

**Pool Canvas**

Add, modify, and remove questions. Select a question type from the Add Question drop-down list and click **Go** to add questions. Use Creation Settings to establish which default options, such as feedback and images, are available for question creation.

Add [Creation Settings](#)

Name Chapter 1--Introduction to Cost Accounting
Description
Instructions

[Modify](#)[◀ Add Question Here](#)

Question 1 **0 points**

[Modify](#) [Remove](#)

Question Return on investment was used in the 1900's to evaluate business operations.

Answer
 True
 False

[◀ Add Question Here](#)

Question 2 **0 points**

[Modify](#) [Remove](#)

Question Financial accounting is most concerned with meeting the needs of internal users.

Answer
 True
 False

[◀ Add Question Here](#)

Question 3 **0 points**

[Modify](#) [Remove](#)

Question Financial accounting is most concerned with meeting the needs of external users.

Answer
 True
 False

[◀ Add Question Here](#)

Question 4 **0 points**

[Modify](#) [Remove](#)

Question Managerial accounting is most concerned with meeting the needs of internal users.

Answer
 True
 False

[◀ Add Question Here](#)

Question 5 **0 points**

[Modify](#) [Remove](#)

Question Managerial accounting is most concerned with meeting the needs of external users.

Answer
 True
 False

[◀ Add Question Here](#)

Question 6 **0 points**

[Modify](#) [Remove](#)

Question Financial accounting is highly regulated by rules and regulations.

Answer
 True
 False

[◀ Add Question Here](#)

Question 7 **0 points**

[Modify](#) [Remove](#)

Question Managerial accounting is highly regulated by rules and regulations.

Answer
 True
 False

[◀ Add Question Here](#)

Question 8 **0 points**

[Modify](#) [Remove](#)

Question Financial accounting is most concerned with addressing the needs of the firm as a whole.

Answer
 True
 False

[◀ Add Question Here](#)

Question 9 **0 points**

[Modify](#) [Remove](#)

Question Managerial accounting is most concerned with addressing the needs of the firm as a whole.

Answer
 True
 False

[◀ Add Question Here](#)

Question 10 **0 points**

[Modify](#) [Remove](#)

Question Financial accounting is most concerned with addressing the needs of individual departments of the firm.

Answer
 True
 False

[◀ Add Question Here](#)

Question 11	True/False	0 points	Modify	Remove
Question Managerial accounting is most concerned with addressing the needs of individual departments of the firm.				
Answer <input checked="" type="checkbox"/> True <input type="checkbox"/> False				
◀ Add Question Here				
Question 12	True/False	0 points	Modify	Remove
Question Cost accounting serves as a bridge between financial and managerial accounting.				
Answer <input checked="" type="checkbox"/> True <input type="checkbox"/> False				
◀ Add Question Here				
Question 13	True/False	0 points	Modify	Remove
Question Mission statements typically remain unchanged throughout the life of an organization.				
Answer <input type="checkbox"/> True <input checked="" type="checkbox"/> False				
◀ Add Question Here				
Question 14	True/False	0 points	Modify	Remove
Question An organization's strategy should reflect the organization's core competencies.				
Answer <input checked="" type="checkbox"/> True <input type="checkbox"/> False				
◀ Add Question Here				
Question 15	True/False	0 points	Modify	Remove
Question An organization's strategy is the guiding force for its mission.				
Answer <input type="checkbox"/> True <input checked="" type="checkbox"/> False				
◀ Add Question Here				
Question 16	True/False	0 points	Modify	Remove
Question Line managers are directly responsible for achieving organizational goals.				
Answer <input checked="" type="checkbox"/> True <input type="checkbox"/> False				
◀ Add Question Here				
Question 17	True/False	0 points	Modify	Remove
Question Line personnel give assistance to staff employees.				
Answer <input type="checkbox"/> True <input checked="" type="checkbox"/> False				
◀ Add Question Here				
Question 18	True/False	0 points	Modify	Remove
Question The learning and growth perspective of the balanced scorecard focuses on using an organization's intellectual capital to adapt to or influence customer needs and expectations.				
Answer <input checked="" type="checkbox"/> True <input type="checkbox"/> False				
◀ Add Question Here				
Question 19	True/False	0 points	Modify	Remove
Question The internal business perspective of the balanced scorecard focuses on using an organization's intellectual capital to adapt to or influence customer needs and expectations.				
Answer <input type="checkbox"/> True <input checked="" type="checkbox"/> False				
◀ Add Question Here				
Question 20	True/False	0 points	Modify	Remove
Question The learning and growth perspective of the balanced scorecard focuses on using an organization's intellectual capital to adapt to or influence customer needs and expectations.				
Answer <input checked="" type="checkbox"/> True <input type="checkbox"/> False				
◀ Add Question Here				
Question 21	True/False	0 points	Modify	Remove
Question The financial perspective of the balanced scorecard focuses on using an organization's intellectual capital to adapt to or influence customer needs and expectations.				
Answer <input type="checkbox"/> True <input checked="" type="checkbox"/> False				
◀ Add Question Here				
Question 22	True/False	0 points	Modify	Remove
Question The internal business perspective of the balanced scorecard addresses the things that an organization needs to do well to meet customer needs and expectations.				
Answer				

✓ True
False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 23 ▾

True/False

0 points

Question The learning and growth perspective of the balanced scorecard addresses the things that an organization needs to do well to meet customer needs and expectations.

