

Peregrine Master of Business Administration (MBA) Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

This is a sample study guide. To access the full version with hundreds of questions,

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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. Don't worry about getting everything right, 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, and take breaks to retain information better.

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.

7. Use Other Tools

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!

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Questions

- 1. In hypothesis testing, what happens when the significance level is set too high?**
 - A. Increased chance of Type II errors**
 - B. Higher likelihood of Type I errors**
 - C. No impact on the results**
 - D. It improves sample size estimation**
- 2. What does a Type I error represent in hypothesis testing?**
 - A. Accepting a false null hypothesis**
 - B. Rejecting a true null hypothesis**
 - C. Failing to recognize significance**
 - D. Incorrectly predicting outcomes**
- 3. What does Virtue Ethics focus on in ethical decision-making?**
 - A. Consequences of actions**
 - B. Moral character**
 - C. Legal compliance**
 - D. Stakeholder feedback**
- 4. What does supply chain management oversee?**
 - A. Financial audits and compliance**
 - B. The movement of materials and information**
 - C. The recruitment of new employees**
 - D. The training of management teams**
- 5. What qualities are typically associated with effective leaders?**
 - A. Technology skills and market knowledge**
 - B. Integrity, empathy, and decision-making skills**
 - C. Ability to focus solely on results**
 - D. Strong communication and networking skills**

- 6. Which component is essential for effective business continuity planning?**
- A. Financial audits**
 - B. Disaster response strategies**
 - C. Employee training programs**
 - D. Annual performance reviews**
- 7. Which leadership style relies on rewards and punishments?**
- A. Situational Leadership**
 - B. Transformational Leadership**
 - C. Transactional Leadership**
 - D. Democratic Leadership**
- 8. Which elements comprise the marketing mix?**
- A. Product, price, place, and process**
 - B. Product, promotion, price, and place**
 - C. Promotion, product, planning, and price**
 - D. Product, price, place, and people**
- 9. What is the purpose of an organizational strategy?**
- A. To manage daily operations**
 - B. To achieve specific goals and objectives**
 - C. To evaluate employee performance**
 - D. To enhance customer service**
- 10. What does business intelligence primarily involve?**
- A. Employee performance tracking**
 - B. Data analysis of business information**
 - C. Financial forecasting**
 - D. Market research techniques**

Answers

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

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Explanations

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1. In hypothesis testing, what happens when the significance level is set too high?

- A. Increased chance of Type II errors**
- B. Higher likelihood of Type I errors**
- C. No impact on the results**
- D. It improves sample size estimation**

When the significance level is set too high, it increases the likelihood of Type I errors. The significance level, often denoted as alpha (α), is the threshold used to determine whether to reject the null hypothesis. A common setting for alpha is 0.05, suggesting that there is a 5% risk of concluding that a difference exists when there is actually no difference. If this threshold is increased, for example to 0.10, it means that a larger portion of the data could lead to the rejection of the null hypothesis. Consequently, this elevated threshold allows for a greater probability of falsely identifying a statistically significant effect when there isn't one, leading to more Type I errors, which are false positives. This situation is particularly problematic in research because it can lead to incorrect conclusions about the effectiveness of a treatment or intervention. In contrast, lowering the significance level would reduce the chances of Type I errors but could increase the chances of Type II errors, which occur when a true hypothesis is incorrectly accepted. Thus, adjusting the significance level directly influences the balance between these types of errors in hypothesis testing.

2. What does a Type I error represent in hypothesis testing?

- A. Accepting a false null hypothesis**
- B. Rejecting a true null hypothesis**
- C. Failing to recognize significance**
- D. Incorrectly predicting outcomes**

In hypothesis testing, a Type I error signifies the incorrect rejection of a true null hypothesis. This situation arises when the test indicates that there is a statistically significant effect or difference when in fact none exists. Essentially, it involves concluding that an effect or relationship exists based on the sample data when it's actually due to random chance. For example, if a medical test claims to detect a disease when the patient is actually healthy, that would be a Type I error. It's important in research and statistical analysis to minimize Type I errors, often through the setting of significance levels (like alpha = 0.05), which dictate the probability of making such an error. Keeping the alpha level low helps reduce the likelihood of incorrectly rejecting the null hypothesis when it is indeed true.

