activity is responsible for ensuring that CSR principles are integrated into the organization's policies and procedures.

D. Every employee has a responsibility for ensuring the success of the organization's CSR objectives.

Suggested Answer: *D*

Community vote distribution

B (100%)

---

 emtofid 8 months ago

Selected Answer: B

Management is responsible for implementing and maintaining effective governance, risk management, and internal controls for the CSR program, ensuring it aligns with the organization's objectives and policies.

upvoted 2 times

 sundpr 1 year, 1 month ago

D is right from Part 2

upvoted 3 times

 Crazyhydra 1 year, 5 months ago

B is correct answer? I don't think requiring all employees to "ensure" the effectiveness of CSR is reasonable.

upvoted 2 times

 sed999 3 years, 3 months ago

part 2 question, answer D

upvoted 3 times

 Tico 3 years, 7 months ago

A is incorrect because the board's role is to oversee, not to take responsibility for respective internal control processes.

upvoted 1 times

 GurpreetKalra 3 years, 9 months ago

I don't believe D is right, it should be A. Thoughts ?

upvoted 3 times

Which of the following descriptions of the internal control system are indicators that risks are managed effectively?

1. Existing controls promote compliance with applicable laws and regulations.

2. The control environment is designed to address all identified risks to the organization.

3. Key controls for significant risks to the organization remain consistent over time.

4. Monitoring systems are in place to alert management to unexpected events.

    A. 1 and 3.

    B. 1 and 4.

    C. 2 and 3.

    D. 2 and 4.

Suggested Answer: *B*

⊟   👤 **Mariecia** 10 months ago

Risks should be assessed at least annually and not all identified risks should be addressed. It will depend on their impact and likelihood.

  upvoted 2 times

Which of the following is true regarding the COSO enterprise risk management framework?

A. The framework categorizes an organization's objectives to distinct, non overlapping objectives.

B. Control environment is one of the framework's eight components.

C. The framework facilitates effective risk management, even if objectives have not been established.

D. The framework integrates with, but is not dependent upon, the corresponding internal control framework.

Suggested Answer: *D*

Community vote distribution

B (67%) | D (33%)

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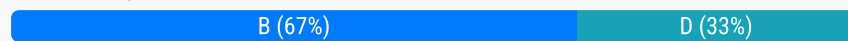
emtofid 8 months ago

Selected Answer: D

The COSO Enterprise Risk Management (ERM) framework is designed to integrate risk management into the broader business strategy and processes of an organization. It works in conjunction with the COSO Internal Control—Integrated Framework but operates independently in its focus on managing risk and achieving objectives.

upvoted 1 times

Mariecia 10 months ago

There are only 5 components in the COSO framework

upvoted 1 times

Domiii 1 year, 8 months ago

Selected Answer: B

D. The framework integrates with, but is not dependent upon, the corresponding internal control framework.

This statement is not true. The COSO enterprise risk management framework is closely related to the COSO internal control framework. The two frameworks are designed to be integrated, with the risk management framework building upon the internal control framework. The risk management framework expands on the internal control framework's concepts and provides additional guidance for managing risks effectively.

upvoted 2 times

Elvin 1 year, 6 months ago

This makes sense however, I think the question is old. I believe we only have 5 interrelated components now in COSO.

upvoted 2 times

Which of the following is a major advantage of decentralized organizations, compared to centralized organizations?

A. Decentralized organizations are more focused on organizational goals.

B. Decentralized organizations streamline organizational structure.

C. Decentralized organizations tend to be less expensive to operate.

D. Decentralized organizations tend to be more responsive to market changes.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

The economic order quantity can be calculated using the following formula:

$$Q = \sqrt{\frac{2Dp}{s}}$$

Q = Order size in units

D = Annual demand in units

p = Cost per purchase order

s = Carrying cost per year for one unit of inventory

Which of the following describes how the optimal order size will change if the annual demand increases by 36 percent?

A. Decrease by about 17 percent.

B. Decrease by about 7 percent.

C. Increase by about 7 percent.

D. Increase by about 17 percent.

Suggested Answer: *D*

☐ 👤 **luluka** `Highly Voted 👍` 11 months, 3 weeks ago
square root of 1.36 equals almost 1.17
upvoted 5 times

   ☐ 👤 **thabash** 9 months, 3 weeks ago
   smart approach
   upvoted 2 times

☐ 👤 **nanz** `Most Recent ⊘` 2 years, 3 months ago
how can I get the number?
upvoted 3 times

   ☐ 👤 **Roopz** 2 years, 2 months ago
   First you put in dummy numbers for the variable cost of order, the carrying cost per unit per period and for the annual demand. Calculate the EOQ.
   Then do a second calculation with the same numbers but this time increase your annual demand by 36%. That will give you a new EOQ. Compare
   the first EOQ with the second EOQ and the percentage change between them will give you the answer
   upvoted 11 times

Which of the following statements best describes the frameworks set forth by the International Standards Organization?

A. Globally accepted standards for industries and processes.

B. Bridging the gaps among control requirements, technical issues, and business risks.

C. Practical guidance and benchmarks for all organizations that use information systems.

D. Frameworks and guidance on enterprise risk management, internal control, and fraud deterrence.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

An internal auditor performed a review of IT outsourcing and found that the service provider was failing to meet the terms of the service level agreement. Which of the following approaches is most appropriate to address this concern?

A. The organization should review the skill requirements and ensure that the service provider is maintaining sufficient expertise and retaining skilled resources.

B. The organization should proactively monitor the performance of the service provider, escalate concerns, and use penalty clauses in the contract where necessary.

C. The organization should ensure that there is a clear management communication strategy and path for evaluating and reporting on all outsourced services concerns.

D. The organization should work with the service provider to review the current agreement and expectations relating to objectives, processes, and overall

Suggested Answer: *B*

☐ 👤 **34205ac** 10 months ago

why B while C seems more reasonable

upvoted 1 times

A chief audit executive (CAE) was asked to participate in the selection of an external auditor. Which of the following would not be a typical responsibility for the
CAE?

    A. Evaluate the proposed external auditor fee.

    B. Recommend criteria to be used in the selection process.

    C. Develop appropriate performance metrics.

    D. Monitor the work of the external auditors.

Suggested Answer: *C*

Community vote distribution

C (50%)	A (50%)

 Kozy 1 month, 2 weeks ago

Selected Answer: A

While the Chief Audit Executive (CAE) may be involved in the selection process of an external auditor, evaluating the proposed fee is generally not within the typical scope of their responsibilities. Fee evaluation is usually handled by procurement, finance, or the audit committee, as it involves budgetary and financial negotiations, which may compromise the CAE's objectivity or independence.

upvoted 1 times

---

 emtofid 8 months ago

Selected Answer: C

This responsibility usually falls under the purview of management or a dedicated performance evaluation team. The CAE's role is more aligned with auditing and evaluating existing processes rather than developing performance metrics.

upvoted 1 times

 Crazyhydra 11 months, 2 weeks ago

why not A?

upvoted 1 times

---

 dnsl18 3 years, 9 months ago

Why is the answer not B?

upvoted 2 times

     Knot_Theory 3 years, 6 months ago

    This question got me too but I think I understand the answer this way:

    They're always pushing the idea the CAE can advise the Board (audit committee specifically) to select a good external auditor, but it's the Board's responsibility to make sure the external auditor actually performs.

    The test sort of assumes at times that all auditors are interchangeable and know each other's industry equally well, so A and B are obviously not the answer from the perspective of those are giving advice.

    I first thought the answer might be "D" because that comes later. Internal audit does monitor the work of the external auditor, but that doesn't happen while you're selecting the external auditor. It's really not a very good answer it seems like it should also count as "correct" because it's nonsense in the context of the question. But that is something the CAE does do, so I guess that's why they consider C to be a better answer.

    But "C" is the correct response because the Board should be evaluating the external auditor and not the CAE. Also isn't that a conflict of interest for the internal auditor to develop evaluation criteria for the external auditor? The test never likes it when party A does party B's job.

    upvoted 2 times

Which of the following is the most likely reason an organization may decide to undertake a stock split?

A. To keep stock price constant.

B. To keep shareholders' equity constant.

C. To increase shareholders' equity.

D. To enhance the stock liquidity.

Suggested Answer: *D*

Community vote distribution

D (100%)

 emtofid 8 months ago

Selected Answer: D

A stock split increases the number of shares outstanding, which lowers the per-share price, making the stock more affordable and accessible to a broader range of investors. This increased availability can enhance the liquidity of the stock by making it easier to buy and sell shares in the market.

upvoted 2 times

Which of the following is the best approach to overcome entry barriers into a new business?

A. Offer a standard product that is targeted in the recognized market.

B. Invest in commodity or commodity-like product businesses.

C. Enter into a slow-growing market.

D. Use an established distribution relationship.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following techniques would be least effective in resolving the conflict created by an internal audit client's perception of the audit report as a personal attack on his management performance?

A. The auditor should focus on the audit client as a person and understand him, rather than just concentrating on the problem.

B. The auditor should make recommendations based on objective criteria, rather than based on a subjective assessment.

C. The auditor should explore alternative solutions to address the audit problem, so the audit client has options.

D. The auditor should take a flexible position on the recommendations and focus on resolving the issue by addressing the interests of the people concerned.

Suggested Answer: *A*

Community vote distribution

D (100%)
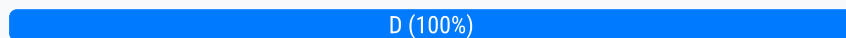
👤 **fadsinyav** 1 month, 3 weeks ago

Selected Answer: D

a mantıklı değil gibi, en az etkili olanı soruyor.

upvoted 1 times

Which of the following most accurately describes the purpose of application authentication controls?

    A. To ensure that data input into business applications is valid, complete, and accurate.

    B. To prevent or detect errors in data processed using business applications.

    C. To ensure that business applications are protected from unauthorized logical access.

    D. To ensure the validity, accuracy, and completeness of outputs from business applications.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which of the following is always true regarding the use of encryption algorithms based on public key infrastructure (PKI)?

A. PKI uses an independent administrator to manage the public key.

B. The public key is authenticated against reliable third-party identification.

C. PKI's public accessibility allows it to be used readily for e-commerce.

D. The private key uniquely authenticates each party to a transaction.

Suggested Answer: *D*

☐ 👤 **Domiii** 1 year, 2 months ago

The statement that is always true regarding the use of encryption algorithms based on public key infrastructure (PKI) is:

D. The private key uniquely authenticates each party to a transaction.

In PKI, each party involved in a transaction possesses a pair of cryptographic keys: a public key and a private key. The private key is kept secret and is known only to the owner, while the public key is freely distributed. The private key uniquely authenticates the party who possesses it, and it is used to decrypt messages that have been encrypted with the corresponding public key.
  upvoted 2 times

☐ 👤 **Crazyhydra** 1 year, 5 months ago
Yes but A is not "always" true
  upvoted 1 times

☐ 👤 **sed999** 3 years, 3 months ago
answer A
  upvoted 1 times

☐ 👤 **dedfef** 4 years, 3 months ago
A is correct too
  upvoted 1 times

Which of the following are appropriate functions for an IT steering committee?

1. Assess the technical adequacy of standards for systems design and programming.

2. Continually monitor of the adequacy and accuracy of software and hardware in use.

3. Assess the effects of new technology on the organization's IT operations.

4. Provide broad oversight of implementation, training, and operation of new systems.
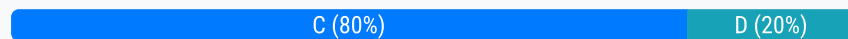
    A. 1, 2, and 3

    B. 1, 2, and 4

    C. 1, 3, and 4

    D. 2, 3, and 4

Suggested Answer: *D*

Community vote distribution

C (80%)	D (20%)

---

 beautyofasia 4 months, 2 weeks ago

Selected Answer: D

to assess detailed adequacy of architecture is the task done by the biz mgrs and the seniors monitor the list of series of them subsequently

upvoted 1 times

 SiweBalala 8 months, 1 week ago

Selected Answer: C

In support of emtofid's explanation

upvoted 1 times

 emtofid 9 months ago

Selected Answer: C

While continual monitoring the adequacy and accuracy of software and hardware is crucial, it is more of an operational task often handled by IT management rather than the steering committee.

upvoted 3 times

Which of the following application-based controls is an example of a programmed edit check?

A. Reasonableness check.

B. Transaction log.

C. Input error correction.

D. Authorization for access.

Suggested Answer: *A*

Kelime 1 year ago

A. Reasonableness check.

A programmed edit check, like a reasonableness check, verifies data for accuracy and logic based on predefined rules. It helps identify data that falls outside expected ranges or values, which can help catch errors or inconsistencies in the input data.

upvoted 1 times

Tico 3 years, 1 month ago

An edit check doesn't have correction function, I guess.

upvoted 1 times

dedfef 3 years, 9 months ago

how is input error correction not a edit check?

upvoted 3 times

Which of the following describes the result if an organization records merchandise as a purchase, but fails to include it in the closing inventory count?

A. The cost of goods sold for the period will be understated.

B. The cost of goods sold for the period will be overstated.

C. The net income for the period will be understated.

D. There will be no effect on the cost of goods sold or the net income for the period.

Suggested Answer: *B*

Community vote distribution

B (67%)	C (33%)

doris `Highly Voted` 1 year, 7 months ago

Net income is affected by operating expenses and COGS. Overstating COGS would understating operating income but not net income. Thus only one answer is correct.

upvoted 10 times

emtofid `Most Recent` 6 months, 2 weeks ago

`Selected Answer: B`

Since the ending inventory is understated (missing the merchandise), the resulting COGS will be overstated. Consequently, this also causes the net income for the period to be understated due to the higher COGS reducing the overall profit. option C is also correct but but B is the more direct effect

upvoted 2 times

Elvoo 7 months ago

`Selected Answer: C`

Why is C not the correct answer?

upvoted 1 times

5016636409 10 months, 4 weeks ago

yeah, i agree with Doris. Net income is not affected in this case.

upvoted 1 times

Shars 1 year, 4 months ago

I agree with Doris

upvoted 2 times

NDOndo 1 year, 8 months ago

I agree with lapayne2. Both b and c are correct answers.

upvoted 1 times

Gbengacfe 1 year, 9 months ago

The direct impact is on the COGS and Gross Profit and by extension Net Profit. In the absence of Gross Profit in the answer options, the most appropriate answer will be the one revolving around COGS.

upvoted 2 times

lapayne2 1 year, 9 months ago

If inventory is understated then COGS will be overstated and Net Income is understated. How is the answered determined to be about COGS and not Net Income when both answers are correct?

upvoted 1 times

An organization's balance sheet indicates that the total asset amount and the total capital stock amount remained unchanged from one year to the next, and no dividends were declared or paid. However, the organization reported a loss of $200,000. Which of the following describes the most likely year-over-year change to the organization's total liabilities and total stockholder equity?

A. The total liabilities and total stockholder equity both increased.

B. The total liabilities and total stockholder equity both decreased.

C. The total liabilities decreased, and the total stockholder equity increased.

D. The total liabilities increased, and the total stockholder equity decreased.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

An organization accumulated the following data for the prior fiscal year:

Value of -

Percentage of -

Quarter -

Output Produced -

Cost X -
$4,750,000
2.9
$4,700,000
3.0
$4,350,000
3.2
$4,000,000
3.5

Based on this data, which of the following describes the value of Cost X in relation to the value of Output Produced?

