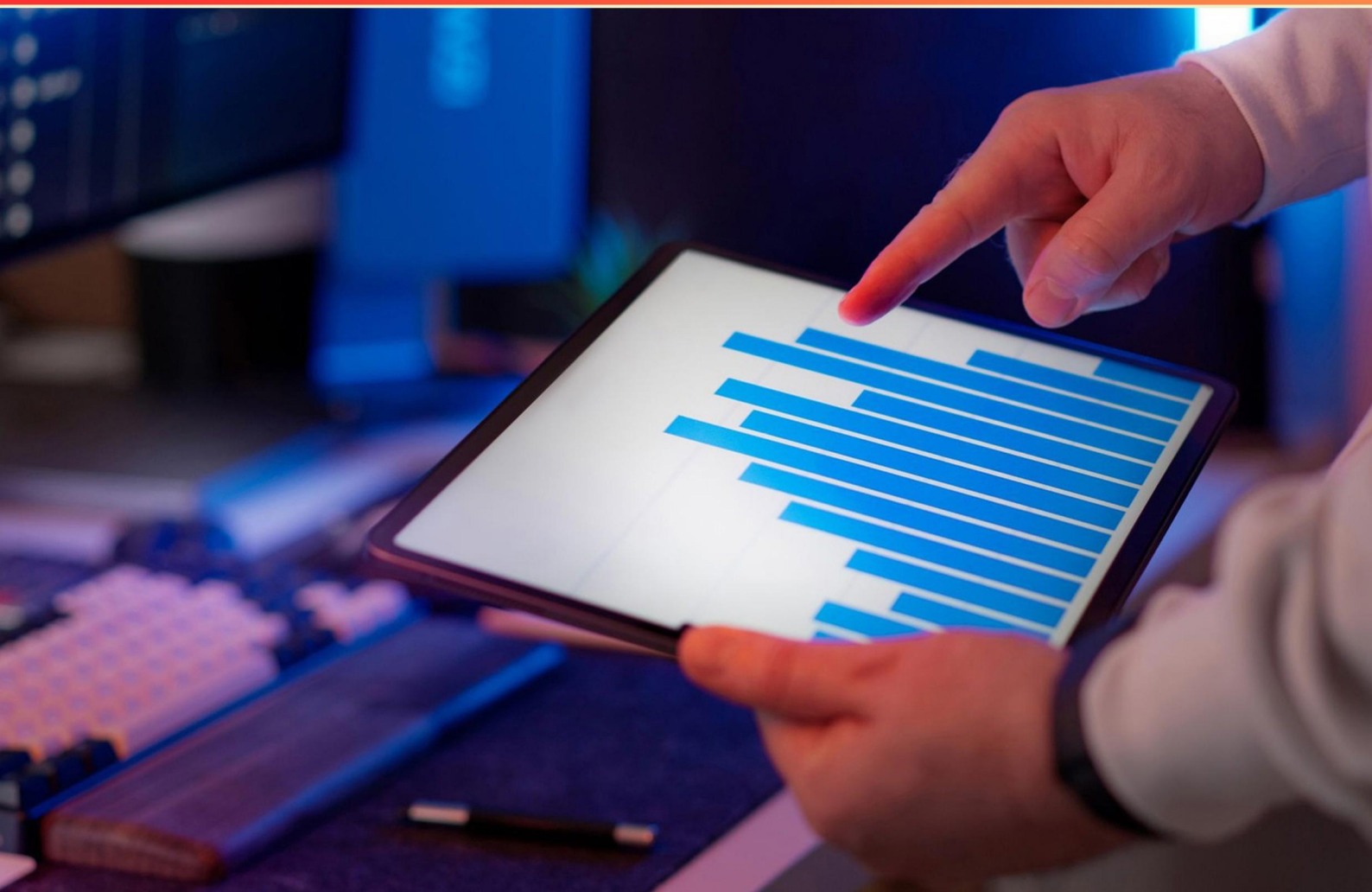


MICROSOFT DYNAMICS 365 FUNDAMENTALS PRACTICE EXAM (SAMPLE) STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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

