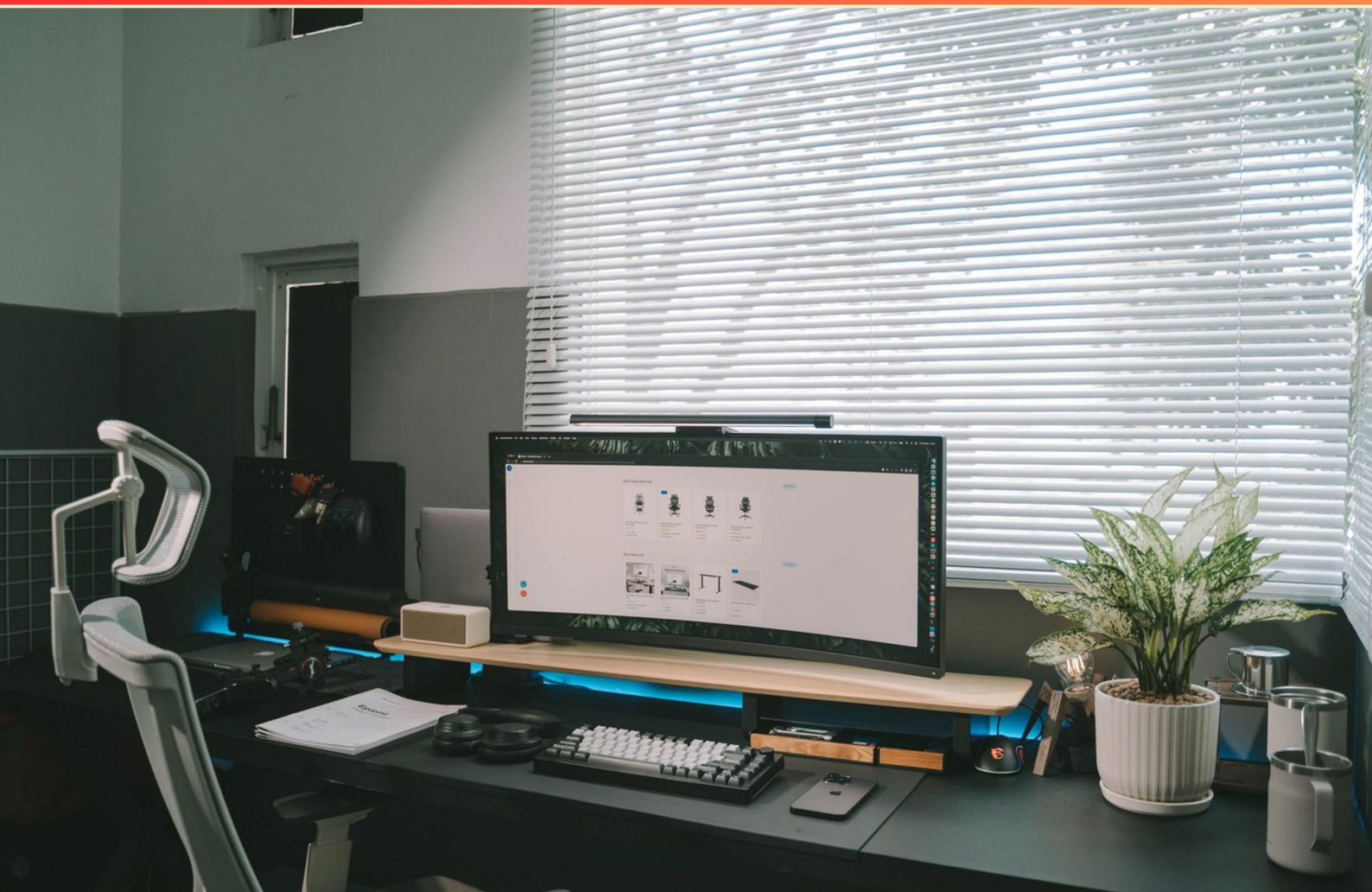


# **MICROSOFT DYNAMICS 365: FINANCE AND OPERATIONS APPS SOLUTION ARCHITECT (MB-700) PRACTICE EXAM (SAMPLE) STUDY GUIDE**



## **SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS**

**VISIT US ONLINE FOR  
THE FULL VERSION STUDY GUIDE**

<https://microsoft365mb700.examzify.com>



**Copyright © 2026 by Examzify - A Kaluba Technologies Inc. product.**

**ALL RIGHTS RESERVED.**

No part of this book may be reproduced or transferred in any form or by any means, graphic, electronic, or mechanical, including photocopying, recording, web distribution, taping, or by any information storage retrieval system, without the written permission of the author.