A. Cost X is a variable cost.

B. Cost X is a fixed cost.

C. Cost X is a semi-fixed cost.

D. Cost X and the value of Output Produced are unrelated.

Suggested Answer: *B*

Community vote distribution

B (100%)

🗕 👤 **Wakie** `Highly Voted 👍` 6 years ago

i don't understand what this question is asking based on the data?

upvoted 11 times

🗕 👤 **Shars** `Highly Voted 👍` 4 years, 10 months ago

I also do not understand the question. Can someone please explain...

upvoted 6 times

🗕 👤 **emtofid** `Most Recent ⊘` 7 months, 4 weeks ago

`Selected Answer: B`

The value of Output Produced decreases from $4,750,000 in the first quarter to $4,000,000 in the fourth quarter.

The Percentage of Cost X relative to the Output Produced increases from 2.9% to 3.5% as the Output Produced decreases.

This pattern suggests that Cost X does not vary proportionally with the Output Produced. Instead:

If Cost X were a variable cost, the percentage would remain constant because it would change directly with the Output Produced.

If Cost X were a fixed cost, the percentage would increase as the Output Produced decreases, which matches the observed pattern.

Correct Answer:

B. Cost X is a fixed cost.

Explanation:

Fixed costs remain constant in total, regardless of the level of output. As output decreases, fixed costs represent a larger percentage of the total output value, which aligns with the increasing percentages shown in the data.

upvoted 4 times

34205ac 10 months ago

The question is not consistent with the answers

upvoted 1 times

Steve8Taiwan 3 years, 10 months ago

Can not understand this question.

upvoted 1 times

Barmechan 3 years, 10 months ago

I also agree with all of you

upvoted 1 times

Talz 4 years, 4 months ago

Agreed, I also don't understand what is being asked here, or the context.

upvoted 1 times

Roopz 5 years, 2 months ago

I agree with Wakie

upvoted 5 times

34205ac 10 months ago

The question is not consistent with the answers

upvoted 1 times

Steve8Taiwan 3 years, 10 months ago

Can not understand this question.

upvoted 1 times

Barmechan 3 years, 10 months ago

Which of the following statements is false regarding the internal audit approach when a set of standards other than The IIA's Standards is applicable to a specific engagement?

A. The internal auditor may cite the use of other standards during audit communications.

B. If the other standards are government-issued, the internal auditor should apply them in conjunction with The IIA's Standards.

C. If there are inconsistencies between the other standards and The IIA's Standards, the internal auditor must use the more restrictive standards.

D. If there are inconsistencies between the other standards and The IIA's Standards, the internal auditor must use the less restrictive standards.

Suggested Answer: *D*

5016636409 11 months, 4 weeks ago

the question is "false statement", so the answer is correct.

upvoted 1 times

Aly 1 year, 1 month ago

This is not part 3 question

upvoted 1 times

chrisk123 1 year, 2 months ago

this is serious. i checked what kozio said and he is correct. u can refer to ippf std 2017 pg2, 5th statement. the answer provided to us is wrong. the correct answer is c and not d as provided here.

upvoted 2 times

koziolmutant 1 year, 8 months ago

strange as an introduction to standards has it "if the Internal Audit
activity indicates conformance with the Standards and inconsistencies exist between the Standards and other standards, Internal Auditors and the Internal Audit activity must conform with the Standards and may conform with the other standards if they are more restrictive" so if IIA standards are more restrictive, how could this answer be correct?

upvoted 1 times

koziolmutant 1 year, 8 months ago

it is not correct as statement, so the answer is correct")

upvoted 2 times

dnsl18 1 year, 8 months ago

Thanks! I got confused with the question

upvoted 2 times

dnsl18 1 year, 9 months ago

What is the rationale?

upvoted 2 times

An internal auditor is trying to assess control risk and the effectiveness of an organization's internal controls. Which of the following audit procedures would not provide assurance to the auditor on this matter?

A. Interviewing the organization's employees.

B. Observing the organization's operations.

C. Reading the board's minutes.

D. Inspecting manuals and documents.

Suggested Answer: *C*

👤 **khashah** 11 months, 1 week ago

Why not D

upvoted 2 times

👤 **GurpreetKalra** 9 months ago

Inspecting Manuals and documents is part of fieldwork

upvoted 1 times

What are the objectives of governance as defined by the Standards?

A. Inform, direct, manage, and monitor.

B. Identify, assess, manage, and control.

C. Organize, assign, authorize, and implement.

D. Add value, improve, assure, and conform.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Within an enterprise, IT governance relates to the:

1. Alignment between the enterprise's IT long term plan and the organization's objectives.

2. Organizational structures of the company that are designed to ensure that IT supports the organization's strategies and objectives.

3. Operational plans established to support the IT strategies and objectives.

4. Role of the company's leadership in ensuring IT supports the organization's strategies and objectives.

    A. 1 and 2 only

    B. 3 and 4 only

    C. 1, 2, and 4 only

    D. 2, 3, and 4 only

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Within an enterprise, IT governance relates to the:

1. Alignment between the enterprise's IT long term plan and the organization's objectives.

2. Organizational structures of the company that are designed to ensure that IT supports the organization's strategies and objectives.

3. Operational plans established to support the IT strategies and objectives.

4. Role of the company's leadership in ensuring IT supports the organization's strategies and objectives.

According to the International Professional Practices Framework, which of the following statements is true regarding a corporate social responsibility (CSR) program?

1. Every employee generally has a responsibility for ensuring the success of CSR objectives.
2. The board has overall responsibility for the effectiveness of internal control processes associated with CSR.
3. Public reporting on the CSR governance process is expected.
4. Organizations generally have flexibility regarding what is included in a CSR program.

    A. 1, 2, and 3 only

    B. 1, 2, and 4 only

    C. 1, 3, and 4 only

    D. 2, 3, and 4 only

Suggested Answer: *B*

Community vote distribution

B (100%)

Alzira 7 months ago

Selected Answer: B

The problem is that "public reporting on the CSR governance process" is desired but not always expected. It is desired in many cases, especially for larger companies, publicly traded organizations, or those in industries with heightened scrutiny or stakeholder expectations. Transparency in CSR practices, including governance, is seen as a positive way to build trust and demonstrate accountability.

However, it is not always expected or legally required for all organizations. Smaller, privately held companies or those in certain industries might not have formal obligations to publicly report on their CSR governance processes, though they may still do so voluntarily to enhance their reputation or meet stakeholder expectations.

In short, while public reporting on CSR governance is increasingly common and encouraged, it's not always a strict requirement for every organization.

upvoted 2 times

dedfef 4 years, 9 months ago

this is not in part 3 for new syllabus

upvoted 1 times

    dnsl18 4 years, 9 months ago

    what are the topics for the new syllabus?

    upvoted 1 times

Shars 4 years, 10 months ago

Yes CSR is in the new syllabus

upvoted 2 times

chewchew 5 years, 3 months ago

CSR is not in new syallabus right?

upvoted 1 times

MTHUSSAIN 5 years, 9 months ago

if any one correct answer to be selected

which one is the most appropriate answer

upvoted 1 times

    seanshine 1 year, 1 month ago

    I guess A

    upvoted 1 times

Which of the following would not impair the objectivity of internal auditor?

A. Management assurance on risks.

B. Implementing risk responses on behalf of management.

C. Providing assurance that risks assessed are correctly evaluated.

D. Setting the risk appetite.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

In an organization where enterprise risk management practices are mature, which of the following is a core internal audit role?

A. Giving assurance that risks are evaluated correctly.

B. Developing the risk management strategy for the board's approval.

C. Facilitating the identification and evaluation of risks.

D. Coaching management in responding to risk.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following is an example of a risk avoidance response?

A. Buying an insurance policy to protect against loss events.

B. Hedging against natural gas price fluctuations.

C. Selling a non-strategic business unit.

D. Outsourcing a high risk process to a third party.

Suggested Answer: *C*

5016636409 10 months, 4 weeks ago

yes it is

upvoted 1 times

Inkku 1 year, 2 months ago

Is this really in scope of part 3 exam?

upvoted 1 times

Which of the following statements are true regarding the use of heat maps as risk assessment tools?

1. They focus primarily on known risks, limiting the ability to identify new risks.

2. They rely heavily on objective assessments and related risk tolerances.

3. They are too complex to provide an easily understandable view of key risks.

4. They are helpful but limited in value in a rapidly changing environment.

    A. 1 and 2 only

    B. 1 and 4 only

    C. 2 and 3 only

    D. 3 and 4 only

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

The most important reason to use risk assessment in audit planning is to:

- A. Identify redundant controls.
- B. Improve budgeting accuracy.
- C. Enhance assurance provided to management.
- D. Assist in developing audit programs.

Suggested Answer: *C*

Community vote distribution

C (100%)

👤 **emtofid** 8 months, 4 weeks ago

Selected Answer: C

The primary purpose of risk assessment in audit planning is to ensure that the audit focuses on the areas of highest risk, which enhances the assurance provided to management and the board.

upvoted 1 times

In creating a risk-based plan, which of the following best describes a top-down approach to understanding business processes?

    A. Identifying the processes at the activity level.

    B. Analyzing the organization's strategic plan where the business processes are defined.

    C. Analyzing the organization's objectives and identifying the processes needed to achieve the objectives.

    D. Identifying the risks affecting the organization, the objectives, and then the processes concerned.

Suggested Answer: C

Currently there are no comments in this discussion, be the first to comment!

Which of the following are typical responsibilities for operational management within a risk management program?

1. Implementing corrective actions to address process deficiencies.

2. Identifying shifts in the organization's risk management environment.

3. Providing guidance and training on risk management processes.

4. Assessing the impact of mitigation strategies and activities.

A. 1 and 2 only

B. 1 and 4 only

C. 2 and 3 only

D. 3 and 4 only

Suggested Answer: *B*

Tico 1 year, 1 month ago

Who is responsible for #2 Identifying shifts in the organization?

upvoted 2 times

Shars 1 year, 10 months ago

#3 is done by the Risk management function i.e. Risk Manager/Officer etc.

upvoted 2 times

PioGor9618 2 years ago

I am surprised that #3 answer is not correct.

upvoted 1 times

Which of the following statements about COBIT is not true?

A. COBIT helps management understand and manage the risks associated with information technology (IT) processes.

B. Management needs to determine the cost-benefit ratio of adopting COBIT control objectives.

C. COBIT control objectives are specific to various IT platforms and help determine minimum controls.

D. COBIT provides management with the capability to conduct self-assessments against industry best practices.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

In order to provide useful information for an organization's risk management decisions, which of the following factors is least important to assess?

    A. The underlying causes of the risk.

    B. The impact of the risk on the organization's objectives.

    C. The risk levels of current and future events.

    D. The potential for eliminating risk factors.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

According to the Standards, which of the following is based on the assertion that the quality of an organization's risk management process should improve with time?

A. Process element.

B. Key principles.

C. Maturity model.

D. Assurance.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

An internal auditor has been asked to conduct an investigation involving allegations of independent contractor fraud. Which of the following controls would be least effective in detecting any potential fraudulent activity?

    A. Exception report identifying payment anomalies.

    B. Documented policy and procedures.

    C. Periodic account reconciliation of contractor charges.

    D. Monthly management review of all contractor activity.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which of the following should an organization consider when developing strategic objectives for its business processes?

1. Contribution to the success of the organization.

2. Reliability of operational information.

3. Behaviors and actions expected of employees.

4. How inputs combine with outputs to generate activities.

A. 1 and 2 only

B. 1 and 3 only

C. 2 and 4 only

D. 3 and 4 only

Suggested Answer: *B*

👤 **5016636409** 9 months, 3 weeks ago

why not include #2 ?

upvoted 1 times

👤 **GurpreetKalra** 9 months ago

thats operational not strategic

upvoted 2 times

Which of the following are appropriate reasons for internal auditors to document processes as part of an audit engagement?

1. To determine areas of primary concern.

2. To establish a standard format for process mapping.

3. To define areas of responsibility within the organization.

4. To assess the performance of employees.

    A. 1 and 2 only

    B. 1 and 3 only

    C. 2 and 3 only

    D. 2 and 4 only

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which of the following phases of a business cycle are marked by an underuse of resources?

1. The trough.

2. The peak.

3. The recovery.

4. The recession.

    A. 1 and 3 only

    B. 1 and 4 only

    C. 2 and 3 only

    D. 2 and 4 only

Suggested Answer: *B*

 Suzan07 11 months, 1 week ago

This question is related to a section that has been eliminated in the new version of the CIA program

upvoted 3 times

According to the ISO 14001 standard, which of the following is not included in the requirements for a quality management system?

A. Key processes across the entity which impact quality must be identified and included.

B. The quality management system must be documented in the articles of incorporation, quality manual, procedures, work instructions, and records.

C. Management must review the quality policy, analyze data about quality management system performance, and assess opportunities for improvement and the need for change.

D. The entity must have processes for inspections, testing, measurement, analysis, and improvement.

Suggested Answer: *B*

Community vote distribution

B (100%)

👤 **SiweBalala** 8 months, 1 week ago

Selected Answer: B

to be noted that ISO 14001 is focused on environmental management systems, not quality management systems. QMS is addressed by ISO9001

upvoted 1 times

👤 **maliknadim10** 11 months, 1 week ago

While the ISO 14001 standard does require documentation of the quality management system, it does not specify that the articles of incorporation must be included. The documentation typically includes a quality manual, procedures, work instructions, and records related to the environmental management system.

upvoted 1 times

Which of the following professional organizations sets standards for quality and environmental audits?

A. The Committee of Sponsoring Organizations of the Treadway Commission.

B. The Board of Environmental, Health, and Safety Auditor Certifications.

C. The International Organization of Supreme Audit Institutions.

D. The International Standards Organization.

Suggested Answer: *D*

☐ 👤 **mbappah** 1 year, 1 month ago

it should have been the International Organisation for Standardization in English

upvoted 1 times

An organization facing rapid growth decides to employ a third party service provider to manage its customer relationship management function.

Which of the following is true regarding the supporting application software used by that provider compared to an in-house developed system?

1. Updating documentation is always a priority.

2. System availability is usually more reliable.

3. Data security risks are lower.

4. Overall system costs are lower.

    A. 1 and 2 only

    B. 1 and 3 only

    C. 2 and 4 only

    D. 3 and 4 only

Suggested Answer: *C*

🖃 👤 **NDOndo** 2 years, 2 months ago

Isn't data security riskier if handled by 3rd party?

upvoted 2 times

   🖃 👤 **Hashi1_snr** 1 year, 1 month ago

   The answer is correct. risk sharing is risk reduction strategy. the risk level for the organisation will be lower when shared with vendor. Vendor will manage some element of the risk

   upvoted 1 times

   🖃 👤 **DudeLebowski** 2 years, 2 months ago

   It is, that's why it's not an advantage. However, I agree with you the way questions are written down is pretty stupid

   upvoted 1 times

      🖃 👤 **L30** 1 year, 9 months ago

      it's a free site, don't complain.

      upvoted 5 times

An organization is considering the outsourcing of its business processes related to payroll and information technology functions. Which of the following is the most significant area of concern for management regarding this proposed agreement?

    A. Ensuring that payments to the vendor are appropriate and timely for the services delivered.

    B. Ensuring that the vendor has complete management control of the outsourced process.

    C. Ensuring that there are means of monitoring the efficiency of the outsourced process.

    D. Ensuring that there are means of monitoring the effectiveness of the outsourced process.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Providing knowledge, motivating organizational members, controlling and coordinating individual efforts, and expressing feelings and emotions are all functions of:

- A. Motivation.
- B. Performance.
- C. Organizational structure.
- D. Communication.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Where complex problems need to be addressed, which of the following communication networks would be most appropriate?

    A. Chain.

    B. All-channel.

    C. Circle.

    D. Wheel.

Suggested Answer: *B*

Community vote distribution

B (100%)

☐ 👤 **emtofid** 6 months, 2 weeks ago

Selected Answer: B

The all-channel network, also known as the "star network," allows all members of the group to communicate with each other freely. This type of network is ideal for complex problem-solving because it facilitates the sharing of information, ideas, and feedback among all participants, promoting collaboration and innovation.

upvoted 1 times

Which of the following is a strategy that organizations can use to stimulate innovation?

