

Peregrine Global Services Business Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

Copyright © 2025 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 from reliable sources accurate, complete, and timely information about this product.

SAMPLE

Questions

- 1. Which act is violated when a debt collector contacts a debtor's parents without permission?**
 - A. Truth-in-Lending Act**
 - B. Fair Debt Collection Practices Act**
 - C. Fair and Accurate Credit Transactions Act**
 - D. No federal law is violated**
- 2. Which scenario is an example of a common ethical dilemma faced in business?**
 - A. Developing a new marketing strategy**
 - B. Conflicts of interest**
 - C. Launching a product on time**
 - D. Adhering to customer feedback**
- 3. What is the purpose of the Delphi technique in decision-making?**
 - A. To allow face-to-face discussions among experts**
 - B. To gather written responses to questions from group members**
 - C. To facilitate collaborative brainstorming sessions**
 - D. To create anonymous feedback forms**
- 4. Which of the following best describes Six Sigma?**
 - A. A process of developing employee soft skills**
 - B. A method of identifying resource gaps**
 - C. A business process for improving quality and increasing customer satisfaction**
 - D. A technical process for manufacturing products**
- 5. How is negotiation regarded within business practices?**
 - A. As a form of competition**
 - B. As a vital skill for resolving conflicts and reaching agreements**
 - C. As unnecessary in most transactions**
 - D. As a step only for high-stakes deals**

- 6. Why is strategic management emphasized in the Peregrine Business Practice Exam?**
- A. It evaluates skills in planning and executing business strategies**
 - B. It focuses solely on operational management**
 - C. It eliminates the need for marketing strategies**
 - D. It is only relevant to large corporations**
- 7. What does free cash flow (FCF) represent?**
- A. Cash available for dividends after investments**
 - B. Total revenue minus expenses**
 - C. Net income available for reinvestment**
 - D. Cash flow before investments and operating costs**
- 8. What aspect do businesses evaluate when conducting a SWOT analysis?**
- A. Legal compliance**
 - B. Global market trends**
 - C. Internal strengths and weaknesses**
 - D. Brand loyalty**
- 9. What does the unemployment rate signify?**
- A. The number of job vacancies in the economy**
 - B. The percentage of people unemployed within the labor force**
 - C. The total number of employees in a specific industry**
 - D. The rate at which new jobs are created in the economy**
- 10. Which area would NOT be covered in the exam as part of business practice?**
- A. Financial management**
 - B. Global trade regulations**
 - C. Space exploration technology**
 - D. Organizational behavior**

Answers

SAMPLE

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

SAMPLE

Explanations

SAMPLE

1. Which act is violated when a debt collector contacts a debtor's parents without permission?

- A. Truth-in-Lending Act**
- B. Fair Debt Collection Practices Act**
- C. Fair and Accurate Credit Transactions Act**
- D. No federal law is violated**

The Fair Debt Collection Practices Act (FDCPA) is designed to eliminate abusive debt collection practices and to ensure that debt collectors treat consumers fairly. One of the key provisions of the FDCPA is that it restricts the ways in which a debt collector can communicate with third parties regarding a debtor's debt. When a debt collector contacts a debtor's parents without permission, it is typically a violation of the FDCPA, which explicitly states that debt collectors may not communicate with third parties about a debtor's financial obligations without consent. This law seeks to protect consumers' privacy and prevent embarrassing situations that could arise from unsolicited disclosures about debts. In contrast, the Truth-in-Lending Act focuses primarily on ensuring that consumers receive clear and accurate information about the terms and costs of credit. The Fair and Accurate Credit Transactions Act generally pertains to consumer credit reporting and fraud detection rather than direct communication practices by debt collectors. The assertion that no federal law is violated overlooks the specific protections laid out in the FDCPA that govern how debt collectors are allowed to interact with individuals beyond the debtor themselves. Thus, the notion that no federal law has been violated fails to acknowledge the relevant provisions of the FDCPA that aim to safeguard consumer rights in regard to debt collection practices.