<https://microsoftdynamics365fundamentals.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 methods can organizations use to ensure data integrity in Dynamics 365?**
 - A. Data governance policies and financial audits
 - B. Validation rules and required fields
 - C. Customer feedback forms and surveys
 - D. Market analysis and trend assessments
- 2. Which type of plan is designed to evaluate supply levels for core components in real-time?**
 - A. Static plan
 - B. Dynamic plan
 - C. Short-term plan
 - D. Seasonal plan
- 3. What is one of the key benefits of effective segmentation in marketing campaigns?**
 - A. Broader audience reach without targeting
 - B. Increased likelihood of higher engagement
 - C. Reduction in marketing costs
 - D. Feasibility of market research
- 4. Which Dynamics 365 app is designed to manage the concentration of active ingredients?**
 - A. D365 Supply Chain Management
 - B. D365 Finance
 - C. D365 Marketing
 - D. D365 Sales
- 5. Is Inventory Management considered a key feature of D365 Field Service?**
 - A. Yes
 - B. No
 - C. Only in certain scenarios
 - D. Depends on customization

- 6. Which action is involved in qualifying or disqualifying a lead?**
- A. Analyzing Customer Feedback
 - B. Evaluating Lead Potential
 - C. Creating Sales Strategies
 - D. Performing Market Research
- 7. What feature allows businesses to customize Dynamics 365 applications?**
- A. The Common Data Service
 - B. The Power Platform
 - C. Microsoft 365
 - D. Dynamics 365 Integrator
- 8. Which module in Dynamics 365 completes the manufacturing of finished goods?**
- A. Production Control
 - B. Product Information Management
 - C. General Ledger
 - D. Supply Chain Management
- 9. As an admin in D365 Finance, what tool is recommended for uploading a small number of journal entries?**
- A. Excel data connector add-in
 - B. Data Management Framework
 - C. D365 Import Wizard
 - D. Power Query
- 10. What solution is recommended to assign customer-specific case resolution times?**
- A. Service Level Agreement (SLA)
 - B. Customer Satisfaction Score (CSAT)
 - C. Incident Management Framework
 - D. Case Resolution Protocol

Answers

SAMPLE

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

SAMPLE

Explanations

SAMPLE

1. What methods can organizations use to ensure data integrity in Dynamics 365?

- A. Data governance policies and financial audits
- B. Validation rules and required fields**
- C. Customer feedback forms and surveys
- D. Market analysis and trend assessments

Validation rules and required fields are crucial methods organizations can implement in Dynamics 365 to ensure data integrity. Validation rules help enforce the accuracy and consistency of the data entered into the system. They allow organizations to set specific conditions or constraints that must be met before data can be saved or updated; for example, ensuring that an email address is in the correct format or that a date falls within an expected range. Required fields complement this by mandating that certain key information must be completed before a record can be submitted. This approach prevents incomplete data entries and helps maintain high-quality data, making it more reliable for reporting, analytics, and decision-making processes. Other methods mentioned, such as data governance policies and financial audits, while important for overall data management, do not directly affect the integrity of data being entered into the database in real-time. Customer feedback forms and surveys focus more on external insights rather than on maintaining accurate internal data. Similarly, market analysis and trend assessments are strategic activities that revolve around analyzing information rather than ensuring the integrity of the data within Dynamics 365. This makes validation rules and required fields the most direct and impactful methods for maintaining data integrity in the system.

2. Which type of plan is designed to evaluate supply levels for core components in real-time?

- A. Static plan
- B. Dynamic plan**
- C. Short-term plan
- D. Seasonal plan

A dynamic plan is specifically crafted to monitor and evaluate supply levels for core components in real-time. The essence of a dynamic plan is its adaptability and responsiveness to fluctuating market demands and supply conditions. It uses continuous data input to ensure that inventory levels are adjusted promptly, allowing businesses to react quickly to changes in supply and demand. This is particularly beneficial for managing supply chains effectively, ensuring that core components are consistently available without overstocking. By leveraging real-time data, companies can avoid issues such as stockouts or excess inventory, optimizing their operational efficiency and enhancing customer satisfaction. In contrast, a static plan is typically fixed and does not account for changes in supply or demand once it is established, thus making it less effective for real-time evaluations. Short-term and seasonal plans have their specific focuses but do not inherently provide the ongoing, real-time analysis that a dynamic plan offers. Short-term plans may deal with immediate time frames, while seasonal plans consider fluctuations based on seasonal trends, but again, neither prioritizes real-time evaluation like a dynamic plan does.