1. Source from the most advanced suppliers.

2. Establish employee programs that reward initiative.

3. Identify best practice competitors as motivators.

4. Ensure that performance targets are always achieved.

    A. 1 and 3 only

    B. 2 and 4 only

    C. 1, 2, and 3 only

    D. 1, 2, 3, and 4

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which of the following statements about market signaling is correct?

1. The organization releases information about a new product generation.

2. The organization limits a challenger's access to the best source of raw materials or labor.

3. The organization announces that it is fighting a new process technology.

4. The organization makes exclusive arrangements with the channels.

    A. 1 and 3 only

    B. 1 and 4 only

    C. 2 and 3 only

    D. 2 and 4 only

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following strategies would most likely prevent an organization from adjusting to evolving industry market conditions?

A. Specializing in proven manufacturing techniques that have made the organization profitable in the past.

B. Substituting its own production technology with advanced techniques used by its competitors.

C. Forgoing profits over a period of time to gain market share from its competitors.

D. Using the same branding to sell its products through new sales channels to target new markets.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

In which type of business environment are price cutting strategies and franchising strategies most appropriate?

    A. Embryonic, focused.

    B. Fragmented, decline.

    C. Mature, fragmented.

    D. Competitive, embryonic.

Suggested Answer: *C*

---

dedfef 9 months ago

this is old

upvoted 1 times

Suzan07 11 months, 1 week ago

Question-related to the previous version of the CIA exam I think. Correct me please if I'm wrong.

upvoted 3 times

According to Porter, which of the following is associated with fragmented industries?

- A. Weak entrance barriers.
- B. Significant scale economies.
- C. Steep experience curve.
- D. Strong negotiation power with suppliers.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Technological uncertainty, subsidy, and spin-offs are usually characteristics of:

- A. Fragmented industries.

- B. Declining industries.

- C. Mature industries.

- D. Emerging industries.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following strategies is most appropriate for an industry that is in decline?

A. Invest in marketing.

B. Invest in research and development.

C. Control costs.

D. Shift toward mass production.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

In terms of international business strategy, which of the following is true regarding a multi-domestic strategy?

    A. It uses the same products in all countries.

    B. It centralizes control with little decision-making authority given to the local level.

    C. It is an effective strategy when large differences exist between countries.

    D. It provides cost advantages, improves coordinated activities, and speeds product development.

Suggested Answer: *C*

  Suzan07 11 months, 1 week ago

It isn't related to the previous program of the CIA part 3?

upvoted 1 times

    chewchew 9 months, 1 week ago

    it is current

      upvoted 3 times

Organizational activities that complement each other and create a competitive advantage are called a:

A. Merger.

B. Strategic fit.

C. Joint venture.

D. Strategic goal.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

An internationally recognized brand name is an entrance barrier to new competitors because new competitors would:

- A. Have to initiate a price war in order to enter the industry.
- B. Face increased production costs.
- C. Face increased marketing costs.
- D. Face higher learning costs, which would increase fixed costs.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which stage of group development is characterized by a decrease in conflict and hostility among group members and an increase in cohesiveness?

    A. Forming stage.

    B. Norming stage.

    C. Performing stage.

    D. Storming stage.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which of the following is an element of effective negotiating?

A. Ensuring that the other party has a personal stake in the agreement.

B. Focusing on interests rather than on obtaining a winning position.

C. Considering a few select choices during the settlement phase.

D. Basing the agreement on negotiating power and positioning leverage.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which of the following statements is true regarding the resolution of interpersonal conflict?

A. Unrealized expectations can be avoided with open and honest discussion.

B. Reorganization would probably not help ambiguous or overlapping jurisdictions.

C. Deferring action should be used until there is sufficient time to fully deal with the issue.

D. Timely and unambiguous clarification of roles and responsibilities will eliminate most interpersonal conflict.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following would best prevent unauthorized external changes to an organization's data?

    A. Antivirus software, firewall, data encryption.

    B. Firewall, data encryption, backup procedures.

    C. Antivirus software, firewall, backup procedures.

    D. Antivirus software, data encryption, change logs.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

When granting third parties temporary access to an entity's computer systems, which of the following is the most effective control?

A. Access is approved by the supervising manager.

B. User accounts specify expiration dates and are based on services provided.

C. Administrator access is provided for a limited period.

D. User accounts are deleted when the work is completed.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

An organization is considering mirroring the customer data for one regional center at another center. A disadvantage of such an arrangement would be:

- A. Lack of awareness of the state of processing.
- B. Increased cost and complexity of network traffic.
- C. Interference of the mirrored data with the original source data.
- D. Confusion about where customer data are stored.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which of the following statements regarding program change management is not correct?

A. The goal of the change management process is to sustain and improve organizational operations.

B. The degree of risk associated with a proposed change determines if the change request requires authorization.

C. In order to protect the production environment, changes must be managed in a repeatable, defined, and predictable manner.

D. All changes should be tested in a non-production environment before migrating to the production environment.

Suggested Answer: *B*

Community vote distribution

B (100%)

☐ 👤 **64121de** 5 months ago

Selected Answer: B

Do approval is always required for any changes?

upvoted 1 times

When auditing an application change control process, which of the following procedures should be included in the scope of the audit?

1. Ensure system change requests are formally initiated, documented, and approved.

2. Ensure processes are in place to prevent emergency changes from taking place.

3. Ensure changes are adequately tested before being placed into the production environment.

4. Evaluate whether the procedures for program change management are adequate.

- A. 1 only
- B. 1 and 3 only
- C. 2 and 4 only
- D. 1, 3, and 4 only

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

An internal auditor discovered that several unauthorized modifications were made to the production version of an organization's accounting application. Which of the following best describes this deficiency?

A. Production controls weakness.

B. Application controls weakness.

C. Authorization controls weakness.

D. Change controls weakness.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following would provide the most relevant assurance that the application under development will provide maximum value to the organization?

    A. Use of a formal systems development lifecycle.

    B. End-user involvement.

    C. Adequate software documentation.

    D. Formalized non-regression testing phase.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which of the following does not provide operational assurance that a computer system is operating properly?

A. Performing a system audit.

B. Making system changes.

C. Testing policy compliance.

D. Conducting system monitoring.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which of the following does not provide operational assurance that a computer system is operating properly?

A. Performing a system audit.

B. Making system changes.

C. Testing policy compliance.

D. Conducting system monitoring.

Which of the following statements regarding database management systems is not correct?

A. Database management systems handle data manipulation inside the tables, rather than it being done by the operating system itself in files.

B. The database management system acts as a layer between the application software and the operating system.

C. Applications pass on the instructions for data manipulation which are then executed by the database management system.

D. The data within the database management system can only be manipulated directly by the database management system administrator.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following statements regarding database management systems is not correct?

A. Database management systems handle data manipulation inside the tables, rather than it being done by the operating system itself in files.

B. The database management system acts as a layer between the application software and the operating system.

C. Applications pass on the instructions for data manipulation which are then executed by the database management system.

D. The data within the database management system can only be manipulated directly by the database management system administrator.

Which of the following statements is in accordance with COBIT?

1. Pervasive controls are general while detailed controls are specific.

2. Application controls are a subset of pervasive controls.

3. Implementation of software is a type of pervasive control.

4. Disaster recovery planning is a type of detailed control.

    A. 1 and 4 only

    B. 2 and 3 only

    C. 2, 3, and 4 only

    D. 1, 2, and 4 only

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

A holding company set up a centralized group technology department, using a local area network with a mainframe computer to process accounting information for all companies within the group. An internal auditor would expect to find all of the following controls within the technology department except:

A. Adequate segregation of duties between data processing controls and file security controls.

B. Documented procedures for remote job entry and for local data file retention.

C. Emergency and disaster recovery procedures and maintenance agreements in place to ensure continuity of operations.

D. Established procedures to prevent and detect unauthorized changes to data files.

Suggested Answer: *B*

Community vote distribution

A (100%)

👤 **emtofid** 6 months, 2 weeks ago

Selected Answer: A

Segregation of duties between data processing and file security may not always be practical in smaller or centralized IT teams.

upvoted 1 times

👤 **Tico** 11 months, 3 weeks ago

What is the rationale of B? is that because those documents are in remote locations rather than in the technology department?

upvoted 1 times

👤 **Ren_92** 11 months, 1 week ago

Key takeaway is that they're using LAN as mainframe which limits access to outside network with exception for BCM. Hence, the organization isn't configured for remote works at least that's for accounting works.

upvoted 4 times

Which of the following local area network physical layouts is subject to the greatest risk of failure if one device fails?

    A. Star network.

    B. Bus network.

    C. Token ring network.

    D. Mesh network.

Suggested Answer: *B*

Community vote distribution

B (100%)

 SiweBalala 8 months, 1 week ago

Selected Answer: B

Option B- A single point of failure (the backbone cable) can bring down the entire network.

Option C: - which is a ring has ways to bypass failed devices, reducing the risk of total network failure.

upvoted 1 times

 Elvin 1 year, 1 month ago

Selected Answer: B

This should be B.

upvoted 3 times

 Kelime 1 year, 6 months ago

The local area network (LAN) physical layout subject to the greatest risk of failure if one device fails is the Bus network (option B). In a Bus network, all devices are connected along a single communication line. If any device or the communication line itself fails, it can disrupt the entire network's functionality. Other devices on the network won't be able to communicate properly if the main communication line is disrupted.

upvoted 3 times

 sdfgdfg345 4 years, 3 months ago

Answer C is correct.

upvoted 1 times

 Roopz 4 years, 7 months ago

I agree NDOndo. The question is written poorly. Perhaps device means workstation as opposed to connection?

upvoted 1 times

 NDOndo 4 years, 8 months ago

Isn't this bus network?

upvoted 4 times

     reemihsan 4 years, 4 months ago

    that's what I thought as well

    upvoted 2 times

     sdfgdfg345 4 years, 3 months ago

    In the Bus network all devices are independent from each other

    upvoted 3 times

A department purchased one copy of a software program for internal use. The manager of the department installed the program on an office computer and then made two complete copies of the original software.

Copy 1 was solely for backup purposes.

Copy 2 was for use by another member of the department.

In terms of software licenses and copyright law, which of the following is correct?

    A. Both copies are legal.

    B. Only copy 1 is legal.

    C. Only copy 2 is legal.

    D. Neither copy is legal.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

During which phase of disaster recovery planning should an organization identify the business units, assets, and systems that are critical to continuing an acceptable level of operations?

A. Scope and initiation phase.

B. Business impact analysis.

C. Plan development.

D. Testing.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Under a value-added taxing system:

A. Businesses must pay a tax only if they make a profit.

B. The consumer ultimately bears the cost of the tax through higher prices.

C. Consumer savings are discouraged.

D. The amount of value added is the difference between an organization's sales and its cost of goods sold.

Suggested Answer: *B*

Community vote distribution

B (100%)

👤 **emtofid** 6 months, 2 weeks ago

Selected Answer: B

In a value-added tax (VAT) system, taxes are applied at each stage of production and distribution, but the final consumer ends up bearing the cost, as businesses typically pass the tax along to consumers in the form of higher prices.

upvoted 1 times

An organization has recorded the following profit and expenses:

Profit before interest and tax -
$200,000

Sales -
$2,300,000

Purchases of materials -
$700,000

Interest expenses -
$30,000

If the value-added tax (VAT) rate is 20 percent and the corporate tax rate is 30 percent, which of the following is the amount of VAT that the organization has to pay?

    A. $34,000

    B. $51,000

    C. $60,000

    D. $320,000

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following are the most appropriate measures for evaluating the change in an organization's liquidity position?

    A. Times interest earned, return on assets, and inventory turnover.

    B. Accounts receivable turnover, inventory turnover in days, and the current ratio.

    C. Accounts receivable turnover, return on assets, and the current ratio.

    D. Inventory turnover in days, the current ratio, and return on equity.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Unsecured loans are loans:

- A. That do not have to be repaid for over one year.

- B. That appear to be too risky for most lenders to consider.

- C. Granted on the basis of a company's credit standing.

- D. Backed by mortgaged assets.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

All of the following are true with regard to the first-in, first-out inventory valuation method except:

A. It values inventory close to current replacement cost.

B. It generates the highest profit when prices are rising.

C. It approximates the physical flow of goods.

D. It minimizes current-period income taxes.

Suggested Answer: *D*

Community vote distribution

A (100%)

👤 **137a7a9** 5 months, 1 week ago

Selected Answer: A

D makes an assumption about price movements not included in the question. FIFO does not value inventory at close to current replacement as that would be LIFO - most recent prices paid.

upvoted 1 times

👤 **Crazyhydra** 11 months, 2 weeks ago

can someone explain why D?

upvoted 2 times

👤 **emtofid** 7 months, 3 weeks ago

In a rising price environment, higher profits from FIFO result in higher taxable income, increasing current-period income taxes compared to methods like LIFO.

upvoted 2 times

Maintenance cost at a hospital was observed to increase as activity level increased. The following data was gathered:

Activity Level -

Maintenance Cost -

Month -

Patient Days -

Incurred -

January -
5,600
$7,900

February -
7,100
$8,500

March -
5,000
$7,400

April -
6,500
$8,200

May -
7,300
$9,100

June -
8,000
$9,800

If the cost of maintenance is expressed in an equation, what is the independent variable for this data?

    A. Fixed cost.

    B. Variable cost.

    C. Total maintenance cost.

    D. Patient days.

Suggested Answer: *D*

Community vote distribution

D (100%)

 👤 **Brad626** `Highly Voted 👍` 3 years, 10 months ago

How can reviewees answer this when it is badly-formatted ??

upvoted 8 times

   👤 **Crazyhydra** 11 months, 2 weeks ago

its a free site, dont complain

upvoted 1 times

 👤 **emtofid** `Most Recent ⊘` 7 months, 3 weeks ago

Maintenance cost is the dependent variable since it depends on the activity level measured by patient days

upvoted 1 times

⊟ 👤 **EducatedAuditor** 2 years, 10 months ago

No info is needed to find out which option is an independent variable. Fixed costs are as the name implies, fixed, not a variable. Variable cost and total maintenance cost must be depending on activity levels, so they're variables but not independent ones, hence the answer is "patience days", which has no dependency on any of these items.

Hope it helps :)

upvoted 3 times

⊟ 👤 **chrisk123** 3 years, 1 month ago

i dont even understand the format and question?

upvoted 3 times

Import quotas that limit the quantities of goods that a domestic subsidiary can buy from its foreign parent company represent which type of barrier to the parent company?

A. Political.

B. Financial.

C. Social.

D. Tariff.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

The process of scenario planning begins with which of the following steps?

A. Determining the trends that will influence key factors in the organization's environment.

B. Selecting the issue or decision that will impact how the organization conducts future business.

C. Selecting leading indicators to alert the organization of future developments.

D. Identifying how customers, suppliers, competitors, employees, and other stakeholders will react.

Suggested Answer: *B*

ZoeLee 11 months, 2 weeks ago

B is correct.It's the first step because it sets the direction for the rest of the scenario planning process.

upvoted 1 times

Kelime 1 year, 6 months ago

Determining the trends that will influence key factors in the organization's environment.Selecting the issue or decision that will impact how the organization conducts future business.Identifying how customers, suppliers, competitors, employees, and other stakeholders will react.Selecting leading indicators to alert the organization of future developments.

upvoted 1 times

ekek 3 years, 6 months ago

Set objectives first.

upvoted 1 times

chrisk123 3 years, 8 months ago

how can answer be b, b should be the last option after considering factors? are they misleading us with the wrong answer?

upvoted 1 times

Crazyhydra 1 year, 5 months ago

B is correct. you have to identify the issue first

upvoted 1 times

According to IIA guidance, which of the following steps are most important for an internal auditor to perform when evaluating an organization's social and environmental impact on the local community?