2. Which scenario is an example of a common ethical dilemma faced in business?

- A. Developing a new marketing strategy**
- B. Conflicts of interest**
- C. Launching a product on time**
- D. Adhering to customer feedback**

Conflicts of interest represent a significant ethical dilemma commonly faced in business settings. This scenario occurs when an individual's personal interests clash with their professional responsibilities, potentially leading to decisions that benefit themselves at the expense of the organization or its stakeholders. For instance, an employee might be tempted to favor a vendor with whom they have a personal relationship, rather than selecting the best option for the company. Such situations can compromise integrity and trust, making it crucial for businesses to establish clear policies and guidelines to manage and disclose conflicts of interest. In contrast, developing a new marketing strategy, launching a product on time, and adhering to customer feedback, while important processes in business, do not inherently involve the same ethical complexities. These tasks generally focus on operational effectiveness and may involve strategic decision-making but aren't characterized as ethical dilemmas in the same way conflicts of interest are.

3. What is the purpose of the Delphi technique in decision-making?

- A. To allow face-to-face discussions among experts**
- B. To gather written responses to questions from group members**
- C. To facilitate collaborative brainstorming sessions**
- D. To create anonymous feedback forms**

The Delphi technique is specifically designed to gather written responses from a group of experts to a series of questions, often in multiple rounds. This iterative process aims to reach a consensus on certain issues or topics by allowing experts to reflect on their opinions after reviewing the feedback from others. It reduces the influence of competition or dominance that might occur in face-to-face settings, as responses are collected anonymously, allowing for more open and honest contributions. While the overall objective of the Delphi technique is related to improving decision-making through expert insights, it is characterized by its structured approach to soliciting input through written responses rather than through direct discussions or brainstorming sessions, which is a key point of differentiation from the other options presented.

4. Which of the following best describes Six Sigma?

- A. A process of developing employee soft skills**
- B. A method of identifying resource gaps**
- C. A business process for improving quality and increasing customer satisfaction**
- D. A technical process for manufacturing products**

Six Sigma is best described as a business process aimed at improving quality and increasing customer satisfaction. It focuses on identifying and eliminating defects and variations in processes, which allows organizations to streamline operations, enhance product quality, and ensure a more consistent service delivery. The methodology employs a set of quality management techniques and tools, such as DMAIC (Define, Measure, Analyze, Improve, Control), to address process inefficiencies and foster a culture of continuous improvement. This overarching goal is to not only satisfy customers but also to do so in a way that meets or exceeds their expectations. While the other options touch upon various aspects that can be associated with business practices, they do not encapsulate the core principles of Six Sigma. For instance, the focus on developing employee soft skills does not relate directly to Six Sigma's primary objectives. Similarly, identifying resource gaps and technical manufacturing processes are too narrow in scope and do not reflect the comprehensive nature of the Six Sigma approach that is aimed at overall quality and customer satisfaction improvements across all operational areas. Thus, option C is the most accurate representation of what Six Sigma entails.

5. How is negotiation regarded within business practices?

- A. As a form of competition**
- B. As a vital skill for resolving conflicts and reaching agreements**
- C. As unnecessary in most transactions**
- D. As a step only for high-stakes deals**

Negotiation is regarded within business practices as a vital skill for resolving conflicts and reaching agreements due to its fundamental role in facilitating communication and understanding between parties. In the business environment, negotiations often involve multiple stakeholders with varying interests and objectives. Effective negotiation enables parties to articulate their needs, assess alternatives, and collaboratively find solutions that benefit all involved. This process not only helps in addressing conflicts but also fosters stronger relationships among partners, enhancing collaboration and long-term success. Furthermore, negotiation skills are crucial across a wide range of business transactions, not just in high-stakes situations. These skills can be applied in everyday dealings, such as contract discussions, salary negotiations, and even team dynamics, demonstrating their broad relevance in both simple and complex scenarios. By considering negotiation as a vital skill, businesses empower their teams to navigate challenges effectively while maximizing opportunities for mutual gain.

6. Why is strategic management emphasized in the Peregrine Business Practice Exam?

- A. It evaluates skills in planning and executing business strategies**
- B. It focuses solely on operational management**
- C. It eliminates the need for marketing strategies**
- D. It is only relevant to large corporations**

Strategic management is emphasized in the Peregrine Business Practice Exam because it evaluates skills in planning and executing business strategies. This aspect is crucial for business success, as it involves making informed decisions that align with the organization's goals and objectives. Through strategic management, individuals learn to analyze internal and external environments, identify opportunities and threats, and utilize resources effectively to gain a competitive advantage. This approach is not limited to only operational aspects but integrates various functions within an organization, including finance, marketing, and human resources, thus fostering a more holistic understanding of business operations. By focusing on strategic management, the exam assesses a candidate's ability to synthesize information, foresee market trends, and adapt strategies for growth and sustainability. The other options do not reflect the comprehensive nature of strategic management. For instance, limiting the focus to operational management overlooks the strategic initiatives necessary for long-term success. Additionally, eliminating marketing strategies would disregard a key component of business strategy that is essential for reaching target markets. Lastly, asserting that strategic management is only relevant to large corporations ignores its applicability to businesses of all sizes, as effective strategy formulation is vital in any organizational context.