Answer

True
✓ False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 24 ▾

True/False

0 points

Question The customer value perspective of the balanced scorecard addresses the things that an organization needs to do well to meet customer needs and expectations.

Answer

True
✓ False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 25 ▾

True/False

0 points

Question The financial perspective of the balanced scorecard addresses the things that an organization needs to do well to meet customer needs and expectations.

Answer

True
✓ False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 26 ▾

True/False

0 points

Question The customer value perspective of the balanced scorecard addresses how well the organization is doing with regard to important customer criteria.

Answer

✓ True
False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 27 ▾

True/False

0 points

Question The learning and growth perspective of the balanced scorecard addresses how well the organization is doing with regard to important customer criteria.

Answer

True
✓ False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 28 ▾

True/False

0 points

Question The internal business perspective of the balanced scorecard addresses how well the organization is doing with regard to important customer criteria.

Answer

True
✓ False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 29 ▾

True/False

0 points

Question The financial perspective of the balanced scorecard addresses how well the organization is doing with regard to important customer criteria.

Answer

True
✓ False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 30 ▾

True/False

0 points

Question The financial perspective of the balanced scorecard addresses stakeholder concerns about profitability and organizational growth.

Answer

✓ True
False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 31 ▾

True/False

0 points

Question The learning and growth perspective of the balanced scorecard addresses stakeholder concerns about profitability and organizational growth.

Answer

True
✓ False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 32 ▾

True/False

0 points

Question The internal business perspective of the balanced scorecard addresses stakeholder concerns about profitability and organizational growth.

Answer

True
✓ False

◀ [Add Question Here](#)

[Modify](#) [Remove](#)

Question 33 ▾

True/False

0 points

Question The customer value perspective of the balanced scorecard addresses stakeholder concerns about profitability and organizational growth.

Answer True
 False

[◀ Add Question Here](#)

Question 34 **True/False** **0 points** [Modify](#) [Remove](#)

Question An organization's return on assets (ROA) is an example of a lead indicator.

Answer True
 False

[◀ Add Question Here](#)

Question 35 **True/False** **0 points** [Modify](#) [Remove](#)

Question An organization's profitability is an example of a lag indicator.

Answer True
 False

[◀ Add Question Here](#)

Question 36 **True/False** **0 points** [Modify](#) [Remove](#)

Question The Sarbanes-Oxley Act of 2002 provides legal protection for individuals who report illegal organizational activities to appropriate persons or agencies.

Answer True
 False

[◀ Add Question Here](#)

Question 37 **True/False** **0 points** [Modify](#) [Remove](#)

Question The Foreign Corrupt Practices Act of 1977 provides legal protection for individuals who report illegal organizational activities to appropriate persons or agencies.

Answer True
 False

[◀ Add Question Here](#)

Question 38 **Fill in the Blank** **0 points** [Modify](#) [Remove](#)

Question The branch of accounting that is most concerned with addressing the needs of the firm as a whole is _____ accounting

Answer financial

[◀ Add Question Here](#)

Question 39 **Fill in the Blank** **0 points** [Modify](#) [Remove](#)

Question The branch of accounting that is most concerned with addressing the needs of specific departments of the firm is _____ accounting

Answer managerial

[◀ Add Question Here](#)

Question 40 **Fill in the Blank** **0 points** [Modify](#) [Remove](#)

Question The branch of accounting that serves as a bridge between financial and managerial accounting is _____ accounting.

Answer cost

[◀ Add Question Here](#)

Question 41 **Fill in the Blank** **0 points** [Modify](#) [Remove](#)

Question The expression of what an organization wishes to accomplish and how it will serve its customers is contained in the _____.

Answer mission statement

[◀ Add Question Here](#)

Question 42 **Fill in the Blank** **0 points** [Modify](#) [Remove](#)

Question The plan in which an organization indicates how it will fulfill its goals is referred to as a _____.

Answer strategy

[◀ Add Question Here](#)

Question 43 **Fill in the Blank** **0 points** [Modify](#) [Remove](#)

Question A function or activity in which an organization seeks to excel above its competitors is a _____.