1. Determine whether previous incidents have been reported, managed, and resolved.

2. Determine whether a business contingency plan exists.

3. Determine the extent of transparency in reporting.

4. Determine whether a cost/benefit analysis was performed for all related projects.

    A. 1 and 3.

    B. 1 and 4.

    C. 2 and 3.

    D. 2 and 4.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following corporate social responsibility strategies is likely to be most effective in minimizing confrontations with influential activists and lobbyists?

    A. Continually evaluate the needs and opinions of all stakeholder groups.

    B. Ensure strict compliance with applicable laws and regulations to avoid incidents.

    C. Maintain a comprehensive publicity campaign that highlights the organization's efforts.

    D. Increase goodwill through philanthropic activities among stakeholder communities.

Suggested Answer: *A*

  GurpreetKalra 9 months ago

Agreed! Some of these questions do scare you

  upvoted 2 times

  MarkWang 11 months, 2 weeks ago

IT'S NOT 2019 VERSION SYLLABUS

  upvoted 3 times

When assessing the adequacy of a risk mitigation strategy, an internal auditor should consider which of the following?

1. Managements tolerance for specific risks.

2. The cost versus benefit of implementing a control.

3. Whether a control can mitigate multiple risks.

4. The ability to test the effectiveness of the control.

    A. 1, 2, and 3

    B. 1, 2, and 4

    C. 1, 3, and 4

    D. 2, 3, and 4

Suggested Answer: *C*

Community vote distribution

B (100%)

---

  emtofid 7 months, 3 weeks ago

Selected Answer: B

While controls that address multiple risks are efficient, the primary focus should be on whether the control effectively mitigates the specific risks identified.

  upvoted 1 times

  Shars 1 year, 10 months ago

My exact thoughts NDOndo

  upvoted 1 times

  NDOndo 2 years, 2 months ago

Isn't cost-benefit not a consideration?

  upvoted 2 times

    koziolmutant 1 year, 8 months ago

    regarding compliance, it is not the case, controls must exist regardless of cost-benefit balance

    upvoted 4 times

      Hashi1_snr 1 year ago

      Correct. Compliance can be mandatory and/or voluntary, but that has nothing to do with cost.

      upvoted 1 times

    sdfgdfg345 1 year, 9 months ago

    Cost-benefit - for me also the right option for the answer.

    upvoted 1 times

    Roopz 2 years, 1 month ago

    Perhaps it's for management to ascertain that?

    upvoted 2 times

According to the COSO enterprise risk management (ERM) framework, which of the following is not a typical responsibility of the chief risk officer?

A. Establishing risk category definitions and a common risk language for likelihood and impact measures.

B. Defining ERM roles and responsibilities.

C. Providing the board with an independent, objective risk perspective on financial reporting.

D. Guiding integration of ERM with other management activities.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which of the following price adjustment strategies encourages prompt payment?

    A. Cash discounts.

    B. Quantity discounts.

    C. Functional discounts.

    D. Seasonal discounts.

Suggested Answer: *A*

Community vote distribution

A (100%)

☐ 👤 **yomang** `Highly Voted 👍` 1 year ago

A is the correct answer. Just in case you get the other question that's similar to this one: It's "Which of the following price adjustment strategies is designed to stabilize production for the selling firm?" Answer: Seasonal discounts.

upvoted 9 times

☐ 👤 **137a7a9** `Most Recent ⊘` 5 months, 1 week ago

`Selected Answer: A`

How is "early payment discounts" not an option? Offering a cash discount doesn't lead to earlier payments.

upvoted 1 times

Which of the following actions is most likely to gain support for process change?

    A. Set clear objectives.

    B. Engage the various communities of practice within the organization.

    C. Demonstrate support from senior management.

    D. Establish key competencies.

Suggested Answer: *B*

Community vote distribution

C (100%)

---

  emtofid 7 months, 3 weeks ago

Selected Answer: C

Having the visible backing of senior management can significantly influence the acceptance and support for process changes within an organization. When employees see that leaders are committed to the change, they are more likely to trust and follow the new processes.

upvoted 1 times

Which of the following IT strategies is most effective for responding to competitive pressures created by the marketplace?

A. Promote closer linkage between organizational strategy and information.

B. Provide users with greater online access to information systems.

C. Enhance the functionality of application systems.

D. Expand the use of automated controls.

Suggested Answer: *A*

Community vote distribution

A (100%)

◻ 👤 **Domiii** 1 year, 2 months ago

Selected Answer: A

The most effective IT strategy for responding to competitive pressures created by the marketplace depends on the specific circumstances and goals of the organization. However, out of the given options, the strategy that is generally considered most effective for responding to competitive pressures is A. Promote closer linkage between organizational strategy and information.

Promoting closer linkage between organizational strategy and information involves aligning the organization's overall strategic goals and objectives with its information technology (IT) strategy. This approach ensures that the IT systems and initiatives are directly supporting the organization's competitive position in the marketplace. By closely linking organizational strategy and information, companies can more effectively leverage technology to gain a competitive advantage, improve operational efficiency, and enhance decision-making processes.

upvoted 4 times

◻ 👤 **Crazyhydra** 1 year, 5 months ago

why C and not A??

upvoted 2 times

According to IIA guidance, which of the following is a typical risk associated with the tender process and contracting stage of an organization's IT outsourcing life cycle?

        A. The process is not sustained and is not optimized as planned.

        B. There is a lack of alignment to organizational strategies.

        C. The operational quality is less than projected.

        D. There is increased potential for loss of assets.

Suggested Answer: *B*

Community vote distribution

B (75%)	D (25%)

 lely55 10 months, 3 weeks ago

Selected Answer: D

Yomang is correct. Read the GTAG, it's mentioned.

upvoted 1 times

   emtofid 7 months, 3 weeks ago

   with out reading GTAG, loss of asset does not make any sense in this context.

   upvoted 1 times

 Domiii 1 year, 2 months ago

Selected Answer: B

According to IIA (Institute of Internal Auditors) guidance, the typical risk associated with the tender process and contracting stage of an organization's IT outsourcing life cycle is option B. There is a lack of alignment to organizational strategies.

During the tender process and contracting stage of IT outsourcing, organizations may face the risk of not aligning the outsourced IT services with the organization's overall strategies and objectives. This means that the selected vendor or service provider may not fully understand or be able to support the organization's strategic goals, resulting in potential inefficiencies, conflicts, or missed opportunities.

upvoted 3 times

 yomang 3 years, 7 months ago

It is definitely D. Please check out GTAG 7.

A is clearly mentioned under the "Monitoring and Reporting" stage.
B is clearly mentioned under the "Strategic Fit and Sourcing Evaluation" stage.
C is clearly mentioned under the "Implementation and Transition" stage.

Although "loss of assets" is a risk listed under multiple other stages, it is the only one of these four options that is listed under the "Tender Process and Contracting" stage - as shown, the other three options are clearly risks under different stages. Since this question is asking which of the four options below is a risk under the "Tender Process and Contracting" stage, it has to be D, because the other three are clearly stated in other stages.

upvoted 4 times

 Java_Girl 3 years, 7 months ago

The correct answer should be C

upvoted 1 times

   yomang 3 years, 7 months ago

   Would you mind providing an explanation and/or source for your answer?

   upvoted 1 times

Which of the following is true regarding an organization's relationship with external stakeholders?

A. Specific guidance must be followed when interacting with nongovernmental organizations.

B. Disclosure laws tend to be consistent from one jurisdiction to another.

C. There are several internationally recognized standards for dealing with financial donors.

D. Legal representation should be consulted before releasing internal audit information to other assurance providers.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following is true regarding an organization's relationship with external stakeholders?

A. Specific guidance must be followed when interacting with nongovernmental organizations.

B. Disclosure laws tend to be consistent from one jurisdiction to another.

C. There are several internationally recognized standards for dealing with financial donors.

D. Legal representation should be consulted before releasing internal audit information to other assurance providers.

Which stage in the industry life cycle is characterized by many different product variations?

A. Introduction.

B. Growth.

C. Maturity.

D. Decline.

Suggested Answer: *C*

Community vote distribution

C (100%)

☐ 👤 **Domiii** 1 year, 2 months ago

Selected Answer: C

The stage in the industry life cycle that is characterized by many different product variations is C. Maturity.

During the maturity stage of the industry life cycle, the market becomes saturated, and competition intensifies. As a result, companies start to differentiate their products to appeal to specific customer segments and gain a competitive edge. This differentiation often leads to the introduction of various product variations within the industry.

In the maturity stage, companies seek to maintain or increase market share by offering different features, options, or variations of their products to cater to diverse customer preferences. This strategy allows them to attract new customers, retain existing ones, and differentiate themselves from competitors.

Therefore, the correct answer is C. Maturity.

upvoted 3 times

☐ 👤 **Crazyhydra** 1 year, 5 months ago

I dont understand, why A and not B?

upvoted 1 times

Capacity overbuilding is most likely to occur when management is focused on which of the following?

A. Marketing.

B. Finance.

C. Production.

D. Diversification.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

A retail organization is considering acquiring a composite textile company. The retailer's due diligence team determined the value of the textile company to be $50 million. The financial experts forecasted net present value of future cash flows to be $60 million. Experts at the textile company determined their company's market value to be $55 million if purchased by another entity. However, the textile company could earn more than $70 million from the retail organization due to synergies.

Therefore, the textile company is motivated to make the negotiation successful. Which of the following approaches is most likely to result in a successful negotiation?

A. Develop a bargaining zone that lies between $50 million and $70 million and create sets of outcomes between $50 million and $70 million.

B. Adopt an added-value negotiating strategy, develop a bargaining zone between $50 million and $70 million, and create sets of outcomes between $50 million and $70 million.

C. Involve a mediator as a neutral party who can work with the textile company's management to determine a bargaining zone.

D. Develop a bargaining zone that lies between $55 million and $60 million and create sets of outcomes between $55 million and $60 million.

Suggested Answer: *D*

Community vote distribution

B (67%)   D (33%)

👤 **137a7a9** 5 months, 1 week ago

Selected Answer: D

D is correct because the value needs to lie with the purchaser - in this case the retail org. The value to the textile company is irrelevant.

upvoted 1 times

👤 **Elvoo** 6 months, 1 week ago

Selected Answer: B

I think should be B. Anyone disagree?

upvoted 1 times

👤 **emtofid** 7 months, 3 weeks ago

Selected Answer: B

Added-value negotiating strategy refers to a collaborative approach where both parties work together to expand the value they can share, rather than focusing on dividing the pie. This can help both the retailer and the textile company find creative solutions to increase the value of the deal beyond the initial offers.

upvoted 1 times

👤 **Crazyhydra** 11 months, 2 weeks ago

I dont understand this, can someone explain?

upvoted 1 times

👤 **Inkku** 3 years, 8 months ago

Is this really in scope of part 3?

upvoted 1 times

👤 **sdfgdfg345** 3 years, 9 months ago

Who can explain right answer?

upvoted 2 times

Which of the following is not included in the process of user authentication?

A. Authorization.

B. Identification.

C. Verification.

D. Validation.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

According to IIA guidance on IT auditing, which of the following would not be an area examined by the internal audit activity?

    A. Access system security.

    B. Policy development.

    C. Change management.

    D. Operations processes.

Suggested Answer: *B*

☐ 👤 **Tico** 1 year ago

Which guideline should I refer to answer this question?

  upvoted 3 times

According to the waterfall cycle approach to systems development, which of the following sequence of events is correct?

A. Program design, system requirements, software design, analysis, coding, testing, operations.

B. System requirements, software design, analysis, program design, testing, coding, operations.

C. System requirements, software design, analysis, program design, coding, testing, operations.

D. System requirements, analysis, coding, software design, program design, testing, operations.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Which of the following describes a typical desktop workstation used by most employees in their daily work?

A. Workstation contains software that prevents unauthorized transmission of information into and out of the organization's network.

B. Workstation contains software that controls information flow between the organization's network and the Internet.

C. Workstation contains software that enables the processing of transactions and is not shared among users of the organization's network.

D. Workstation contains software that manages user's access and processing of stored data on the organization's network.

Suggested Answer: *D*

Community vote distribution

D (50%) | B (33%) | C (17%)

☐ 👤 **Elvoo** 6 months, 1 week ago

Selected Answer: D

C or D? and why?

upvoted 1 times

☐ 👤 **emtofid** 6 months, 2 weeks ago

Selected Answer: C

SORRY I MEANT C

upvoted 1 times

☐ 👤 **emtofid** 6 months, 2 weeks ago

Selected Answer: B

After a second review i think the answer might be B, A typical desktop workstation in an organization is a personal computer assigned to an individual employee. These workstations are equipped with software applications specific to the user's role, enabling them to process transactions and perform their daily tasks effectively.

upvoted 1 times

☐ 👤 **emtofid** 7 months, 3 weeks ago

Selected Answer: B

B This describes a typical desktop workstation used by most employees in their daily work. It refers to software such as firewalls, proxies, or other security software that controls and monitors the flow of information between the workstation, the organization's network, and external networks like the Internet. This helps ensure secure communication and prevents unauthorized access or data leakage.

upvoted 1 times

☐ 👤 **seanshine** 1 year, 1 month ago

Selected Answer: D

Why not D? Processing of transactions can be specific for some workstation.

upvoted 2 times

☐ 👤 **Tico** 4 years ago

Please someone explain why C is the best answer

upvoted 1 times

Which of the following must be adjusted to index a progressive tax system to inflation?

A. Tax deductions, exemptions, and tax filings.

B. Tax deductions, exemptions, and tax brackets.

C. Tax brackets, tax deductions, and tax payments.

D. Tax brackets, exemptions, and nominal tax receipts.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which of the following is not a common feature of cumulative preferred stock?

A. Priority over common stock with regard to dilution of shares.

B. Priority over common stock with regard to earnings.

C. Priority over common stock with regard to dividend payment.

D. Priority over common stock with regard to assets.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following is an example of a nonfinancial internal failure quality cost?

A. Decreasing gross profit margins over time.

B. Foregone contribution margin on lost sales.

C. Defective units shipped to customers.

D. Excessive time to convert raw materials into finished goods.

Suggested Answer: *D*

□ 👤 **yomang** [Highly Voted 👍] 1 year, 2 months ago

First two (A & B) are financial (question asks for a "non-financial"). C is an external failure. Only one left is D - it's nonfinancial and happens BEFORE it goes out to customers.

upvoted 6 times

□ 👤 **mbappah** [Most Recent ⊙] 1 year, 7 months ago

C is external while D is internal

upvoted 1 times

□ 👤 **ggghhhh** 2 years, 1 month ago

Is D not related to efficiency, not quality?

upvoted 1 times

□ 👤 **Roopz** 2 years, 1 month ago

Can be both

upvoted 1 times

A manager has difficulty motivating staff to improve productivity, despite establishing a lucrative individual reward system. Which of the following is most likely the cause of the difficulty?

- A. High degree of masculinity.
- B. Low uncertainty avoidance.
- C. High collectivism.
- D. Low long-term orientation.

Suggested Answer: *C*

Community vote distribution

C (100%)

👤 **emtofid** 6 months, 2 weeks ago

Selected Answer: C

C. High collectivism - In cultures with high collectivism, individuals tend to prioritize group goals and teamwork over personal achievements.

upvoted 2 times

👤 **k_wattichai** 1 year, 9 months ago

Why C is correct?

upvoted 1 times

👤 **Steve8Taiwan** 1 year, 10 months ago

Because the reward is for individual.

upvoted 3 times

👤 **Tico** 2 years ago

Why C is correct?

upvoted 1 times

According to IIA guidance, which of the following corporate social responsibility (CSR) evaluation activities may be performed by the internal audit activity?

