

CAFS CORE 1: RESOURCE MANAGEMENT PRACTICE TEST (SAMPLE) STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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THE FULL VERSION STUDY GUIDE**

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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. What are economic resources defined as?**
 - A. Resources that cannot be quantified in financial terms
 - B. Natural and man-made resources with financial value
 - C. Resources only related to intangible assets
 - D. Items that are invaluable and priceless
- 2. Why is planning considered crucial in resource management?**
 - A. It allows for spontaneous resource allocation
 - B. It ensures resources are wasted efficiently
 - C. It facilitates the strategic use of available resources
 - D. It emphasizes individual sector goals over collective interests
- 3. Which of the following is included in the SPEECS factors affecting wellbeing?**
 - A. Physical
 - B. Aesthetic
 - C. Technological
 - D. Environmental
- 4. Which level of Maslow's Hierarchy of Needs is primarily concerned with protection and freedom from fear?**
 - A. Social
 - B. Esteem
 - C. Safety
 - D. Self-actualization
- 5. What is the primary purpose of an emergency fund in resource management?**
 - A. To provide a short-term solution for debts
 - B. To ensure continued access to necessary resources during emergencies
 - C. To accumulate wealth for future investments
 - D. To enhance spending on luxury items

- 6. Which of the following is NOT a goal of Assertive Communication?**
- A. Expressing thoughts clearly
 - B. Seeking to manipulate others
 - C. Maintaining respect
 - D. Establishing clear boundaries
- 7. Which of the following best captures the essence of 'employment' in resource management?**
- A. It provides social interactions
 - B. It is a means to gain money and meet needs
 - C. It focuses on personal development
 - D. It ensures safety and security
- 8. Which of the following best describes the impact of diverse expertise in resource management?**
- A. It complicates decision-making
 - B. It undermines resource allocation
 - C. It enhances the effectiveness of management efforts
 - D. It creates redundancies in resource use
- 9. What is necessary for achieving a positive sense of identity?**
- A. Strict adherence to social norms
 - B. Avoiding all criticisms
 - C. Understanding oneself and experiences
 - D. Financial success
- 10. Which of the following could be considered an example of resource sustainability?**
- A. Using disposable products
 - B. Compost bins
 - C. Single-use plastic bags
 - D. Mining for resources

Answers

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

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Explanations

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1. What are economic resources defined as?

- A. Resources that cannot be quantified in financial terms
- B. Natural and man-made resources with financial value**
- C. Resources only related to intangible assets
- D. Items that are invaluable and priceless

Economic resources are defined as natural and man-made resources that possess financial value. This definition encompasses a broad range of resources that are essential for producing goods and services within an economy. Natural resources refer to raw materials provided by nature, such as minerals, water, and forests, while man-made resources include items like machinery, buildings, and tools that are created through human effort to facilitate production. Understanding that economic resources have financial implications is crucial because they are often the backbone of economic systems. Their value is measurable and can be utilized in various economic activities, influencing supply, demand, and pricing within markets. The other definitions do not capture the comprehensive nature of economic resources. Those that suggest resources can't be quantified in financial terms imply a misunderstanding of economic value, while defining resources solely as intangible assets overlooks the critical role of physical resources. Furthermore, labeling items as invaluable or priceless negates their potential economic value and usefulness in resource management.

2. Why is planning considered crucial in resource management?

- A. It allows for spontaneous resource allocation
- B. It ensures resources are wasted efficiently
- C. It facilitates the strategic use of available resources**
- D. It emphasizes individual sector goals over collective interests

Planning is considered crucial in resource management because it facilitates the strategic use of available resources. When effective planning is implemented, it allows organizations, communities, or individuals to assess their needs, identify available resources, and develop a structured approach to allocate those resources efficiently. This strategic process ensures that resources are directed toward initiatives that yield the greatest benefit, maximize productivity, and align with long-term goals. Well-developed planning also helps in anticipating potential challenges and mitigating risks by allowing for adjustments in resource allocation as circumstances change. By focusing on strategic resource usage, planning enhances the ability to achieve desired outcomes while ensuring that societal, economic, and environmental goals are met. In contrast, spontaneous resource allocation may lead to inefficiencies and unorganized use of resources, which can result in wastefulness. Emphasizing individual sector goals over collective interests can undermine collaboration and overall effectiveness, and wasting resources is counter to the purpose of effective management.

3. Which of the following is included in the SPEECS factors affecting wellbeing?

- A. Physical**
- B. Aesthetic
- C. Technological
- D. Environmental

The SPEECS framework, which stands for Social, Political, Economic, Environmental, Cultural, and Spiritual factors, includes various elements that can influence wellbeing. Within this context, physical factors encompass aspects such as health, nutrition, and physical safety, all of which play a crucial role in an individual's overall sense of wellbeing. By focusing on physical health and safety, this factor addresses the fundamental needs necessary for individuals to thrive. Ensuring a good state of physical health can lead to better emotional and mental wellbeing, further underscoring its importance in the comprehensive assessment of wellbeing. Overall, recognizing physical factors as part of the SPEECS framework is essential for understanding the multifaceted nature of wellbeing. The other factors, while relevant in other contexts, do not align with the primary focus of SPEECS related to wellbeing. Thus, physical is the most appropriate inclusion in this framework evaluating wellbeing.