3. What does Virtue Ethics focus on in ethical decision-making?

- A. Consequences of actions**
- B. Moral character**
- C. Legal compliance**
- D. Stakeholder feedback**

Virtue ethics emphasizes the importance of moral character in ethical decision-making. It focuses on the virtues and traits that an individual should cultivate to lead a good life and make ethical decisions. Rather than assessing actions solely based on their consequences or adherence to laws, virtue ethics looks at the character of the person performing the action. A virtuous person is anticipated to make decisions that are morally sound because they possess qualities such as honesty, courage, compassion, and wisdom. This approach suggests that ethical behavior comes naturally to those who have developed a virtuous character, promoting an understanding of morality that extends beyond actions to include the intentions and motivations behind them. Virtue ethics encourages individuals to consider what kind of person they aspire to be and how their decisions reflect that aspiration, fostering deeper personal accountability in their choices. In this framework, the emphasis is on developing one's character over time, rather than simply focusing on the legality of actions or seeking approval from external stakeholders, making moral character the central pillar of ethical decision-making.

4. What does supply chain management oversee?

- A. Financial audits and compliance**
- B. The movement of materials and information**
- C. The recruitment of new employees**
- D. The training of management teams**

Supply chain management plays a crucial role in overseeing the movement of materials and information throughout the entire supply chain process. This includes activities related to sourcing raw materials, manufacturing goods, warehousing, distribution, and logistics, as well as managing the flow of information related to these processes. Effective supply chain management ensures that products are delivered to customers efficiently and on time, while also optimizing costs and improving overall operational performance. In contrast, the other options focus on distinct business functions that are not within the purview of supply chain management. Financial audits and compliance are linked to financial management and regulatory obligations. Recruitment is a human resources function that involves acquiring new talent rather than managing supply chain operations. Similarly, training of management teams pertains to developing leadership and managerial skills, which does not directly relate to overseeing supply chain activities. Therefore, the correct answer highlights the integral role of supply chain management in coordinating both material and information flow.

5. What qualities are typically associated with effective leaders?

- A. Technology skills and market knowledge**
- B. Integrity, empathy, and decision-making skills**
- C. Ability to focus solely on results**
- D. Strong communication and networking skills**

Effective leaders are often characterized by qualities such as integrity, empathy, and decision-making skills. Integrity is crucial as it fosters trust and respect within a team and creates a strong ethical foundation for the organization. When leaders demonstrate empathy, they can understand and relate to the feelings and perspectives of others, which is vital for building strong relationships and motivating team members. Decision-making skills are equally important; effective leaders must be able to analyze situations, weigh options, and make timely decisions that align with both organizational goals and the well-being of their teams. This combination of qualities enables leaders to inspire their teams, navigate challenges, and create an environment where collaboration and innovation can thrive. In contrast, while technology skills and market knowledge are valuable, they are more specific to certain roles and can be secondary to the core interpersonal qualities that drive successful leadership. Focusing solely on results neglects the importance of team dynamics and morale, which can ultimately undermine long-term success. Similarly, strong communication and networking skills are also important but do not encompass the holistic approach to leadership that includes ethical and empathetic considerations. Thus, the qualities of integrity, empathy, and decision-making skills represent a comprehensive view of what effective leadership entails.

6. Which component is essential for effective business continuity planning?

- A. Financial audits**
- B. Disaster response strategies**
- C. Employee training programs**
- D. Annual performance reviews**

Business continuity planning is a proactive approach that organizations undertake to ensure that they can continue operating during and after a disruptive event. One of the key components of effective business continuity planning is disaster response strategies. These strategies are critical because they outline how an organization will respond to various types of disasters, such as natural disasters, cyberattacks, or other emergencies that could disrupt operations. Disaster response strategies encompass detailed plans for communication, resource allocation, and operational adjustments. They ensure that an organization can quickly mobilize resources, maintain essential functions, and mitigate the effects of a disruption. By having a well-defined response plan, businesses can minimize downtime, protect critical assets, and safeguard their workforce, all of which are vital for sustaining operations and recovering as efficiently as possible after a disruption. While financial audits, employee training programs, and annual performance reviews are important aspects of overall business management and risk management, they do not specifically address the immediate responses required in the face of a disaster, which is why disaster response strategies stand out as essential in the context of business continuity planning.