Notice: Examzify makes every reasonable effort to obtain accurate, complete, and timely information about this product from reliable sources.

SAMPLE

# Table of Contents

|                             |    |
|-----------------------------|----|
| Copyright .....             | 1  |
| Table of Contents .....     | 2  |
| Introduction .....          | 3  |
| How to Use This Guide ..... | 4  |
| Questions .....             | 5  |
| Answers .....               | 8  |
| Explanations .....          | 10 |
| Next Steps .....            | 16 |

SAMPLE

# 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

SAMPLE

- 1. What is the primary role of continuous update architecture in a solution?**
  - A. To facilitate user training on updates
  - B. To ensure the software is always current and secure
  - C. To minimize system downtime during updates
  - D. To manage user permissions effectively
- 2. What does the term "real-time tracking" refer to in the context of Dynamics 365 supply chain operations?**
  - A. Monitoring user permissions
  - B. Instantly updating inventory and order status information
  - C. Managing assembly operations
  - D. Processing financial transactions
- 3. Which feature of Dynamics 365 supports collaboration among teams?**
  - A. Task Management tools
  - B. Discussion Forum modules
  - C. Common Data Service
  - D. Document Management System
- 4. How does Dynamics 365 manage user permissions and role assignments?**
  - A. Through security roles and duties defined in the security configuration
  - B. Through centralized user management tools
  - C. Through customer feedback mechanisms
  - D. Through automated processes in project management
- 5. Which module in Dynamics 365 focuses on managing human resources?**
  - A. Finance module
  - B. Sales module
  - C. Human Resources module
  - D. Supply Chain Management module
- 6. Requirement validation is conducted in which project lifecycle phase?**
  - A. Execution
  - B. Closure
  - C. Monitoring
  - D. Analysis/Design

- 7. Which app has its layout primarily determined by components?**
- A. Canvas app
  - B. Portal app
  - C. Model-driven app
  - D. Web app
- 8. What is the primary role of Procurement and Sourcing in Dynamics 365?**
- A. To oversee financial audits
  - B. To manage supplier selection, purchasing processes, and vendor relationships
  - C. To handle customer service inquiries
  - D. To conduct employee evaluations
- 9. Which question directly addresses the user role during the requirements gathering process?**
- A. What software is necessary?
  - B. Who will use the system?
  - C. What features are essential?
  - D. Why is the system important?
- 10. What types of environments are provided for applications deployed online?**
- A. Standard DEV, TEST and PROD environments
  - B. Development, Staging, and Live environments
  - C. Cloud, Virtual, and Local environments
  - D. Backup, Recovery, and Maintenance environments

## **Answers**

SAMPLE

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

SAMPLE

## **Explanations**

SAMPLE

## 1. What is the primary role of continuous update architecture in a solution?

- A. To facilitate user training on updates
- B. To ensure the software is always current and secure**
- C. To minimize system downtime during updates
- D. To manage user permissions effectively

*The primary role of continuous update architecture is to ensure that the software is always current and secure. This architecture allows for regular updates and enhancements to be applied seamlessly, which is vital in today's fast-paced digital environment where security vulnerabilities can arise quickly. By implementing continuous updates, organizations can maintain the latest features, security patches, and performance improvements without the need for disruptive manual upgrades or extensive downtime. This approach not only helps in mitigating potential risks associated with outdated software but also enhances user experience as end-users benefit from the latest functionalities and fixes. Continuous update architecture reflects a proactive stance towards software management, emphasizing ongoing compliance with security standards and technological advancements.*

## 2. What does the term "real-time tracking" refer to in the context of Dynamics 365 supply chain operations?

- A. Monitoring user permissions
- B. Instantly updating inventory and order status information**
- C. Managing assembly operations
- D. Processing financial transactions