1. Consult on CSR program design and implementation.

2. Serve as an advisor on CSR governance and risk management.

3. Review third parties for contractual compliance with CSR terms.

4. Identify and mitigate risks to help meet the CSR program objectives.

    A. 1, 2, and 3

    B. 1, 2, and 4

    C. 1, 3, and 4

    D. 2, 3, and 4

Suggested Answer: *A*

  Aly 1 year, 1 month ago

Out of part three exam content

upvoted 1 times

    Hashi1_snr 1 year ago

CSR is effectively covered in part 3. The part 3 CIA learning system will even refer you to see part 1 for more details. It's relevant

upvoted 1 times

  yomang 1 year, 2 months ago

Internal audit cannot mitigate risks, only provide assurance. The act of mitigating would be done by management, so it can't be 4.

upvoted 3 times

Which of the following roles would be least appropriate for the internal audit activity to undertake with regard to an organization's corporate social responsibility
(CSR) program?

    A. Consult on project design and implementation of the CSR program.

    B. Serve as an advisor on internal controls related to CSR.

    C. Identify and prioritize the CSR issues that are important to the organization.

    D. Evaluate the effectiveness of the organization's CSR efforts.

Suggested Answer: *C*

🔲 👤 **KonradK** 1 year, 2 months ago

I agree with you here

upvoted 1 times

🔲 👤 **k_wattichai** 3 years, 1 month ago

Why c. I think d

upvoted 2 times

   🔲 👤 **KonradK** 1 year, 1 month ago

After close reading of it, C is correct as it is "the least appropriate".

upvoted 1 times

Which of the following COSO internal control framework components encompasses establishing structures, reporting lines, authorities, and responsibilities?

- A. Control environment.
- B. Control activities.
- C. Information and communication.
- D. Monitoring.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Senior management has decided to implement the Three Lines of Defense model for risk management. Which of the following best describes senior management's duties with regard to this model?

A. Ensure compliance with the model.

B. Identify management functions.

C. Identify emerging issues.

D. Set goals for implementation.

Suggested Answer: *D*

Community vote distribution

D (100%)

🗑️ **Domiii** 1 year, 2 months ago

Selected Answer: D

While senior management is responsible for ensuring compliance with the model and identifying emerging issues, these duties are typically shared across the three lines of defense. Setting goals for implementation is a specific duty that falls under the purview of senior management as they define the strategic direction and objectives for the organization's risk management efforts.

upvoted 4 times

🗑️ **Crazyhydra** 1 year, 5 months ago

I think the correct answer should be D

upvoted 3 times

Which of the following principles are common to both hierarchical and open organizational structures?

1. Employees at all levels should be empowered to make decisions.

2. A supervisor's span of control should not exceed seven subordinates.

3. Responsibility should be accompanied by adequate authority.

4. A superior cannot delegate the ultimate responsibility for results.

- A. 1 and 2
- B. 1 and 4
- C. 2 and 3
- D. 3 and 4

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following statements about matrix organizations is false?

A. In a matrix organization, conflict between functional and product managers may arise.

B. In a matrix organization, staff under dual command is more likely to suffer stress at work.

C. Matrix organizations offer the advantage of greater flexibility.

D. Matrix organizations minimize costs and simplify communication.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Which of the following purchasing scenarios would gain the greatest benefit from implementing electronic data interchange?

- A. A time-sensitive just-in-time purchase environment.
- B. A large volume of custom purchases.
- C. A variable volume sensitive to material cost.
- D. A currently inefficient purchasing process.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following statements is true regarding outsourced business processes?

A. Outsourced business processes should not be considered in the internal audit universe because the controls are owned by the external service provider.

B. Generally, independence is improved when the internal audit activity reviews outsourced business processes.

C. The key controls of outsourced business processes typically are more difficult to audit because they are designed and managed externally.

D. The system of internal controls may be better and more efficient when the business process is outsourced compared to internally sourced.

Suggested Answer: *B*

Community vote distribution

B (80%) | C (20%)
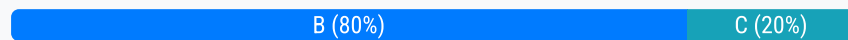
☐ 👤 **Thila** `Highly Voted 👍` 4 years, 3 months ago

I think the answer should be C

upvoted 8 times

   ☐ 👤 **Knot_Theory** 4 years ago

   Yeah, it's a strange answer. While it COULD BE better designed, that is certainly true, it is much less certain that D will be true than that C will be true.

   upvoted 2 times

☐ 👤 **emtofid** `Most Recent ⊙` 7 months, 3 weeks ago

`Selected Answer: C`

Outsourced business processes present unique challenges for internal auditors. Since key controls are designed and managed externally, it can make auditing these processes more complex. Internal auditors may have limited access to information and need to rely on service providers' reports and attestations to assess the effectiveness of controls.

upvoted 1 times

☐ 👤 **Domiii** 1 year, 2 months ago

`Selected Answer: B`

. B. This statement is true. When the internal audit activity reviews outsourced business processes, it tends to enhance independence. This is because the internal auditors can assess the controls and performance of the external service provider objectively, without being directly involved in the day-to-day operations.

C. This statement is not necessarily true. The difficulty of auditing key controls in outsourced business processes can vary depending on factors such as the nature of the process, the level of documentation and transparency provided by the external service provider, and the access granted to the internal auditors.

D. This statement is not necessarily true. The efficiency and effectiveness of internal controls in outsourced business processes can vary.

upvoted 4 times

   ☐ 👤 **Adarshiia** 1 year, 2 months ago

   source

   upvoted 2 times

☐ 👤 **yomang** 3 years, 8 months ago

It definitely feels like it could be C or D; however, I can't find any evidence-to-the-contrary that would suggest it is TYPICAL for an outsourced business process to be more difficult to audit. In fact, it may actually be easier in some cases because that outsourced company likely SPECIALIZES in the field that the company needs help with, ergo: they do a BETTER job and would be easier to audit. With Answer D, it's the case in point that I just made - they do a better job than your internal folks. For instance, if you hired a limo service to drive your CEO around - they specialize in driving limos, vs. having an employee who's never driven a limo before.

upvoted 4 times

☐ 👤 **iweihermueller** 3 years, 11 months ago

I guess it has to do with the fact that in case of outsourcing you have less control processes to implement. You might just have to watch the SLA or something like that and not the whole process

upvoted 2 times

When an organization is choosing a new external auditor, which of the following is the most appropriate role for the chief audit executive to undertake?

A. Review and acquire the external audit service.

B. Assess the appraisal and actuarial services.

C. Determine the selection criteria.

D. Identify regulatory requirements to be considered.

Suggested Answer: *C*

Community vote distribution

| C (50%) | D (50%) |

 Elvoo 5 months ago

Selected Answer: D

Why not D?

upvoted 1 times

 emtofid 7 months, 3 weeks ago

Selected Answer: D

The most appropriate role for the CAE is to ensure that regulatory and professional requirements are properly considered during the selection process. This aligns with the CAE's responsibilities in maintaining oversight of governance and compliance matters.

upvoted 3 times

 SiweBalala 8 months, 1 week ago

Selected Answer: C

The CAE is well-positioned to understand the organization's needs

upvoted 2 times

 e6ad5a7 9 months ago

Selected Answer: C

Why would it not be "C-determine the selection criteria"? My understanding is this would involve setting the standards and requirements the external auditor must meet, ensuring they align with the organizational needs including regulatory requirements.

upvoted 2 times

 34205ac 10 months ago

Can someone explain why the CAE can identify such requirements, despite that he can mostly provide assessments and undirected discissions

upvoted 1 times

Which of the following factors is considered a disadvantage of vertical integration?

A. It may reduce the flexibility to change partners.

B. It may not reduce the bargaining power of suppliers.

C. It may limit the organization's ability to differentiate the product.

D. It may lead to limited control of proprietary knowledge.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following conditions could lead an organization to enter into a new business through internal development rather than through acquisition?

A. It is expected that there will be slow retaliation from incumbents.

B. The acquiring organization has information that the selling organization is weak.

C. The number of bidders to acquire the organization for sale is low.

D. The condition of the economy is poor.

Suggested Answer: *A*

Community vote distribution

A (100%)

---

 emtofid 7 months, 3 weeks ago

Selected Answer: A

When entering a new business, an organization may choose internal development (building the capability from within) if the competitive environment is favorable. If retaliation from incumbents is expected to be slow or weak, the organization can afford the time needed for internal development without facing immediate, strong competitive pressures.

upvoted 1 times

Which of the following statements about slack time and milestones are true?

1. Slack time represents the amount of time a task may be delayed without delaying the entire project.

2. A milestone is a moment in time that marks the completion of the project's major deliverables.

3. Slack time allows the project manager to move resources from one task to another to ensure that the project is finished on time.

4. A milestone requires resource allocation and needs time to be completed.

    A. 1 and 4 only

    B. 2 and 3 only

    C. 1, 2, and 3 only

    D. 1, 2, 3, and 4

Suggested Answer: *C*

👤 **Tico** 2 years ago

Why 4 shouldn't be included in the answer?

upvoted 1 times

👤 **yomang** 2 years, 2 months ago

Explain please

upvoted 1 times

Which of the following are typical audit considerations for a review of authentication?

1. Authentication policies and evaluation of controls transactions.

2. Management of passwords, independent reconciliation, and audit trail.

3. Control self-assessment tools used by management.

4. Independent verification of data integrity and accuracy.

    A. 1, 2, and 3

    B. 1, 2, and 4

    C. 1, 3, and 4

    D. 2, 3, and 4

Suggested Answer: *A*

Community vote distribution

B (100%)

 emtofid 7 months, 3 weeks ago

Selected Answer: B

While control self-assessment tools are valuable for management's internal review, they are not directly related to the review of authentication. They focus on broader control evaluations rather than the specifics of authentication processes.

  upvoted 3 times

At what point during the systems development process should an internal auditor verify that the new application's connectivity to the organization's other systems has been established correctly?

    A. Prior to testing the new application.

    B. During testing of the new application.

    C. During implementation of the new application.

    D. During maintenance of the new application.

Suggested Answer: *A*

Community vote distribution

B (67%)	A (33%)

⊟ 👤 **Elvoo** 6 months, 1 week ago

Selected Answer: A

A or B? Please explain..

upvoted 1 times

⊟ 👤 **Domiii** 1 year, 2 months ago

Selected Answer: B

B. During testing of the new application.

An internal auditor should verify that the new application's connectivity to the organization's other systems has been established correctly during the testing phase of the systems development process. This is an important step to ensure that the new application functions as intended and properly integrates with the existing systems within the organization. By conducting this verification during testing, any connectivity issues or integration problems can be identified and addressed before the application is fully implemented and put into production.

upvoted 2 times

    ⊟ 👤 **KonradK** 1 year, 1 month ago

    Source

    upvoted 3 times

⊟ 👤 **Ella** 4 years ago

It's because the question is at what point should the "functionality" has been "established correctly" - it is during the system design that when "defining the architecture, modules, interfaces, and data for a system is identified or established to satisfy specified requirement"

upvoted 4 times

⊟ 👤 **Aleprieto** 4 years, 1 month ago

I think it is because the New application has to be implemented first and, then, we test its connectivity and, then, we test the application + connectivity. Maintenance is totally a subsequent thing.

Difficult and risky to check the connectivity before the application is implemented.

upvoted 1 times

⊟ 👤 **Shars** 4 years, 4 months ago

Similar for me. I would like comments to justify the answer

upvoted 2 times

⊟ 👤 **PioGor9618** 4 years, 6 months ago

This answer surprised me. Appreciate comment that would justify correct answer.

upvoted 3 times

Which of the following is not a potential area of concern when an internal auditor places reliance on spreadsheets developed by users?

    A. Increasing complexity over time.

    B. Interface with corporate systems.

    C. Ability to meet user needs.

    D. Hidden data columns or worksheets.

Suggested Answer: *C*

Community vote distribution

C (100%)

---

 emtofid 7 months, 3 weeks ago

Selected Answer: C

C. Ability to meet user needs:

Not a primary concern for internal auditors. While user satisfaction is important, it is not typically a direct focus for internal auditors assessing the reliability or integrity of spreadsheets. Auditors are more concerned with risks such as errors, fraud, or insufficient controls.

upvoted 1 times

According to IIA guidance, which of the following would be a primary reason for an internal auditor to test the organization's IT contingency plan?

A. To ensure that adequate controls exist to prevent any significant business interruptions.

B. To identify and address potential security weaknesses within the system.

C. To ensure that tests contribute to improvement of the program.

D. To ensure that deficiencies identified by the audit are promptly addressed.

Suggested Answer: *A*

Community vote distribution

A (100%)

☐ **Domiii** 1 year, 2 months ago

Selected Answer: A

A. To ensure that adequate controls exist to prevent any significant business interruptions.

According to IIA (Institute of Internal Auditors) guidance, a primary reason for an internal auditor to test the organization's IT contingency plan is to ensure that adequate controls are in place to prevent any significant business interruptions. The IT contingency plan is designed to provide a framework for the organization to respond effectively to disruptions in IT services and minimize the impact on business operations. By testing the plan, the internal auditor can assess whether the controls and strategies outlined in the plan are sufficient to address potential disruptions and ensure the continuity of critical IT services.

upvoted 4 times

☐ **Adarshiia** 1 year, 2 months ago

why not c

upvoted 1 times

Refer to the exhibit.
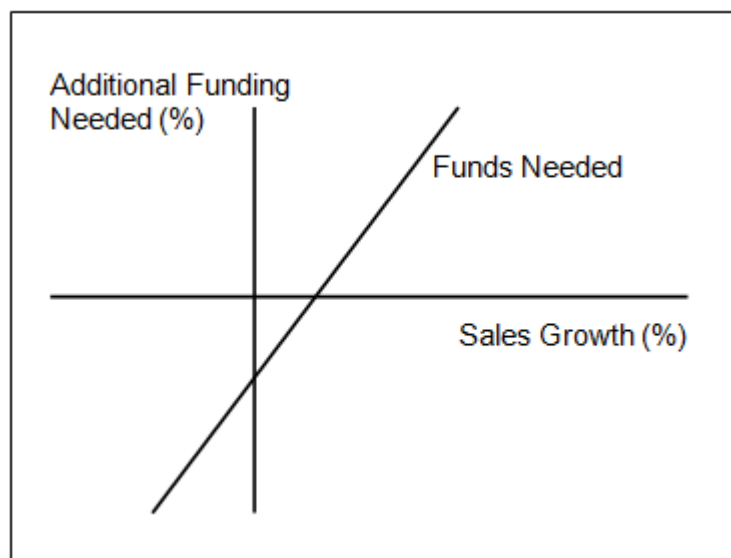
If the profit margin of an organization decreases, and all else remains equal, which of the following describes how the "Funds Needed" line in the graph below will shift?

A. The "Funds Needed" line will remain pointed upward, but will become less steep.

B. The "Funds Needed" line will remain pointed upward, but will become more steep.

C. The "Funds Needed" line will point downward with a minimal slope.

D. The "Funds Needed" line will point downward with an extreme slope.

Suggested Answer: *B*

Community vote distribution

B (100%)

 👤 **emtofid** 7 months, 3 weeks ago

Selected Answer: B

When profit margins decrease:

More external funds are required to support the same level of sales growth because internal resources are less available to fund growth initiatives.
This increases the slope of the "Funds Needed" line, making it steeper, as the rate of additional funding required grows faster relative to sales growth.
 upvoted 2 times

Which of the following techniques is the most relevant when an internal auditor conducts a valuation of an organization's physical assets?

A. Observation.

B. Inspection.

C. Original cost.

D. Vouching.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Which of the following is a key characteristic of a zero-based budget?