3. What is one of the key benefits of effective segmentation in marketing campaigns?

- A. Broader audience reach without targeting
- B. Increased likelihood of higher engagement**
- C. Reduction in marketing costs
- D. Feasibility of market research

Effective segmentation in marketing campaigns is crucial because it allows marketers to tailor their messages and offers to specific groups of consumers based on shared characteristics, behaviors, or needs. This targeted approach increases the relevance of the marketing message to the recipient, making it more likely that the audience will engage with the content. When audiences feel that the marketing message speaks directly to their interests and desires, they are more inclined to interact with the campaign, whether that means clicking on ads, making purchases, or sharing content with others. This degree of personalization and relevance is what drives higher engagement rates, as consumers are motivated to respond to messages that resonate with them. In addition, effective segmentation can enhance the overall effectiveness of the marketing strategy by fostering deeper connections with specific customer segments, leading to better brand loyalty and improved customer retention over time. While broader audience reach may lead to more impressions, it does not guarantee that those impressions are meaningful or that they will convert into action. Similarly, while reducing marketing costs and conducting market research are important aspects of a marketing strategy, they do not directly relate to the benefits derived from segmenting the audience for higher engagement.

4. Which Dynamics 365 app is designed to manage the concentration of active ingredients?

- A. D365 Supply Chain Management**
- B. D365 Finance
- C. D365 Marketing
- D. D365 Sales

The Dynamics 365 app that is specifically designed to manage the concentration of active ingredients is D365 Supply Chain Management. This application focuses on various aspects of supply chain operations, including inventory management, production planning, and resource allocation, which all play a crucial role in industries that depend on active ingredient concentrations, such as pharmaceuticals, chemicals, and food production. In Supply Chain Management, users can manage formulas and recipes that define how products are created, including the proportion of active ingredients needed for compliance and quality control. This ensures that products meet both regulatory standards and customer specifications. Other applications like D365 Finance, D365 Marketing, and D365 Sales have their distinct functionalities that do not encompass the specific management of active ingredient concentrations. Finance primarily deals with financial transactions and budgeting, Marketing focuses on campaign management and customer engagement, while Sales revolves around managing customer relationships and sales processes. Thus, D365 Supply Chain Management stands out as the most suitable choice for this particular requirement.

5. Is Inventory Management considered a key feature of D365 Field Service?

- A. Yes**
- B. No
- C. Only in certain scenarios
- D. Depends on customization

Inventory Management is indeed considered a key feature of Dynamics 365 Field Service. This functionality plays a crucial role in managing the inventory of products used in field operations, ensuring that technicians have the necessary items on hand to address customer needs efficiently. By incorporating inventory management within the Field Service module, businesses can monitor stock levels, track the movement of inventory, and optimize the supply chain to reduce delays and improve service delivery. Having robust inventory management allows organizations to plan their resources effectively, maintain appropriate stock levels, and facilitate quick access to spare parts and tools needed for service calls. This integration streamlines operations, reduces the overhead associated with stock management, and improves overall customer satisfaction through timely service. The other options suggest that inventory management might be dependent on specific scenarios, customization, or not relevant at all, which can undermine the effectiveness of field service operations. Efficient inventory management is integral to ensuring that field service teams are well-equipped to meet service-level agreements and maintain high standards of customer support.

6. Which action is involved in qualifying or disqualifying a lead?

- A. Analyzing Customer Feedback
- B. Evaluating Lead Potential**
- C. Creating Sales Strategies
- D. Performing Market Research

Evaluating lead potential is a critical action involved in the process of qualifying or disqualifying a lead. When a sales professional evaluates a lead's potential, they assess various factors such as the lead's interest level, budget, authority to make purchasing decisions, and overall fit with the product or service being offered. This assessment helps in determining whether the lead is likely to convert into a paying customer. During the qualification process, leads are typically categorized into different stages based on their readiness to buy, allowing sales teams to focus their efforts on leads that show the most promise. Disqualifying leads, on the other hand, helps to streamline the sales process by identifying leads that won't convert and allowing resources to be allocated more efficiently. Analyzing customer feedback, creating sales strategies, and performing market research are important business activities but do not directly relate to the qualification of individual leads. They serve broader purposes that support overall sales and marketing efforts rather than focusing on the specific assessment of lead viability.