*The term "real-time tracking" in the context of Dynamics 365 supply chain operations specifically refers to the capability of instantly updating inventory and order status information. This feature is crucial for businesses as it allows them to have immediate visibility into their supply chain processes. Real-time tracking means that any changes in inventory levels, order statuses, or supply chain conditions are reflected instantly in the system, ensuring that all stakeholders have access to the most current data. This capability enhances decision-making, improves accuracy in fulfilling orders, and enables companies to respond swiftly to market demands or supply chain disruptions. In contrast to this concept, monitoring user permissions, managing assembly operations, and processing financial transactions do not directly relate to tracking the flow of goods or orders within the supply chain. Instead, these tasks focus on different aspects of business management, making them less relevant to the core definition of real-time tracking in supply chain operations.*

### 3. Which feature of Dynamics 365 supports collaboration among teams?

- A. Task Management tools
- B. Discussion Forum modules
- C. Common Data Service**
- D. Document Management System

*The Common Data Service (CDS) is a fundamental feature of Dynamics 365 that significantly enhances collaboration among teams. It serves as a secure and scalable data platform that allows different applications and services within the Dynamics 365 ecosystem to share and manage data seamlessly. When teams access the same underlying data structure provided by the CDS, they can work collaboratively without the barriers typically associated with disparate data sources. For example, if one team updates customer information, those updates are immediately available to other teams, ensuring that all members are working with accurate, real-time data. This facilitates better decision-making and ensures that everyone is on the same page. Additionally, the CDS supports the integration of various applications within Dynamics 365, enabling workflows and processes that span across different departments or functional areas, thereby promoting cross-functional collaboration. This integration allows teams to collaborate on projects and tasks more effectively, as they can leverage shared data and insights within various applications. In contrast, the other options—while they might support specific aspects of collaboration—do not offer the comprehensive, foundational support for team collaboration that the Common Data Service provides. For instance, task management tools might help individuals track their work, and document management systems focus on managing files rather than on collaborative data sharing. Discussion forums*

### 4. How does Dynamics 365 manage user permissions and role assignments?

- A. Through security roles and duties defined in the security configuration**
- B. Through centralized user management tools
- C. Through customer feedback mechanisms
- D. Through automated processes in project management

*Dynamics 365 manages user permissions and role assignments primarily through security roles and duties defined in the security configuration. This approach allows organizations to specify a set of permissions that determine what users can view and manipulate within the application. Each role comprises specific duties which represent a collection of tasks or responsibilities that users in that role are supposed to perform. By assigning these security roles to users, organizations can effectively control access to various features and data within Dynamics 365, ensuring that employees have the appropriate level of access based on their job functions. This system enhances security by implementing the principle of least privilege, where users are given the minimum permissions necessary to perform their roles. The other methods mentioned do not directly address user permissions in the same structured and secure manner. Centralized user management tools focus more on user administration rather than detailed permission settings. Customer feedback mechanisms address user experience and improvements but do not influence role-based permissions directly. Automated processes in project management may streamline certain workflows but do not inherently relate to user access control and permissions management. Thus, the structured approach of security roles and duties in Dynamics 365 is the most effective way to manage user permissions and role assignments.*

## 5. Which module in Dynamics 365 focuses on managing human resources?

- A. Finance module
- B. Sales module
- C. Human Resources module**
- D. Supply Chain Management module

*The Human Resources module in Dynamics 365 is specifically designed to manage various aspects of an organization's workforce. It provides features for managing employee records, tracking skills and certifications, administering benefits, handling recruitment processes, and overseeing performance evaluations. This module enables organizations to streamline HR activities and improve employee engagement by offering tools for both HR professionals and employees. The focus of the Human Resources module encompasses employee lifecycle management, talent acquisition, and compliance with labor regulations, making it essential for any organization looking to optimize its human capital management processes. Other modules in Dynamics 365, such as Finance, Sales, and Supply Chain Management, serve different business functions and do not include the specialized features and capabilities dedicated to human resources management.*

## 6. Requirement validation is conducted in which project lifecycle phase?

- A. Execution
- B. Closure
- C. Monitoring
- D. Analysis/Design**

*Requirement validation is primarily conducted during the Analysis/Design phase of a project lifecycle. This phase focuses on gathering and identifying the business needs and requirements that must be met. Validation ensures that these requirements are accurately captured and aligned with the project goals before moving on to execution or development. During this phase, stakeholders review the documented requirements, and any inconsistencies or conflicts are addressed. The objective is to confirm that all necessary requirements have been identified and are feasible for implementation. This process often involves discussions, prototypes, and feedback sessions to ensure everyone has a shared understanding of what the project entails. Once this phase is complete, and the requirements are validated, the project moves forward with more confidence that the resulting solution will meet the intended business outcomes. While validation may also occur in other phases to some extent, the initial comprehensive validation occurs during the Analysis/Design phase.*