7. Which leadership style relies on rewards and punishments?

- A. Situational Leadership
- B. Transformational Leadership
- C. Transactional Leadership**
- D. Democratic Leadership

Transactional leadership is characterized by its reliance on clear structures and established processes, where leaders use rewards and punishments to motivate their team members. This leadership style focuses on maintaining the routine and achieving specific goals through a system of exchanges—a leader provides incentives or consequences based on performance. In transactional leadership, the relationship between leader and follower is often likened to a contract, where the leader clearly delineates expectations and the corresponding rewards for meeting them or penalties for failing. This method is particularly effective in environments where tasks are well-defined and performance can be easily measured, as it promotes compliance and enhances productivity through clarity and direction. In contrast, other leadership styles, such as situational, transformational, and democratic leadership, prioritize different aspects of team dynamics. Situational leadership adapts based on the context and the needs of team members, transformational leadership focuses on inspiring change and fostering intrinsic motivation, and democratic leadership emphasizes participation and collaboration in decision-making. While these styles also have merit, they do not primarily hinge on the use of rewards and punishments as their main motivational strategies.

8. Which elements comprise the marketing mix?

- A. Product, price, place, and process
- B. Product, promotion, price, and place**
- C. Promotion, product, planning, and price
- D. Product, price, place, and people

The marketing mix is a foundational concept in marketing that encompasses the critical components necessary for marketing a product or service effectively. The correct answer incorporates the elements of product, promotion, price, and place, often referred to as the "4 Ps." - **Product** relates to what is being offered to meet consumer needs, including features, design, quality, and branding. - **Promotion** involves the methods used to communicate with potential customers about the product and create interest, encompassing advertising, sales promotions, public relations, and direct marketing. - **Price** represents the value assigned to the product, influencing how consumers perceive it and their willingness to purchase. - **Place** refers to the distribution channels through which the product reaches the consumer, including the locations where the product is sold and the logistics of getting it there. Combining these four elements ensures that a marketing strategy addresses not just what is being sold, but also how it will be effectively communicated, priced, and delivered to the market. Therefore, this configuration provides a comprehensive framework for marketers to strategize and implement their campaigns successfully. The other choices do not align with the widely accepted definition of the marketing mix in mainstream marketing theory. For instance, including "process" or "planning" instead

9. What is the purpose of an organizational strategy?

- A. To manage daily operations
- B. To achieve specific goals and objectives**
- C. To evaluate employee performance
- D. To enhance customer service

The purpose of an organizational strategy primarily focuses on achieving specific goals and objectives. An organizational strategy provides a comprehensive framework that guides decision-making and resource allocation, ensuring that all parts of the organization are aligned towards common aspirations. This strategic approach helps in identifying long-term goals, outlining the necessary actions to reach them, and determining how to allocate resources effectively to achieve desired outcomes. While managing daily operations, evaluating employee performance, and enhancing customer service are important functions within a business, these activities are often a part of the broader organizational strategy. The strategy sets the overall direction and priorities, making it possible to coordinate these various operational aspects in a way that supports the organization's mission and goals. Therefore, the primary purpose of an organizational strategy is to map out how the organization can achieve its specific goals and objectives.

10. What does business intelligence primarily involve?

- A. Employee performance tracking
- B. Data analysis of business information**
- C. Financial forecasting
- D. Market research techniques

Business intelligence primarily involves data analysis of business information. This encompasses the process of collecting, analyzing, and transforming data into actionable insights that aid in decision-making. Effective business intelligence practices allow organizations to make informed strategic choices, understand patterns, and improve operational efficiency. The focus on data analysis emphasizes the use of various technologies, methodologies, and tools to decode vast amounts of data generated by business operations. This information can include metrics related to sales performance, customer behavior, market trends, and operational efficiency, thereby providing a comprehensive view of the factors influencing business success. While employee performance tracking, financial forecasting, and market research techniques are essential elements within a business context, they are more specialized areas. Employee performance tracking is focused on measuring individual contributions, financial forecasting aims at predicting future financial scenarios, and market research techniques center on understanding consumer preferences and market conditions. In contrast, business intelligence serves as a broader framework that integrates these various data-driven insights to support overall business strategy and performance.

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://peregrinemba.examzify.com>

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