7. What does free cash flow (FCF) represent?

- A. Cash available for dividends after investments**
- B. Total revenue minus expenses**
- C. Net income available for reinvestment**
- D. Cash flow before investments and operating costs**

Free cash flow (FCF) represents the cash that a company generates after accounting for capital expenditures needed to maintain or expand its asset base. This metric is crucial because it reflects the cash available for various purposes, including paying dividends, reducing debt, or investing in other projects. The correct interpretation of FCF as the cash available for dividends after investments highlights its role in assessing a company's financial health and its ability to return value to shareholders. It indicates that a company not only has enough operational cash but also retains enough funds after making necessary investments to support future growth. In contrast, the other options present different financial concepts that do not capture the essence of free cash flow. Total revenue minus expenses relates to net income rather than free cash flow, which considers capital expenditures. Net income available for reinvestment is focused solely on profitability and does not reflect cash generated after investments. Cash flow before investments and operating costs lacks the specificity and context related to the funds available for shareholder returns. Thus, the emphasis on cash available for dividends post-investment aligns the concept of FCF with its practical applications in financial analysis.

8. What aspect do businesses evaluate when conducting a SWOT analysis?

- A. Legal compliance**
- B. Global market trends**
- C. Internal strengths and weaknesses**
- D. Brand loyalty**

In a SWOT analysis, businesses specifically focus on evaluating their internal strengths and weaknesses. This aspect is critical as it helps organizations identify what they excel at and where they may be lacking. By understanding their strengths, businesses can capitalize on these advantages to gain a competitive edge in the market. Meanwhile, recognizing weaknesses allows them to address potential areas for improvement, mitigating risks and enhancing overall performance. The internal focus of strengths and weaknesses contrasts with the external factors assessed in the SWOT analysis, such as opportunities and threats. While aspects like legal compliance, global market trends, and brand loyalty may be important considerations in a broader strategic context, they do not fall under the internal evaluation that is fundamental to a SWOT analysis. Examining internal factors provides a clear snapshot of the organization's current capabilities, making it essential for effective strategic planning and decision-making.

9. What does the unemployment rate signify?

- A. The number of job vacancies in the economy**
- B. The percentage of people unemployed within the labor force**
- C. The total number of employees in a specific industry**
- D. The rate at which new jobs are created in the economy**

The unemployment rate signifies the percentage of people unemployed within the labor force, which provides critical insight into the health of the economy. This measure looks specifically at individuals who are actively seeking employment but do not currently have a job, which allows economists and policymakers to gauge the level of job availability and economic activity. Measuring the unemployment rate is essential as it reflects labor market conditions, informs public policies, and can influence consumer confidence and spending. When the unemployment rate is high, it typically indicates that there are fewer job opportunities, which can lead to decreased consumer spending and slower economic growth. Conversely, a low unemployment rate suggests a more robust economy where jobs are plentiful, reflecting overall economic well-being. The other options do not accurately capture what the unemployment rate represents. The number of job vacancies speaks to employment opportunities, the total number of employees in an industry indicates workforce size, and the rate of new job creation pertains to job growth rather than the proportion of the unemployed. Each of these metrics provides valuable information, but only the unemployment rate specifically quantifies those within the labor force who are not currently employed, making it a crucial indicator of economic performance.

10. Which area would NOT be covered in the exam as part of business practice?

- A. Financial management**
- B. Global trade regulations**
- C. Space exploration technology**
- D. Organizational behavior**

Space exploration technology is not typically included in a business practice exam because it falls under the category of specialized technical fields rather than core business management concepts. Business practice exams focus on fundamental areas that directly impact organizational operations and decision-making, such as financial management, which deals with budgeting, accounting, and investment strategies; global trade regulations, which address legal and compliance issues for international business; and organizational behavior, which studies how individuals interact within organizations and the impact of these interactions on business outcomes. In contrast, space exploration technology involves engineering, scientific research, and technological advancements related to space, which are not directly applicable to general business principles.