## 7. Which app has its layout primarily determined by components?

- A. Canvas app
- B. Portal app
- C. Model-driven app**
- D. Web app

*The layout of a Model-driven app is primarily determined by components, which sets it apart from other app types. In Model-driven apps, the user interface is highly configurable and is generated based on the data model and relationships between entities defined in the Common Data Service (now known as Dataverse). This means that the layout is structured around the data, allowing for a more data-centric and consistent user experience. Model-driven apps automatically generate forms, views, and dashboards based on the underlying data structure, enabling users to benefit from features such as business rules, security roles, and workflows that leverage the Power Platform capabilities. This component-driven design supports a wide range of user interactions and provides an efficient way to handle complex business processes. On the other hand, Canvas apps offer a more flexible and free-form layout, focused on designing the user interface from the ground up without being strictly bound by data structures. Portal apps are designed for external users to access specific data or functionalities, while web apps generally refer to applications accessed via a web browser and may not necessarily fall into the same structured component-driven approach as the Model-driven apps.*

## 8. What is the primary role of Procurement and Sourcing in Dynamics 365?

- A. To oversee financial audits
- B. To manage supplier selection, purchasing processes, and vendor relationships**
- C. To handle customer service inquiries
- D. To conduct employee evaluations

*The primary role of Procurement and Sourcing in Dynamics 365 is to manage supplier selection, purchasing processes, and vendor relationships. This functionality is crucial for organizations as it encompasses the entire procurement lifecycle—from identifying suppliers to negotiating contracts and managing ongoing supplier relationships. By effectively managing these aspects, organizations can ensure that they source materials and services at the best price and quality, thereby optimizing their supply chain operations. This role includes defining procurement strategies, managing purchase orders, tracking supplier performance, and ensuring compliance with procurement policies. It plays a fundamental part in contributing to the overall efficiency and effectiveness of the organization's operations, which in turn impacts financial performance and operational success. In contrast, overseeing financial audits pertains to financial management rather than procurement, handling customer service inquiries is primarily related to customer engagement or support functions, and conducting employee evaluations falls under human resources. Each of these areas, while vital to an organization, does not directly relate to the procurement and sourcing processes that facilitate acquiring goods and services necessary for business operations.*

**9. Which question directly addresses the user role during the requirements gathering process?**

- A. What software is necessary?
- B. Who will use the system?**
- C. What features are essential?
- D. Why is the system important?

*Focusing on user roles during the requirements gathering phase is crucial for successful project outcomes, and identifying who will use the system is a central aspect of this process. Understanding the end users helps to tailor the solution to their specific needs, behaviors, and tasks they need to accomplish. By pinpointing who the users are, the requirements can be shaped to address their roles, workflows, and interaction with the system, ensuring that the final implementation is user-friendly and meets their expectations. The other options, while relevant to the overall project, do not directly address the user role. Determining the necessary software or essential features typically comes after clarifying the user demographics and expectations. Similarly, understanding the importance of the system can provide context but does not focus specifically on the users who will engage with it.*

**10. What types of environments are provided for applications deployed online?**

- A. Standard DEV, TEST and PROD environments**
- B. Development, Staging, and Live environments
- C. Cloud, Virtual, and Local environments
- D. Backup, Recovery, and Maintenance environments

*In the context of applications deployed online, particularly within Microsoft Dynamics 365 environments, the focus is on the standard types of environments that support application development, testing, and production processes. The standard development (DEV), testing (TEST), and production (PROD) environments are established categories that facilitate the software development lifecycle. The development environment is where developers create and modify the application. The testing environment is used to ensure that new features and changes function as intended and do not introduce any bugs. Finally, the production environment is where the application goes live, serving actual users with real data. These environments are essential for maintaining a structured approach to application management, allowing for better risk mitigation and streamlined deployment processes. Other options may refer to various aspects of software deployment but do not capture the standard classifications commonly identified in development practices, making the choice of standard DEV, TEST, and PROD environments the most appropriate for understanding how applications are managed and deployed in an online context.*

## 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](mailto:hello@examzify.com).

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

<https://microsoft365mb700.examzify.com>

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

SAMPLE