

Amber Book Practice Management (PcM) Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. Which statement best describes the difference between the current ratio and the quick ratio?**
 - A. The quick ratio excludes inventory; the current ratio includes inventory.**
 - B. The quick ratio includes inventory; the current ratio excludes inventory.**
 - C. They measure the same thing with identical components.**
 - D. The quick ratio uses long-term assets instead of current assets.**

- 2. What is the difference between the direct salary expense multiplier and the net multiplier?**
 - A. There is a difference; they are not the same number.**
 - B. The net multiplier includes overhead, the direct multiplier does not.**
 - C. The direct multiplier includes profit, the net multiplier does not.**
 - D. There is no difference; they are the same number.**

- 3. Which party is described as wanting to win the job and may underbid to secure the contract?**
 - A. The owner**
 - B. The contractor**
 - C. The architect**
 - D. The architecture firm**

- 4. Six Sigma is best described as a program that:**
 - A. Is exclusively used for manufacturing with no service applications.**
 - B. Focuses only on cost reduction without process improvement.**
 - C. Six Sigma is best described as a program that standardizes results and eliminates variation and can be third-party certified.**
 - D. Requires no training or certification.**

- 5. Utilization rate is defined as the percentage of hours that are billable.**
- A. 35%**
 - B. 80%**
 - C. 65% (the example)**
 - D. 50%**
- 6. Which reporting requirement does OSHA impose on office workplaces?**
- A. Reporting of workplace deaths or multiple simultaneous hospitalizations**
 - B. Monthly payroll reports to the IRS**
 - C. Annual safety audits**
 - D. Recording of only severe injuries**
- 7. The Amber Book video is suggested for which purpose in the material?**
- A. ARE math practice**
 - B. Career planning after licensure**
 - C. Understanding the building code**
 - D. Designing large-scale projects**
- 8. Proposed bid: owner negotiates for best quality out of the lowest four bids.**
- A. The owner negotiates for best quality out of the lowest four bids**
 - B. The owner selects the lowest bid only**
 - C. The owner selects based on experience**
 - D. The owner selects a single trusted contractor**
- 9. Construction Manager as Constructor: Which statement describes this project delivery where the Owner contracts with Architect and CM who also acts as the builder, with the final price known by the end of schematic design?**
- A. The CM acts solely as an advisor**
 - B. The project uses a traditional competitive bidding process**
 - C. The owner retains separate design oversight**
 - D. The final price (GMP) is known by the end of SD**

10. How can you access NCARB PcM and PjM practice exams?

- A. MyNCARB, sign in, and find them on the right-hand side**
- B. The local building department**
- C. The firm's intranet**
- D. The public library**

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Answers

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1. A
2. D
3. D
4. C
5. C
6. A
7. B
8. A
9. D
10. A

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Explanations

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1. Which statement best describes the difference between the current ratio and the quick ratio?

- A. The quick ratio excludes inventory; the current ratio includes inventory.**
- B. The quick ratio includes inventory; the current ratio excludes inventory.**
- C. They measure the same thing with identical components.**
- D. The quick ratio uses long-term assets instead of current assets.**

The key idea is liquidity and how it's measured with different levels of asset liquidity. The current ratio looks at all current assets—cash, marketable securities, receivables, and inventory—relative to current liabilities. The quick ratio takes a stricter view by excluding inventory and using only the most liquid assets—cash, marketable securities, and receivables—compared with current liabilities. Because inventory isn't as readily convertible to cash in the short term, it's omitted in the quick ratio. That's why the statement that the quick ratio excludes inventory while the current ratio includes it is the best description. The other options misstate which assets are included, or imply they're identical, or suggest long-term assets are used, which isn't correct.

2. What is the difference between the direct salary expense multiplier and the net multiplier?

- A. There is a difference; they are not the same number.**
- B. The net multiplier includes overhead, the direct multiplier does not.**
- C. The direct multiplier includes profit, the net multiplier does not.**
- D. There is no difference; they are the same number.**

In this context, the multiplier used to price direct labor and the multiplier labeled as the net multiplier are the same figure. The direct salary expense multiplier shows how much you mark up direct labor costs to cover the firm's expenses, and the net multiplier is just that same factor used to convert direct labor costs into billings. Since the framework uses one load factor to apply to direct labor to arrive at billable rates, there isn't a separate or additional value between them. For example, if direct salary expenses are 100 and the load is 1.3, the billable rate is 130; that 1.3 serves as both the direct salary expense multiplier and the net multiplier.

3. Which party is described as wanting to win the job and may underbid to secure the contract?

- A. The owner
- B. The contractor
- C. The architect
- D. The architecture firm**

The question tests how design-services procurement works. In competitive selection for architectural design, firms compete by presenting proposals that include their fee to win the engagement. The architecture firm is described as wanting to win the job and may underbid to secure the contract because it's the organization that bids for the design services and hopes to stand out by proposing a lower fee. This underbidding aims to increase the chances of being awarded the project, though it carries risks if the fee is too low to cover the required scope and quality.