A. A zero-based budget provides estimates of costs that would be incurred under different levels of activity.

B. A zero-based budget maintains focus on the budgeting process.

C. A zero-based budget is prepared each year and requires each item of expenditure to be justified.

D. A zero-based budget uses input from lower-level and middle-level managers to formulate budget plans.

Suggested Answer: *C*

Community vote distribution

C (100%)

👤 **emtofid** 6 months, 2 weeks ago

Selected Answer: C

Unlike traditional budgeting, where last year's expenses are the starting point, ZBB forces managers to justify every expense based on current priorities, improving cost efficiency and eliminating unnecessary spending.

upvoted 1 times

If legal or regulatory standards prohibit conformance with certain parts of The IIA's Standards, the auditor should do which of the following?

    A. Conform with all other parts of The IIA's Standards and provide appropriate disclosures.

    B. Conform with all other parts of The IIA's Standards; there is no need to provide appropriate disclosures.

    C. Continue the engagement without conforming with the other parts of The IIA's Standards.

    D. Withdraw from the engagement.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Which of the following physical access controls often functions as both a preventive and detective control?

    A. Locked doors.

    B. Firewalls.

    C. Surveillance cameras.

    D. Login IDs and passwords.

Suggested Answer: *C*

☐ 👤 **prabhat2700** 3 hours, 10 minutes ago

Selected Answer: C

After eliminating the obvious incorrect choices, C is the only one left standing.

upvoted 1 times

An organization accomplishes its goal to obtain a 40 percent share of the domestic market, but is unable to get the desired return on investment and output per hour of labor. Based on this information, the organization is most likely focused on which of the following?

    A. Capital investment and not marketing.

    B. Marketing and not capital investment.

    C. Efficiency and not input economy.

    D. Effectiveness and not efficiency.

Suggested Answer: *D*

Community vote distribution

D (100%)

🔲 👤 **Domiii** `Highly Voted 👍` 1 year, 2 months ago

`Selected Answer: D`

D. Effectiveness and not efficiency.

Based on the information provided, the organization has accomplished its goal of obtaining a 40 percent share of the domestic market. However, it is unable to achieve the desired return on investment and output per hour of labor. This suggests that the organization is focused on effectiveness rather than efficiency.

Effectiveness refers to the extent to which an organization achieves its goals and objectives. In this case, the organization has successfully gained a significant market share, indicating effectiveness in terms of market penetration. However, it is not achieving the desired return on investment and output per hour of labor, indicating that it may be struggling to efficiently utilize its resources to generate expected productivity

upvoted 5 times

🔲 👤 **k_wattichai** `Most Recent ⊙` 3 years ago

I think d

upvoted 1 times

🔲 👤 **superman26** 3 years, 8 months ago

i also think the answer is D.. why A?

upvoted 3 times

🔲 👤 **yomang** 3 years, 8 months ago

Someone explain how it's not D

upvoted 2 times

Question #2

An organization that sells products to a foreign subsidiary wants to charge a price that will decrease import tariffs. Which of the following is the best course of action for the organization?

    A. Decrease the transfer price.

    B. Increase the transfer price.

    C. Charge at the arm's length price.

    D. Charge at the optimal transfer price.

Suggested Answer: *A*

Community vote distribution

A (80%) | C (20%)

 137a7a9 5 months, 1 week ago

Selected Answer: A

This is why the failure rate is so high. Based on the question, the answer is A. If the question included requirements to consider other forms of taxation or accounting disclosures then the answer would change.

upvoted 2 times

---

 emtofid 7 months, 3 weeks ago

Selected Answer: C

C. Charge at the arm's length price, as it ensures compliance with both tax regulations and international transfer pricing rules. This approach helps avoid the risks associated with lowering the price too much to reduce tariffs, while still maintaining proper pricing that tax authorities can accept as reasonable. If minimizing import tariffs is the priority, it should still be done within the boundaries of these regulations.

upvoted 1 times

 34205ac 9 months, 3 weeks ago

Its A. As per Gleim and quoted "The best transfer price may be low because of tariffs or high because of foreign exchange controls"

upvoted 2 times

 Elvin 1 year, 7 months ago

Selected Answer: A

Should it be A?

upvoted 2 times

 Walewweeeed 3 years, 12 months ago

A is correct

upvoted 3 times

---

 superman26 4 years, 2 months ago

why the answer, not D?

upvoted 1 times

---

 yomang 4 years, 2 months ago

Per CFI: Transfer pricing helps in reducing duty costs by shipping goods into countries with high tariff rates by using low transfer prices so that the duty base of such transactions is lowered.

So maybe it's A. I don't see how charging them the market price (arm's length) LOWERS the tariffs. A tariff is a percentage of whatever you sell at any price. So if it's 10% of $100, it's $10 - but if you LOWER the sale price to $50, it's 10% of $50, which is $5, ergo: Decreasing the transfer/sale price will also LOWER/DECREASE the tariffs.

upvoted 3 times

 Chamak 4 years, 4 months ago

May be import tariff is based on market prices which is based on fair values

upvoted 2 times

 Chamak 4 years, 4 months ago

Me too thought A was a correct answer because lowering the transfer price would reduce profits and hence tarifs

upvoted 3 times

An investor has acquired an organization that has a dominant position in a mature, slow-growth industry and consistently creates positive financial income. Which of the following terms would the investor most likely label this investment in her portfolio?

A. A star.

B. A cash cow.

C. A question mark.

D. A dog.

Suggested Answer: *B*

Reference:

https://www.businessnewsdaily.com/5693-bcg-matrix.html

👤 **Deepankar** 4 hours, 35 minutes ago

Selected Answer: A

I've seen something similar before — pretty sure it was A.

upvoted 1 times

An organization with global headquarters in the United States has subsidiaries in eight other nations. If the organization operates with an ethnocentric attitude, which of the following statements is true?

> A. Standards used for evaluation and control are determined at local subsidiaries, not set by headquarters.

> B. Orders, commands, and advice are sent to the subsidiaries from headquarters.

> C. People of local nationality are developed for the best positions within their own country.

> D. There is a significant amount of collaboration between headquarters and subsidiaries.

Suggested Answer: *D*

Community vote distribution

B (100%)

👤 **yomang** `Highly Voted 👍` 4 years, 2 months ago

I read on some other banks that the answer is actually B, which makes more sense. Ethnocentric mindset does not allow for collaboration. The host country will just be telling everyone else what they want vs. trying to figure out what everyone else would like.

upvoted 9 times

👤 **ankara66** `Highly Voted 👍` 4 years, 5 months ago

I think the right answer is B

upvoted 6 times

👤 **34205ac** `Most Recent ⊘` 9 months, 3 weeks ago

Its B as per Gleim "Ethnocentric MNCs identify with the home country.

upvoted 1 times

👤 **Crazyhydra** 1 year, 11 months ago

`Selected Answer: B`

B is the correct answer

upvoted 2 times

👤 **Suzan07** 3 years, 9 months ago

The answer is B

D is for regiocentriques

upvoted 3 times

Which of the following data security policies is most likely to be the result of a data privacy law?

A. Access to personally identifiable information is limited to those who need it to perform their job.

B. Confidential data must be backed up and recoverable within a 24-hour period.

C. Updates to systems containing sensitive data must be approved before being moved to production.

D. A record of employees with access to insider information must be maintained, and those employees may not trade company stock during blackout periods.

Suggested Answer: *A*

Community vote distribution

A (100%)

☐ 👤 **Domiii** 1 year, 2 months ago

Selected Answer: A

A correct

upvoted 2 times

A large retail customer made an offer to buy 10,000 units at a special price of $7 per unit. The manufacturer usually sells each unit for $10. Variable manufacturing costs are $5 per unit and fixed manufacturing costs are $3 per unit. For the manufacturer to accept the offer, which of the following assumptions needs to be true?

    A. Fixed and variable manufacturing costs are less than the special offer selling price.

    B. The manufacturer can fulfill the order without expanding the capacities of the production facilities.

    C. Costs related to accepting this offer can be absorbed through the sale of other products.

    D. The manufacturer's production facilities are currently operating at full capacity.

Suggested Answer: *C*

Community vote distribution

B (100%)

👤 **Kozy** 1 month, 2 weeks ago

Selected Answer: B

This is a classic special order decision problem from managerial accounting. The key is to determine whether the incremental revenue exceeds the incremental costs.

Special offer price = $7

Variable cost per unit = $5

Fixed costs = $3 → Not relevant if they won't change due to the order.

Profit per unit from the special order = $7 - $5 = $2 → Positive incremental contribution margin

➡️ Fixed costs are sunk in this decision unless the order requires expanding capacity (which would increase fixed costs). So, if the manufacturer has capacity to take on this order without extra fixed costs, then it's profitable.

upvoted 1 times

👤 **luluka** 2 years, 11 months ago

isnt'it B?

upvoted 4 times

Which of the following responsibilities would ordinarily fall under the help desk function of an organization?

A. Maintenance service items such as production support.

B. Management of infrastructure services, including network management.

C. Physical hosting of mainframes and distributed servers.

D. End-to-end security architecture design.

Suggested Answer: *A*

Domiii 1 year, 2 months ago

The responsibility that would ordinarily fall under the help desk function of an organization would be:

A. Maintenance service items such as production support.

The help desk function typically handles user support and provides assistance to users who have technical issues or questions. This includes tasks such as troubleshooting software and hardware problems, providing technical guidance, resolving user inquiries, and assisting with software installations and configurations. Maintenance service items, such as providing production support, would typically be within the scope of the help desk function.

upvoted 2 times

As it relates to the data analytics process, which of the following best describes the purpose of an internal auditor who cleaned and normalized data?

    A. The auditor eliminated duplicate information.

    B. The auditor organized data to minimize useless information.

    C. The auditor made data usable for a specific purpose by ensuring that anomalies were identified and corrected.

    D. The auditor ensured data fields were consistent and that data could be used for a specific purpose.

Suggested Answer: *A*

Reference:

https://iaonline.theiia.org/blogs/Jim-Pelletier/2018/Pages/6-Essentials-to-Jump-start-Data-Analytics-in-Internal-Audit.aspx

Community vote distribution

D (100%)

---

yomang `Highly Voted 👍` 1 year, 1 month ago

It's A. Question says "CLEANED and normalized data". All the other options are examples of data that is only normalized. Cleaning includes getting rid of duplicate info - Normalizing CAN entail that task as well.

upvoted 6 times

emtofid `Most Recent ⊘` 7 months, 3 weeks ago

`Selected Answer: D`

Tough one but i will go with D

Data Cleaning: involves identifying and correcting errors, inconsistencies, and inaccuracies in the dataset. This process ensures that the data is reliable and devoid of any anomalies that might adversely affect downstream analyses.

Data Normalization, on the other hand, is the process of organizing data into a standardized format, eliminating redundancy and improving data consistency. It involves structuring and designing databases according to specific normalization rules, such as the widely used Normal Forms (NFs). The auditor ensured data fields were consistent and that data could be used for a specific purpose." This aligns with both data cleaning and normalization processes, as it emphasizes ensuring consistency and usability for specific analytical purposes.

upvoted 1 times

> **emtofid** 6 months, 2 weeks ago
>
> after another review i think the answer is C, Cleaning and normalizing data is all about transforming raw, messy data into a reliable and consistent format that's ready for analysis. By identifying and correcting anomalies—such as errors, inconsistencies, or missing values—the auditor ensures the data is accurate and fit for its intended analytical purpose.
>
> upvoted 1 times

yomang 1 year, 1 month ago

Now I'm thinking it could be 'D' based on the article. 'A' is too simple and applies to CLEANING data. 'B' doesn't make sense. 'C' is not right because you're not supposed to identify and then correct any anomalies - you're supposed to look for anomalies AFTER you clean/normalize the data and then find the cause for the anomalies. According to that Reference article, the one that answers the question of what BEST describes the auditor's purpose for cleaning/normalizing data (in other words: WHY did the auditor clean/normalize data), it makes sense to say that that "The auditor cleaned and normalized the data so that the data fields were consistent and could be used for a specific purpose".

upvoted 1 times

> **superman26** 1 year, 1 month ago
>
> D is regard consistency of data so not correct.
>
> Cleansing data includes identifying and removing duplicate data and identifying whether identically named data fields from different systems have identical or different meanings.
>
> Normalizing data is the process of organizing data in order to reduce the potential of redundancy and to facilitate the use of the data for specific purposes. Normalizing also allows for the identification of anomalies, which might represent actual problems or potential opportunities.
>
> so the answer is C
>
> upvoted 2 times

> > **yomang** 1 year, 1 month ago

The only problem though is that 'C' says for anomalies to be identified AND CORRECTED. If it didn't have the "and corrected" portion to the answer, I'd agree with you. But it says "anomalies were identified and corrected". Normalization does not include correcting the anomalies. The article states that outliers (another term for anomalies) need to be investigated for the cause AFTER the data has been cleaned/normalized. Nowhere does it state to CORRECT them.

Although D is definitely not overly comprehensive, it does answer the reason/purpose for why an internal auditor cleaned/normalized data.

upvoted 2 times

□ 👤 **superman26** 1 year, 2 months ago

Data used for analysis must be correct, consistent, complete, free from duplication, with inaccurate or irrelevant parts deleted.

so why answer not C?

upvoted 2 times

□ 👤 **Walewweeeed** 1 year, 2 months ago

Why not d

upvoted 1 times

Which of the following authentication device credentials is the most difficult to revoke when an employee's access rights need to be removed?

A. A traditional key lock.

B. A biometric device.

C. A card-key system.

D. A proximity device.

Suggested Answer: *B*

Community vote distribution

B (100%)

Domiii 1 year, 2 months ago

Selected Answer: B

When it comes to revoking an employee's access rights, the most difficult authentication device credential to revoke would typically be a biometric device.

Biometric authentication relies on unique physical or behavioral characteristics of an individual, such as fingerprints, iris scans, or facial recognition. Once an employee's biometric data is enrolled and associated with their access rights, it becomes challenging to revoke that credential if the employee's access needs to be removed. Unlike other authentication methods, such as a traditional key lock or a card-key system, which can be physically collected or deactivated, biometric data cannot be easily changed or revoked.

upvoted 3 times

Crazyhydra 1 year, 5 months ago

Its A because it can be easily duplicated

upvoted 1 times

ciacandidate 1 year, 7 months ago

I think it's B too.

upvoted 2 times

yomang 3 years, 7 months ago

It's B.

upvoted 3 times

superman26 3 years, 8 months ago

proximity device is an RFID or electronic card, why this is difficult to revoke? why the answer, not a traditional lock, if an employee resigned and the key no returned? how to revoke the access? replaced a new lock and replacement of duplicate key I guess will quite troublesome.

upvoted 1 times

yomang 3 years, 7 months ago

Question says "Which of the authentication DEVICE credentials..." - a traditional key lock system is not a device or credential. So it can't be A

upvoted 1 times

superman26 3 years, 8 months ago

the answer is C - key card system... the others two options are "devices"

upvoted 1 times

Walewweeeed 3 years, 8 months ago

Why not b

upvoted 3 times

What is the primary purpose of data and systems backup?

    A. To restore all data and systems immediately after the occurrence of an incident.

    B. To set the maximum allowable downtime to restore systems and data after the occurrence of an incident.

    C. To set the point in time to which systems and data must be recovered after the occurrence of an incident.

    D. To restore data and systems to a previous point in time after the occurrence of an incident.

Suggested Answer: *D*

  □ 👤 **Deepankar** 4 hours, 35 minutes ago

Selected Answer: B

Kinda torn, but B looks most likely to be what the exam is looking for.

  upvoted 1 times

Which of the following IT-related activities is most commonly performed by the second line of defense?