4. Which level of Maslow's Hierarchy of Needs is primarily concerned with protection and freedom from fear?

- A. Social
- B. Esteem
- C. Safety**
- D. Self-actualization

Maslow's Hierarchy of Needs outlines a framework that categorizes human needs into five levels, which must be met sequentially. The level concerned with protection and freedom from fear is the Safety level. This level addresses the need for security and stability in one's life, encompassing physical safety, financial security, health and well-being, and freedom from fear of harm. When individuals feel secure and protected, they can focus on higher-level needs. For example, without safety, it would be challenging to pursue social relationships or esteem, as fear and insecurity can hinder personal development and social interactions. The importance of this level lies in the fundamental nature of safety; it is a prerequisite for progressing to higher levels of psychological and self-fulfillment needs.

5. What is the primary purpose of an emergency fund in resource management?

- A. To provide a short-term solution for debts
- B. To ensure continued access to necessary resources during emergencies**
- C. To accumulate wealth for future investments
- D. To enhance spending on luxury items

The primary purpose of an emergency fund in resource management is to ensure continued access to necessary resources during emergencies. This fund serves as a financial safety net, allowing individuals or families to handle unexpected expenses or crises, such as medical emergencies, job loss, or urgent repairs, without resorting to high-interest debt or compromising their long-term financial stability. By having an emergency fund in place, individuals can maintain access to essential resources and avoid the stress associated with financial uncertainty during challenging times. This strategic approach to managing resources is crucial for maintaining overall stability and resilience in both personal and financial situations.

6. Which of the following is NOT a goal of Assertive Communication?

- A. Expressing thoughts clearly
- B. Seeking to manipulate others**
- C. Maintaining respect
- D. Establishing clear boundaries

In the context of Assertive Communication, the primary goals are to communicate effectively while maintaining respect for oneself and others. This involves expressing thoughts clearly, maintaining respect in interactions, and establishing clear boundaries. The intention behind Assertive Communication is not to manipulate others, but rather to engage in open and honest dialogue while respecting both one's own rights and the rights of others. This type of communication fosters healthy relationships and promotes understanding, making it essential to emphasize clarity, respect, and boundary-setting in effective interpersonal interactions. Therefore, seeking to manipulate others does not align with the principles of Assertive Communication, making it the correct answer to the question.

7. Which of the following best captures the essence of 'employment' in resource management?

- A. It provides social interactions
- B. It is a means to gain money and meet needs**
- C. It focuses on personal development
- D. It ensures safety and security

The essence of 'employment' in resource management is best captured by the aspect that it serves as a means to gain money and meet needs. Employment fundamentally revolves around the exchange of labor for financial compensation, which enables individuals to satisfy their basic needs such as food, shelter, and clothing, as well as to pursue other wants and desires. In the context of resource management, this relationship to income generation plays a crucial role in ensuring individuals can effectively allocate resources in their lives, enhancing their overall well-being. While social interactions, personal development, and safety can be considered benefits of employment, they are not the primary essence of why employment exists within resource management. The primary focus is on the financial aspect that allows individuals to navigate their resource needs effectively.

8. Which of the following best describes the impact of diverse expertise in resource management?

- A. It complicates decision-making
- B. It undermines resource allocation
- C. It enhances the effectiveness of management efforts**
- D. It creates redundancies in resource use

Diverse expertise in resource management is crucial as it brings together various skills, knowledge, and perspectives, which significantly enhances the effectiveness of management efforts. When individuals with different backgrounds and areas of expertise collaborate, it leads to more comprehensive problem-solving and innovative solutions. This multifaceted approach allows for better assessment and utilization of resources, ensuring that management decisions are well-informed and strategically sound. By integrating diverse viewpoints, organizations can optimize resource allocation and improve their overall performance. In this context, enhancing effectiveness means making better decisions about how to use resources, improving efficiencies, and driving better outcomes in various projects and initiatives. This collaborative synergy ultimately supports the achievement of organizational goals more effectively.

9. What is necessary for achieving a positive sense of identity?

- A. Strict adherence to social norms
- B. Avoiding all criticisms
- C. Understanding oneself and experiences**
- D. Financial success

Achieving a positive sense of identity is fundamentally rooted in the process of understanding oneself and one's experiences. This involves a deep reflection on personal values, beliefs, strengths, weaknesses, and life experiences that shape who a person is. Such self-awareness allows individuals to develop a coherent narrative about their lives, which is crucial for forming a healthy self-image and self-esteem. When someone understands themselves fully, they can embrace their individuality and recognize their unique contributions to the world. This understanding not only fosters self-acceptance but also aids in making informed choices that align with one's values and aspirations, thereby reinforcing a positive identity. Other aspects, such as social norms or external success, may influence one's sense of identity but are not the core components necessary for its development. Relying solely on social acceptance or financial status can lead to a fragile identity that may crumble under scrutiny or failure. In contrast, a solid self-understanding provides a stable foundation for a person's identity, enabling them to navigate life's challenges with confidence.

10. Which of the following could be considered an example of resource sustainability?

- A. Using disposable products
- B. Compost bins**
- C. Single-use plastic bags
- D. Mining for resources

The example of resource sustainability is best represented by compost bins. Composting is a process that turns organic waste materials into nutrient-rich soil, promoting the natural decomposition of matter. By utilizing compost bins, individuals and communities can reduce waste sent to landfills, enhance soil health, and support a circular economy, where organic materials are returned to the environment rather than contributing to resource depletion. In contrast, using disposable products, single-use plastic bags, and mining for resources all exemplify practices that can lead to environmental degradation and resource depletion. Disposable products generate significant waste and often end up in landfills, where they may take years to decompose. Single-use plastic bags likewise contribute to pollution as they are frequently discarded after a single use. Mining for resources can lead to habitat destruction, depletion of natural resources, and pollution, making these practices unsustainable in the long term. Compost bins represent a proactive approach to managing resources by recycling organic waste and enhancing environmental health, aligning with the principles of sustainability.

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://cafscore1resourcemgmt.examzify.com>

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

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