4. Six Sigma is best described as a program that:

- A. Is exclusively used for manufacturing with no service applications.
- B. Focuses only on cost reduction without process improvement.
- C. Six Sigma is best described as a program that standardizes results and eliminates variation and can be third-party certified.**
- D. Requires no training or certification.

Six Sigma is a data-driven program focused on making processes predictable by reducing variation and defects. It uses a structured approach, typically DMAIC (Define-Measure-Analyze-Improve-Control), to define problems, measure how a process currently performs, identify root causes of variation, implement improvements, and put controls in place to maintain gains. Although it began in manufacturing, its methods apply to service processes as well, helping standardize results across different contexts. Certification and training paths (such as Green Belt and Black Belt) are common, with many organizations and independent bodies offering third-party certification. So the description that captures these elements—standardizing results, eliminating variation, and the possibility of third-party certification—best describes Six Sigma.

5. Utilization rate is defined as the percentage of hours that are billable.

- A. 35%
- B. 80%
- C. 65% (the example)**
- D. 50%

Utilization rate measures how much of the available work time is spent on billable client work. It's calculated by dividing billable hours by total hours available, then converting to a percentage. For example, if a professional has 40 hours in a week and 26 of those hours are billed to clients, the utilization rate is $26/40 = 0.65$, or 65%. That means 65% of their time is spent on billable activities while 35% goes to non-billable work like admin, meetings, or training. Different numbers of billable hours would yield different percentages (e.g., 32 billable hours would be 80%, 20 would be 50%, etc.), but the scenario given uses 26 billable hours, which gives 65%.

6. Which reporting requirement does OSHA impose on office workplaces?

A. Reporting of workplace deaths or multiple simultaneous hospitalizations

B. Monthly payroll reports to the IRS

C. Annual safety audits

D. Recording of only severe injuries

OSHA's reporting rules focus on serious events that demand an immediate agency response. If a workplace incident results in a death or in hospitalizations of multiple employees from the same event, the employer must report it promptly. This mechanism helps OSHA quickly investigate and address hazards that could affect others, even in settings like offices where such events are less common. The other options don't fit because: payroll reports to the IRS are unrelated to workplace safety enforcement; OSHA does not require annual safety audits as a blanket reporting rule; and OSHA recordkeeping involves documenting a broad range of work-related injuries and illnesses that meet specific criteria, not only the most severe injuries.

7. The Amber Book video is suggested for which purpose in the material?

A. ARE math practice

B. Career planning after licensure

C. Understanding the building code

D. Designing large-scale projects

Career planning after licensure is what the Amber Book video is intended to support within the material. The PcM portion focuses on the business side of architectural practice and professional development, so the video helps you think through what comes after you're licensed—such as options for employment, firm ownership, management roles, and long-term career goals. It isn't about ARE math practice, which covers numerical problem-solving; it isn't the place for building code understanding, which is code/technical content; and it isn't about designing large-scale projects, which is design work rather than practice management.

8. Proposed bid: owner negotiates for best quality out of the lowest four bids.

A. The owner negotiates for best quality out of the lowest four bids

B. The owner selects the lowest bid only

C. The owner selects based on experience

D. The owner selects a single trusted contractor

When evaluating bids, the owner can use a negotiated approach to maximize value. After receiving bids, the owner may shortlist the four lowest bids and negotiate with them to improve quality, clarify scope, and ensure the project stays within budget. This method aims for the best overall value—not just the lowest price—by balancing cost with quality and risk. Choosing the lowest bid outright ignores potential improvements in quality or constructability that negotiations can uncover. Selecting based solely on experience or choosing a single trusted contractor doesn't reflect the practice of using competitive bids and then negotiating with multiple low bidders to achieve the best value.

- 9. Construction Manager as Constructor: Which statement describes this project delivery where the Owner contracts with Architect and CM who also acts as the builder, with the final price known by the end of schematic design?**
- A. The CM acts solely as an advisor**
 - B. The project uses a traditional competitive bidding process**
 - C. The owner retains separate design oversight**
 - D. The final price (GMP) is known by the end of SD**

In CM as Constructor, the owner hires both an architect and a Construction Manager who also acts as the builder, with the Construction Manager bearing construction risk and delivering the project for a Guaranteed Maximum Price. The GMP is established based on the design information available, often by the end of schematic design, giving the owner a known final price at that point. This arrangement involves the CM early for cost estimating and constructability input and avoids a separate traditional bidding phase after design. While the owner can still oversee design, the key feature is that the final price is known as a GMP by the end of schematic design.

- 10. How can you access NCARB PcM and PjM practice exams?**
- A. MyNCARB, sign in, and find them on the right-hand side**
 - B. The local building department**
 - C. The firm's intranet**
 - D. The public library**

Access is through your MyNCARB account. You log in to MyNCARB and find the PcM and PjM practice exams on the right-hand side of your dashboard. This centralized access is why you need to sign in—the exams are part of NCARB's study resources tied to your account. The local building department, a firm intranet, or the public library don't host these NCARB materials, so they won't provide access to the official practice exams.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://amberbookpcm.examzify.com>

We wish you the very best on your exam journey. You've got this!

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