    A. Block unauthorized traffic.

    B. Encrypt data.

    C. Review disaster recovery test results.

    D. Provide independent assessment of IT security.

Suggested Answer: *D*

Reference:

https://chapters.theiia.org/montreal/ChapterDocuments/Guide%20pratique%20_%20Audit%20interne%20et%202Ã¨me%20ligne%20de%20maÃ®trise.pdf

Community vote distribution

C (100%)

☐ 👤 **yomang** `Highly Voted 👍` 4 years, 1 month ago

I believe it's C. Based on this ISACA article: https://www.isaca.org/resources/isaca-journal/issues/2018/volume-4/roles-of-three-lines-of-defense-for-information-security-and-governance. Although it doesn't specifically state it, it does say that the second line is in charge or evaluating the risk and compliance. Reviewing the disaster recovery results would be a step in the evaluation of the unit's risk and/or compliance with their disaster recovery plans. Also, I saw on another bank that is more accurate than examtopics that it was C as well.

upvoted 11 times

  ☐ 👤 **StephanieJayne** 4 years, 1 month ago

   Which bank was this please

   upvoted 1 times

☐ 👤 **emtofid** `Most Recent ⊘` 7 months, 3 weeks ago

`Selected Answer: C`

In the context of the three lines of defense model for risk management, the second line of defense is responsible for overseeing and monitoring the effectiveness of risk management practices implemented by the first line. This includes developing and implementing risk management processes, policies, and procedures, as well as providing guidance and oversight to ensure that risks are managed appropriately.

C. Review disaster recovery test results: The second line of defense is responsible for overseeing and monitoring the effectiveness of risk management practices, including reviewing the results of disaster recovery tests to ensure that recovery plans are effective and risks are managed appropriately.

D. Provide independent assessment of IT security: This is typically the role of the third line of defense, which consists of internal auditors who provide independent assurance on the effectiveness of governance, risk management, and internal controls.

upvoted 1 times

☐ 👤 **KLynn** 1 year, 1 month ago

It appears to be "D". According to IIA GTAG - Assessing Cybersecurity Risk, The Three Lines Model: Second line roles, often comprised of IT risk management and IT compliance functions, are key to an organization's security posture and program design.

Second line roles are responsible for:

Assessing the risks and exposures related to cybersecurity and determining whether they are in alignment with the organization's risk appetite.

Monitoring current and emerging risks and changes to laws and regulations.

Collaborating with the first line functions to ensure appropriate control design.

upvoted 1 times

☐ 👤 **ciacandidate** 2 years, 1 month ago

It's C. D is performed by the 3rd line.

upvoted 2 times

☐ 👤 **Walewweeeed** 4 years ago

C is correct basedon cypersecrity gtag

upvoted 2 times

yomang 4 years, 2 months ago

I would think D would be done by 3rd line of defense (internal audit) - BUT, A, B, C all seem to be done by 1st line. So I'm torn. C seems like the most possibly right answer because it's not implementing things like A and B are, but I just don't know. Anyone else have insight on this?

upvoted 1 times

With regard to disaster recovery planning, which of the following would most likely involve stakeholders from several departments?

A. Determining the frequency with which backups will be performed.

B. Prioritizing the order in which business systems would be restored.

C. Assigning who in the IT department would be involved in the recovery procedures.

D. Assessing the resources needed to meet the data recovery objectives.

Suggested Answer: *B*

Community vote distribution

B (100%)

---

emtofid 7 months, 3 weeks ago

Selected Answer: B

In disaster recovery planning, determining the sequence in which business systems are restored is a critical decision that requires input from multiple departments. This collaborative approach ensures that the most critical systems, which are essential for the organization's core operations, are prioritized for restoration. Engaging stakeholders from various departments allows for a comprehensive assessment of business needs and dependencies, leading to a more effective and coordinated recovery process.

upvoted 1 times

Kelime 1 year ago

B. Prioritizing the order in which business systems would be restored.Assessing the resources needed to meet the data recovery objectives in disaster recovery planning is important, but prioritizing the order of restoring business systems would most likely involve stakeholders from several departments, as it requires coordination and input from various parts of the organization.

upvoted 3 times

ciacandidate 1 year, 1 month ago

Selected Answer: B

B is correct. Because it is not necessary to involve multiple stakeholders to assess resources needed to meet data recovery objectives. The stakeholders would be involved to prioritize, not assessing. Otherwise, these stakeholders should be doing the disaster recovery planning, instead of the specialist.

upvoted 2 times

Tico 3 years ago

I thought A or D. Why A is inappropriate?

upvoted 2 times

Ren_92 2 years, 11 months ago

A is similar to B which both doesn't require extensive labor and could go away with few key people at the top unlike D

upvoted 1 times

An internal auditor observed that the organization's disaster recovery solution will make use of a cold site in a town several miles away. Which of the following is likely to be a characteristic of this disaster recovery solution?

A. Data is synchronized in real time.

B. Recovery time is expected to be less than one week.

C. Servers are not available and need to be procured.

D. Recovery resources and data restore processes have not been defined.

Suggested Answer: *C*

Community vote distribution

C (100%)

👤 **Java_Girl** `Highly Voted 👍` 4 years, 3 months ago

The answer must be C

Based on GTAG - Business Continuity Management page 13

Cold recovery plan/capabilities.

- A recovery plan exists.

- Recovery site(s) have been identified with space and base infrastructure needed to perform the recovery.

- Recovery resources (e.g., servers) are not available at recovery site(s) and likely need to be procured.

- Data likely needs to be restored (probably from tape backups).

- Typical recovery time is 14 to 30 days.

upvoted 7 times

👤 **Mike12345678** `Highly Voted 👍` 4 years, 5 months ago

Pretty sure C is right. Warm site is 2 days to 2 weeks.

upvoted 6 times

👤 **95529e0** `Most Recent ⊙` 1 year ago

`Selected Answer: C`

it is C

upvoted 1 times

👤 **Alfeel** 2 years, 1 month ago

the correct answer is c

upvoted 2 times

👤 **ciacandidate** 2 years, 1 month ago

`Selected Answer: C`

It's C.

upvoted 2 times

During her annual performance review, a sales manager admits that she experiences significant stress due to her job but stays with the organization because of the high bonuses she earns. Which of the following best describes her primary motivation to remain in the job?

    A. Intrinsic reward.

    B. Job enrichment.

    C. Extrinsic reward.

    D. The hierarchy of needs.

> **Suggested Answer:** *C*
> Reference:
> https://www.verywellmind.com/what-is-extrinsic-motivation-2795164

Domiii 1 year, 2 months ago

C. Extrinsic reward.

In this scenario, the sales manager's primary motivation to remain in the job is the high bonuses she earns. The bonuses are external rewards provided by the organization, which fall under the category of extrinsic rewards. Extrinsic rewards are tangible benefits or incentives that are external to the job itself, such as salary, bonuses, promotions, and recognition. In contrast, intrinsic rewards (option A) refer to the internal satisfaction and enjoyment derived from the work itself. Job enrichment (option B) refers to the process of making a job more satisfying and fulfilling by increasing the level of responsibility, autonomy, and challenge. The hierarchy of needs (option D) is a theory proposed by Abraham Maslow, which suggests that individuals are motivated by a series of needs that range from basic physiological needs to self-actualization. While the sales manager's motivation may align with the need for financial security and esteem (which are part of Maslow's hierarchy), the primary motivation described in the scenario is the external reward of high bonuses.

  upvoted 2 times

What kind of strategy would be most effective for an organization to adopt in order to implement a unique advertising campaign for selling identical product lines across all of its markets?

    A. Export strategy.

    B. Transnational strategy.

    C. Multi-domestic strategy.

    D. Globalization strategy.

Suggested Answer: *D*

Community vote distribution

D (100%)

 Crazyhydra 11 months, 2 weeks ago

Selected Answer: D

Company adopting a multi-domestic strategy would create completely different campaigns tailored to each local market's preferences and culture.

upvoted 3 times

 superman26 3 years, 1 month ago

Multidomestic companies change some aspects of what they do in each country, whereas global companies maintain the same basic business approach in each market.

so the answer C is correct.

why D?

upvoted 1 times

     yomang 3 years, 1 month ago

    You can create the same unique advertising campaign with Globalization strategy - Multi-domestic strategies including adapting the product for each market - this question specifically states IDENTICAL product lines across all of its markets. The product is NOT identical in multi-domestic; but it is in Global.

    upvoted 2 times

 Walewweeeed 3 years, 2 months ago

D is correct

upvoted 3 times

 yomang 3 years, 2 months ago

After reading the Gleim Textbook on this subject, it seems like D is the correct answer. Transnational and Multi-domestic strategies, the product is adapted/customized for each market/country. This question states that it needs a unique advertising campaign to sell IDENTICAL product lines across all markets.

upvoted 3 times

 yomang 3 years, 2 months ago

It seems like it could be D. Selling identical product lines across all markets/nations is what global strategy does - and in order to do that, you'd need to have a unique advertising campaign. Anybody else see this differently?

upvoted 3 times

Which of the following risks is best addressed by encryption?

     A. Information integrity risk.

     B. Privacy risk.

     C. Access risk.

     D. Software risk.

Suggested Answer: *B*

Community vote distribution

B (100%)

👤 **Java_Girl** `Highly Voted 👍` 4 years, 3 months ago

The answer should be B.

Based on GTAG Global Technology Audit Guide (GTAG®) 1

- Confidentiality includes privacy considerations.

- Encryption services applied where confidentiality is a stated requirement

Thus B is correct answer

upvoted 6 times

👤 **emtofid** `Most Recent ⊙` 7 months, 3 weeks ago

`Selected Answer: B`

Encryption is primarily used to protect sensitive information by converting it into an unreadable format that can only be accessed by authorized parties who have the decryption key. This helps ensure privacy by safeguarding data from unauthorized access during transmission or storage.

upvoted 1 times

👤 **34205ac** 9 months, 3 weeks ago

Answer is C. As per Gleim "Encryption and other methods to reduce risk associated with unauthorized access to an organization's network"

upvoted 1 times

👤 **[Removed]** 1 year, 9 months ago

Encryption of sensitive data can be an effective way for a business to reduce its data breach risks. Encryption can be a "safe harbour," that can limit your exposure to breach notification laws when unauthorized individuals gain access to your data.

upvoted 1 times

👤 **ciacandidate** 2 years, 1 month ago

`Selected Answer: B`

It's B. Encryption exists to protect privacy.

upvoted 2 times

👤 **Suzan07** 3 years, 10 months ago

Encryption is related to the integrity of information so I thnink A is correct

upvoted 1 times

👤 **Walewweeeed** 3 years, 12 months ago

A is correct

upvoted 1 times

👤 **yomang** 4 years, 2 months ago

I think it's C. I checked the Gleim textbook and IIA textbook, and it said a bunch about Access, nothing about Privacy. Plus, if you think about it, what risk does it address (as per the original question)? If someone gains access to something that they shouldn't have access to, encryption protects your data so that the hacker still can't see it. Therefore, it addresses an access risk. This COULD entail privacy to a certain extent, but that's specifically only pertaining to the confidentiality of PII, not an all-around extent of accessing anything and everything. Therefore, I think Access Risk makes more sense because it entails anything and everything to do with the risks of people gaining access to ANY data (whether it be PII or other things) but still not being able to do anything with their access because the data is encrypted.

upvoted 2 times

👤 **superman26** 4 years, 1 month ago

Hi, your sharing is regard the access of the documents.

How about access to users' accounts? Users' accounts are controlled by password, SoD, etc.., this type of access risk is unable to use encryption.

(user account password must be remembered by the user, not by encryption.)

the answer should be B, privacy risk.

Technical controls such as encryption or design changes can prevent privacy risks.

upvoted 3 times

Which of the following is an example of a key systems development control typically found in the in-house development of an application system?

    A. Logical access controls monitor application usage and generate audit trails.

    B. The development process is designed to prevent, detect, and correct errors that may occur.

    C. A record is maintained to track the process of data from input, to output, to storage.

    D. Business users' requirements are documented, and their achievement is monitored.

Suggested Answer: *B*

Community vote distribution

B (100%)

Vaitkunaite 1 year, 1 month ago

Between B and D, "B" is a more direct and focused example of a key systems development control typically found in the in-house development of an application system.

This option emphasizes the importance of building error prevention and detection mechanisms into the development process, which is a fundamental practice to ensure the quality and reliability of the application system.

upvoted 3 times

---

ciacandidate 1 year, 1 month ago

Selected Answer: B

It's B. The in-house development exists to resolve issues quickly, and also the users are not aware of all the steps of the system development controls. But it meets the prerogative of preventing, detecting, and correcting errors. And the limitation of the end-user development is that there is poor documentation.

upvoted 3 times

Walewweeeed 2 years, 12 months ago

D is correct

upvoted 1 times

---

superman26 3 years, 1 month ago

i think the answer is D, as in-house development could meet user needs.

upvoted 1 times

> **yomang** 3 years, 1 month ago
>
> D is not a CONTROL though - it's just stating elements of the SLDC process (User needs, track achievement, etc.). A record (or a flowchart) is a CONTROL that is used to show inputs/outputs to show that user needs are being met. So gotta go with C
>
> upvoted 2 times
>
> > **Asem3bbadi** 3 years, 1 month ago
> >
> > answer is D based on GATG page 14 under 5.3.6 Systems Development and Acquisition Controls
> >
> > upvoted 1 times
>
> > **superman26** 3 years, 1 month ago
> >
> > no record is maintained to track the process of data from input, output, and storage for outsourcing build application?
> >
> > why this is only typically found in the in-house development application?
> >
> > upvoted 1 times

When using data analytics during a review of the procurement process, what is the first step in the analysis process?

    A. Identify data anomalies and outliers.

    B. Define questions to be answered.

    C. Identify data sources available.

    D. Determine the scope of the data extract.

Suggested Answer: *D*

Community vote distribution

B (100%)

👤 **Walewweeeed** `Highly Voted 👍` 4 years, 2 months ago

B is correct

upvoted 5 times

👤 **34205ac** `Most Recent ⏱` 9 months, 1 week ago

`Selected Answer: B`

B is correct

upvoted 1 times

👤 **34205ac** 9 months, 3 weeks ago

Its definitely B

upvoted 1 times

👤 **KonradK** 1 year, 6 months ago

`Selected Answer: B`

It's B!!!

upvoted 1 times

👤 **Suzan07** 3 years, 9 months ago

B is correct

upvoted 2 times

👤 **superman26** 4 years, 1 month ago

Data analytics allows internal auditors the ability to focus their efforts on those items that have been identified as requiring a higher level of assurance due to higher risk. A proven process for data analytics uses the following five steps.

• Define the questions. The first step is to define the potential achievements and the anticipated value the data analyst is trying to attain. One approach to do this is to develop a solid question that needs to be answered. For example, a function of the internal audit may be to determine the locations and parties involved in potential fraud within the organization, so asking "How can we identify where potential fraud is occurring and what parties are involved?" helps establish a solid starting point and provides a base from which multiple sources of data can be pulled.

upvoted 2 times

👤 **superman26** 4 years, 1 month ago

the answer is B...

why many of the suggested answers are wrong?

upvoted 3 times

👤 **yomang** 4 years, 1 month ago

Now I'm thinking it might be D. It says what's the first step in the "analysis" process. Analysis is the FOURTH step in Data Analytics. In Gleim, it talks about assessing whether the data you gathered is sufficient and to determine whether you need more (i.e., the scope of what you extracted). It such a stupidly written question. I hate how the IIA writes their questions in a cryptic manner. I can't tell whether it's asking about the Data Analytics process as a whole, or the analysis stage/process within the DA process.

upvoted 3 times

👤 **yomang** 4 years, 2 months ago

It's B. It's a little tricky because it says it's a review of the procurement process, and one of the first steps of procurement analytics begins with data extraction. However, all CIA textbooks basically state that the first step in ANY data analysis process (including procurement) is to define your objective. In data analytics jargon, this is sometimes called the 'problem statement'.

upvoted 3 times

According to IIA guidance, which of the following statements is true regarding analytical procedures?