7. What feature allows businesses to customize Dynamics 365 applications?

- A. The Common Data Service
- B. The Power Platform**
- C. Microsoft 365
- D. Dynamics 365 Integrator

The Power Platform is critically important for enabling businesses to customize Dynamics 365 applications. It provides the necessary tools, such as Power Apps, Power Automate, and Power BI, that empower users to create custom applications, automate workflows, and analyze data without needing extensive coding knowledge. By using these tools, organizations can tailor Dynamics 365 applications to meet their specific business processes and needs, enhancing overall functionality and ensuring a more seamless user experience. The Power Platform's integration with Dynamics 365 is designed to be intuitive, allowing users to leverage existing data and processes to create customized solutions that fit their operational requirements. This makes it a versatile option for businesses looking to optimize their workflows and adapt their systems as their needs evolve. The other options, while relevant to the overall Dynamics ecosystem, do not directly provide the customization capabilities that the Power Platform offers. The Common Data Service (now known as Dataverse) serves as a data storage solution that can support custom apps but does not provide the same breadth of customization tools. Microsoft 365 provides productivity tools and cloud services that complement Dynamics 365 but lacks the focused capabilities for application customization that the Power Platform provides. Dynamics 365 Integrator is not a recognized feature and does not exist as a distinct tool for customization.

8. Which module in Dynamics 365 completes the manufacturing of finished goods?

- A. Production Control**
- B. Product Information Management
- C. General Ledger
- D. Supply Chain Management

The module in Dynamics 365 that completes the manufacturing of finished goods is the Production Control module. This module is specifically designed to handle the entire process of production, from planning and scheduling to executing and monitoring manufacturing operations. It facilitates the creation of production orders, tracking of work in progress, and management of resources and materials needed for manufacturing. By providing tools for monitoring production efficiency, managing capacity, and ensuring that finished goods are manufactured according to plan, the Production Control module effectively oversees the transformation of raw materials into finished products. In contrast, other modules serve different purposes within Dynamics 365. Product Information Management focuses on managing product details and data, including item specifications and classifications, but does not handle the production processes. The General Ledger module deals with financial transactions and accounting data rather than manufacturing processes. Supply Chain Management covers broader aspects of supply chain operations, such as procurement, inventory management, and logistics, but does not specifically focus on the manufacturing phase to the extent that Production Control does. Thus, the Production Control module is the correct answer as it directly addresses the manufacturing completion process.

9. As an admin in D365 Finance, what tool is recommended for uploading a small number of journal entries?

- A. Excel data connector add-in**
- B. Data Management Framework
- C. D365 Import Wizard
- D. Power Query

Uploading a small number of journal entries in D365 Finance can be efficiently accomplished using the Excel data connector add-in. This tool provides a straightforward way to interact with Dynamics 365 by allowing users to create, edit, and manage data directly through familiar Excel functionalities. Using the Excel data connector, admins can quickly format their journal entries in Excel and then upload them seamlessly into the system. The similarity in formatting between Excel and the data requirements in D365 makes it user-friendly, especially for small batches of data. In contrast, the Data Management Framework is more comprehensive and is typically used for larger-scale data imports and exports. It involves a more complex configuration process that may not be necessary for a few journal entries. The D365 Import Wizard and Power Query could also facilitate data handling, but they are generally not as efficient or effective for small, straightforward uploads as the Excel data connector. Thus, for this specific task of uploading a small number of journal entries, the Excel data connector is the recommended tool due to its ease of use and direct integration capabilities with Dynamics 365.

10. What solution is recommended to assign customer-specific case resolution times?

- A. Service Level Agreement (SLA)**
- B. Customer Satisfaction Score (CSAT)
- C. Incident Management Framework
- D. Case Resolution Protocol

A Service Level Agreement (SLA) is specifically designed to set and manage expectations regarding service delivery. It establishes clear guidelines for response times and resolution times for customer service issues, making it the ideal solution for assigning customer-specific case resolution times. SLAs detail the level of service that a customer can expect, including timeframes for how long it should take to acknowledge and resolve a case. This structured approach ensures consistency and accountability in customer service, as it can be tailored to individual customers based on their needs or agreements. In contrast, other options like Customer Satisfaction Score (CSAT) are metrics used to gauge the customer's satisfaction with the service received rather than establishing timeframes for case resolutions. The Incident Management Framework focuses more on the systemic processes around managing incidents rather than individual customer cases, and a Case Resolution Protocol may dictate procedures or steps in resolving cases, but it does not specifically cover the timing aspect as SLAs do. Therefore, utilizing an SLA is the most effective method for assigning customer-specific case resolution times in a structured manner.

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://microsoftdynamics365fundamentals.examzify.com>

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

SAMPLE