A. Data relationships are assumed to exist and to continue where no known conflicting conditions exist.

B. Analytical procedures are intended primarily to ensure the accuracy of the information being examined.

C. Data relationships cannot include comparisons between operational and statistical data.

D. Analytical procedures can be used to identify unexpected differences, but cannot be used to identify the absence of differences.

Suggested Answer: *A*

Community vote distribution

A (100%)

 ciacandidate 1 year, 1 month ago

Selected Answer: A

A, according to IIA implementation guidance "Analytical procedures are used to compare information against expectations, based on an independent (i.e., unbiased) source and the premise that certain relationships between information can be reasonably expected in the absence of conditions to the contrary. Analytical procedures may also be used during engagement planning (2200 series of standards)."

upvoted 3 times

 anjie2021 3 years, 1 month ago

A basic premise underlying the application of analytical procedures is that plausible relationships among data may reasonably be expected to exist and continue in the absence of conditions to the contrary.

upvoted 2 times

 anjie2021 3 years, 1 month ago

why not A ?

upvoted 1 times

 superman26 3 years, 1 month ago

the answer is A!

upvoted 2 times

Which of the following physical access controls is most likely to be based on "something you have" concept?

A. A retina characteristics reader.

B. A PIN code reader.

C. A card-key scanner.

D. A fingerprint scanner.

Suggested Answer: *C*

Community vote distribution

C (100%)

SAA1 `Highly Voted 👍` 4 years, 6 months ago

can someone pls explain why C is not correct. "Something you have" could be access card whereas fingerprint falls in category of "something you are" i.e. biometric.

upvoted 7 times

emtofid 7 months, 3 weeks ago

The concept of "something you have" refers to a tangible object or token that the user possesses, which is required to gain access. A card-key scanner relies on a physical card or key fob that the user carries, making it an example of this concept.

upvoted 1 times

Mike12345678 `Highly Voted 👍` 4 years, 5 months ago

Must be C

upvoted 5 times

95529e0 `Most Recent ⊘` 1 year ago

`Selected Answer: C`

IT IS C

upvoted 1 times

KonradK 1 year, 6 months ago

`Selected Answer: C`

It's C!!

upvoted 2 times

Crazyhydra 1 year, 11 months ago

definitely C is the correct answer

upvoted 2 times

Suzan07 3 years, 9 months ago

C is correct

upvoted 3 times

Steve8Taiwan 3 years, 10 months ago

If D is correct, why not A?

upvoted 1 times

Evveee 3 years, 11 months ago

Should be C, right?

A & D - Something you are

B - Something you know

C - Something you have

upvoted 2 times

superman26 4 years, 1 month ago

Something you are (eg. a fingerprint). Base authentication on something intrinsic to the principal being authenticated.

so D is wrong

What is the primary purpose of an integrity control?

    A. To ensure data processing is complete, accurate, and authorized.

    B. To ensure data being processed remains consistent and intact.

    C. To monitor the effectiveness of other controls.

    D. To ensure the output aligns with the intended result.

Suggested Answer: *B*

Reference:

https://phoenixnap.com/blog/what-data-integrity

👤 **Deepankar** 4 hours, 36 minutes ago

Selected Answer: D

The answer is D.

upvoted 1 times

An organization uses the management-by-objectives method, whereby employee performance is based on defined goals. Which of the following statements is true regarding this approach?

    A. It is particularly helpful to management when the organization is facing rapid change.

    B. It is a more successful approach when adopted by mechanistic organizations.

    C. It is more successful when goal-setting is performed not only by management, but by all team members, including lower-level staff.

    D. It is particularly successful in environments that are prone to having poor employer-employee relations.

Suggested Answer: *D*

Community vote distribution

C (100%)

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 emtofid 7 months, 3 weeks ago

Selected Answer: C

Management-by-objectives (MBO) is a collaborative goal-setting framework where employees and management work together to define, plan, and achieve specific objectives. For this approach to be effective, the involvement of all team members, including lower-level staff, ensures buy-in, motivation, and alignment with the organization's goals.

upvoted 1 times

 KonradK 1 year, 6 months ago

Selected Answer: C

It's C

upvoted 1 times

 k_wattichai 3 years, 9 months ago

why d

i think c

upvoted 3 times

 yomang 4 years, 1 month ago

Although C is a true statement, it is also inclusive of the "Management By Objectives" definition. So it kinda doesn't make sense that C is saying that it would be MORE successful if employees participated in the setting of objectives - that's already a foregone conclusion that they were going to do that anyway. How can it be MORE successful if they are already doing what they should be by-definition already? If they didn't include the employees in the setting of objectives, then it wouldn't be the "Management By Objectives" method at all. D is the only one that makes sense because organizations that have poor employer-employee relations will do better with the employees being able to participate in setting the objectives - they feel more included and in charge of their own destinies, which increases their job satisfaction, which it turn increases their work ethic/quality.

upvoted 2 times

     seanshine 1 year, 1 month ago

    If D is true, then B also have to be true since 'mechanistic organization' also implies poor employer-employee relations.

    upvoted 1 times

 superman26 4 years, 1 month ago

https://blog.vantagecircle.com/management-by-objectives/

under 4. Reinforces Commitment
The fact that their work is designed and monitored for the greater purpose reinforces the responsibility in them. It also helps employee motivation as employees are included in the goal-setting process and give them the extra push to complete the tasks.

would the answer be C instead of D?

why fir poor employer and employee relations?

upvoted 1 times

Which of the following is a disadvantage in a centralized organizational structure?

A. Communication conflicts.

B. Slower decision making.

C. Loss of economies of scale.

D. Vulnerabilities in sharing knowledge.

Suggested Answer: *B*
Reference:
https://smallbusiness.chron.com/disadvantages-centralized-control-business-20670.html

👤 **Deepankar** 4 hours, 36 minutes ago

Selected Answer: C

It is C.

upvoted 1 times

An organization's account for office supplies on hand had a balance of $9,000 at the end of year one. During year two, the organization recorded an expense of
$45,000 for purchasing office supplies. At the end of year two, a physical count determined that the organization has $11,500 in office supplies on hand. Based on this information, what would be recorded in the adjusting entry at the end of year two?

    A. A debit to office supplies on hand for $2,500

    B. A debit to office supplies on hand for $11,500

    C. A debit to office supplies on hand for $20,500

    D. A debit to office supplies on hand for $42,500

Suggested Answer: *A*

Community vote distribution

A (100%)

 👤 **SiweBalala** 8 months, 1 week ago

Selected Answer: A

Determine the amount of supplies available during the year = $9000+%45000= $54000

Amount on hand $11500

Determine the usage during the year= $54000-$11500= $42500

In order to determine the adjusting entry, we subtract what was used during the year from what was purchased by determining what was not used= $45000-$42500= $2500

  upvoted 2 times

 👤 **Crazyhydra** 11 months, 2 weeks ago

Selected Answer: A

its A, variance is 2500

  upvoted 2 times

 👤 **superman26** 3 years, 1 month ago

the ans is A la, hello

  upvoted 3 times

 👤 **anjie2021** 3 years, 1 month ago

Answer is D. 45000 + 9000 = X + 11500, X = 42500

  upvoted 1 times

 👤 **yomang** 3 years, 2 months ago

Gotta be A

  upvoted 2 times

 👤 **Coldy1981** 3 years, 5 months ago

isnt the answer supposed to be A? Please relook at all your answers to accounting questions.

  upvoted 2 times

 👤 **luluka** 3 years, 6 months ago

pls explain

  upvoted 1 times

According to IIA guidance on IT, which of the following plans would pair the identification of critical business processes with recovery time objectives?

- A. The business continuity management charter.
- B. The business continuity risk assessment plan.
- C. The business impact analysis plan.
- D. The business case for business continuity planning.

Suggested Answer: *C*

Reference:

https://searchitchannel.techtarget.com/feature/Business-impact-analysis-for-business-continuity-Recovery-time-requirements

👤 **Deepankar** 4 hours, 36 minutes ago

Selected Answer: B

Let's discuss. I landed on B, but I want to be sure of the reasoning.

upvoted 1 times

According to IIA guidance on IT, which of the following would be considered a primary control for a spreadsheet to help ensure accurate financial reporting?

A. Formulas and static data are locked or protected.

B. The spreadsheet is stored on a network server that is backed up daily.

C. The purpose and use of the spreadsheet are documented.

D. Check-in and check-out software is used to control versions.

Suggested Answer: *A*

⊟ 👤 **Deepankar** 4 hours, 36 minutes ago

Selected Answer: C

Could be wrong, but I'm backing C. It just clicks.

upvoted 1 times

An organization requires an average of 58 days to convert raw materials into finished products to sell. An average of 42 additional days is required to collect receivables. If the organization takes an average of 10 days to pay for the raw materials, how long is its total cash conversion cycle?

A. 26 days.

B. 90 days.

C. 100 days.

D. 110 days.

Suggested Answer: *D*

Community vote distribution

B (100%)

 KonradK 1 year ago

Selected Answer: B

It's B!!!

upvoted 2 times

 ciacandidate 1 year, 7 months ago

90 days. 110 days is inaccurate

upvoted 2 times

 LCK 3 years, 8 months ago

90, also

why no explanation

upvoted 4 times

 Chamak 3 years, 10 months ago

The correct answer is 90 day. 58 +24 -10

upvoted 2 times

 MarkWang 3 years, 11 months ago

The answer is B

upvoted 2 times

 lily0987 4 years ago

i get 90 too. to pay is negative so we deduct.

upvoted 2 times

 SAA1 4 years ago

how is 110days answer arrived? Pls explain. My answer is 90 days (as per formula)

upvoted 3 times

Which of the following statements is true regarding a bring-your-own-device (BYOD) environment?

A. There is a greater need for organizations to rely on users to comply with policies and procedures.

B. With fewer devices owned by the organization, there is reduced need to maintain documented policies and procedures.

C. Incident response times are less critical in the BYOD environment, compared to a traditional environment.

D. There is greater sharing of operational risk in a BYOD environment.

Suggested Answer: *A*

□ 👤 **Deepankar** 4 hours, 36 minutes ago

Selected Answer: D

Could be wrong, but I'm backing D. It just clicks.

upvoted 1 times

Which of the following statements is true regarding data backup?

A. System backups should always be performed real time.

B. Backups should be stored in a secured location onsite for easy access.

C. The tape rotation schedule affects how long data is retained.

D. Backup media should be restored only in case of a hardware or software failure.

Suggested Answer: *D*

Community vote distribution

C (100%)

👤 **yomang** `Highly Voted 👍` 3 years, 7 months ago

Definitely C. Backup media could be needed even if there isn't a software or hardware failure. Plus this article specifically states that the tape rotation affects how long data is retained: https://searchdatabackup.techtarget.com/tip/An-introduction-to-data-backup-tape-rotation-schemes

upvoted 6 times

👤 **Elvin** `Most Recent ⊘` 1 year, 1 month ago

`Selected Answer: C`

C is correct

upvoted 2 times

👤 **Walewweeeed** 3 years, 8 months ago

C is correct

upvoted 2 times

Which of the following statements is most accurate concerning the management and audit of a web server?

A. The file transfer protocol (FTP) should always be enabled.

B. The simple mail transfer protocol (SMTP) should be operating under the most privileged accounts.

C. The number of ports and protocols allowed to access the web server should be maximized.

D. Secure protocols for confidential pages should be used instead of clear-text protocols such as HTTP or FTP.

Suggested Answer: *D*

Community vote distribution

D (100%)

👤 **emtofid** 7 months, 3 weeks ago

Selected Answer: D

This is because using secure protocols, such as HTTPS for web pages and SFTP for file transfers, ensures the confidentiality and integrity of data transmitted between the server and the client. Clear-text protocols like HTTP or FTP can expose sensitive data to interception or attacks.

upvoted 1 times

Which of the following statements is true regarding managerial accounts?

A. They must be prepared at least on a monthly basis.

B. They should be verifiable by external auditors.

C. They should be easily understandable by all management team members.

D. They should exclusively meet the needs of the user.

Suggested Answer: *B*

Community vote distribution

D (100%)

KonradK 1 year ago

Selected Answer: D

It's D!

upvoted 1 times

Ishaku 3 years, 5 months ago

It can't be B

upvoted 1 times

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superman26 3 years, 7 months ago

A is wrong because MA prepared as needed

B is wrong because financial accounting is verifiable by the external auditor

D is wrong because should be inclusively

i guess the answer is C.

upvoted 1 times

yomang 3 years, 7 months ago

I think it's 'D'. When it says the word 'exclusively', I think it's saying that it's only talking about the user (not excluding them - it means excluding everyone e because it should be prepared as needed. B is wrong because it's not for outsiders. C is wrong because not all management members may have accounti much stated verbatim in the article that it SHOULD MEET THE NEEDS OF THE USER.

upvoted 3 times

yomang 3 years, 7 months ago

here's the article:

https://www.investopedia.com/terms/m/managerialaccounting.asp#:~:text=Because%20managerial%20accounting%20is%20not%20for%20external%

upvoted 2 times

A retail organization mistakenly did not include $10,000 of inventory in the physical count at the end of the year. What was the impact to the organization's financial statements?

    A. Cost of sales and net income are understated.

    B. Cost of sales and net income are overstated.

    C. Cost of sales is understated and net income is overstated.

    D. Cost of sales is overstated and net income is understated.

Suggested Answer: *A*

Community vote distribution

D (100%)

👤 **yomang** `Highly Voted 👍` 3 years, 8 months ago

It's D. This article (https://www.accountingcoach.com/blog/understating-ending-inventory) (as well as the Gleim textbook) states that if the ending inventory is understated, COGS is overstated and net income is understated. In this question, $10,000 was not accounted for in the ending inventory (understated), meaning the cost of what was sold that year is documented as MORE COSTLY (overstated) and when there's more COST, there's less profit (understated net income).

upvoted 9 times

👤 **Coldy1981** `Highly Voted 👍` 3 years, 11 months ago

A cant be correct. If closing inventory did not include $10 000, inclusion of this amount will reduce cost of sales and increase profits. That means cost of sales was overstated and profits understated.

upvoted 5 times

👤 **Elvin** `Most Recent ⊘` 1 year, 1 month ago

`Selected Answer: D`

D is the correct answer

upvoted 2 times

👤 **Steve8Taiwan** 3 years, 4 months ago

D is correct

upvoted 2 times

👤 **xalidkerim** 3 years, 4 months ago

Hello. I think "D" is correct answer. Please can anyone prove that "A" is correct answer?

upvoted 2 times

👤 **LCK** 3 years, 8 months ago

Oops! no responses system admistrator

upvoted 1 times

👤 **luluka** 4 years ago

why not D?

upvoted 4 times

According to IIA guidance on IT, which of the following controls the routing of data packets to link computers?

    A. Operating system.

    B. Control environment.

    C. Network.

    D. Application program code.

Suggested Answer: *C*

👤 **Deepankar** 4 hours, 36 minutes ago

Selected Answer: C

Ruled out the other options because they don't meet the primary requirement. That leaves C.

upvoted 1 times

Which of the following is an example of an application control?

    A. Automated password change requirements.

    B. System data backup process.

    C. User testing of system changes.

    D. Formatted data fields.

Suggested Answer: *D*

Reference:

https://chapters.theiia.org/montreal/ChapterDocuments/GTAG%208%20-%20Auditing%20application%20controls.pdf

Community vote distribution

D (100%)

  emtofid 6 months, 2 weeks ago

Selected Answer: D

Example: A field requiring a phone number to be entered in a specific format (e.g., (XXX) XXX-XXXX) ensures consistency and accuracy in data entry.

upvoted 1 times