Answer core competency.

[◀ Add Question Here](#)

Question 44 **Fill in the Blank** **0 points** [Modify](#) [Remove](#)

Question The way in which authority and responsibility are distributed in an organization is _____.

Answer organizational structure

[◀ Add Question Here](#)

Question 45 **Fill in the Blank** **0 points** [Modify](#) [Remove](#)

Question The balanced scorecard perspective that focuses on using a firm's intellectual capital to adapt to customer needs through product or service innovations is the _____ perspective.

Answer learning and growth

[◀ Add Question Here](#)

- Question 46 ▾ **Fill in the Blank** **0 points** [Modify](#) [Remove](#)
- Question** The balanced scorecard perspective that addresses things that an organization needs to do well to meet customer needs and expectations is the _____ perspective.
- Answer** internal business
- [◀ Add Question Here](#)
- Question 47 ▾ **Fill in the Blank** **0 points** [Modify](#) [Remove](#)
- Question** The balanced scorecard perspective that addresses how well the organization is meeting specific customer-based criteria is the _____ perspective.
- Answer** customer value
- [◀ Add Question Here](#)
- Question 48 ▾ **Fill in the Blank** **0 points** [Modify](#) [Remove](#)
- Question** The balanced scorecard perspective that addresses concerns about organizational growth is the _____ perspective.
- Answer** financial
- [◀ Add Question Here](#)
- Question 49 ▾ **Fill in the Blank** **0 points** [Modify](#) [Remove](#)
- Question** The _____ restates an organization's strategy into clear and objective performance measures.
- Answer** balanced scorecard
- [◀ Add Question Here](#)
- Question 50 ▾ **Fill in the Blank** **0 points** [Modify](#) [Remove](#)
- Question** Outcomes that have resulted from past actions are also referred to as _____ indicators.
- Answer** lag
- [◀ Add Question Here](#)
- Question 51 ▾ **Fill in the Blank** **0 points** [Modify](#) [Remove](#)
- Question** Data that reflects future financial and non-financial outcomes is referred to as _____ indicators.
- Answer** lead
- [◀ Add Question Here](#)
- Question 52 ▾ **Fill in the Blank** **0 points** [Modify](#) [Remove](#)
- Question** When an organization attempts to "adjust" its profits to meet a specific target, it is guilty of _____.
- Answer** earnings management
- [◀ Add Question Here](#)
- Question 53 ▾ **Multiple Choice** **0 points** [Modify](#) [Remove](#)
- Question** In comparing financial and management accounting, which of the following more accurately describes management accounting information?
- Answer**
- historical, precise, useful
 - required, estimated, internal
 - budgeted, informative, adaptable
 - comparable, verifiable, monetary
- [◀ Add Question Here](#)
- Question 54 ▾ **Multiple Choice** **0 points** [Modify](#) [Remove](#)
- Question** Management and financial accounting are used for which of the following purposes?
- | | <u>Management accounting</u> | <u>Financial accounting</u> |
|---------------|--|-----------------------------------|
| Answer | <input checked="" type="checkbox"/> internal | <input type="checkbox"/> external |
| | <input type="checkbox"/> external | <input type="checkbox"/> internal |
| | <input type="checkbox"/> internal | <input type="checkbox"/> internal |
| | <input type="checkbox"/> external | <input type="checkbox"/> external |
- [◀ Add Question Here](#)
- Question 55 ▾ **Multiple Choice** **0 points** [Modify](#) [Remove](#)
- Question** One major difference between financial and management accounting is that
- Answer**
- financial accounting reports are prepared primarily for users external to the company.
 - management accounting is not under the jurisdiction of the Securities and Exchange Commission.
 - government regulations do not apply to management accounting.
 - all of the above are true.
- [◀ Add Question Here](#)
- Question 56 ▾ **Multiple Choice** **0 points** [Modify](#) [Remove](#)
- Question** Which of the following statements about management or financial accounting is **false**?
- Answer**
- Financial accounting must follow GAAP.
 - Management accounting is not subject to regulatory reporting standards.
 - Both management and financial accounting are subject to mandatory recordkeeping requirements.
 - Management accounting should be flexible.
- [◀ Add Question Here](#)
- Question 57 ▾ **Multiple Choice** **0 points** [Modify](#) [Remove](#)

Question Management accounting

Answer ✓ is more concerned with the future than is financial accounting.
is less concerned with segments of a company than is financial accounting.
is more constrained by rules and regulations than is financial accounting.
all of the above are true.

[◀ Add Question Here](#)

Question 58 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Modern management accounting can be characterized by its

Answer ✓ flexibility.
standardization.
complexity.
precision.

[◀ Add Question Here](#)

Question 59 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Which of the following is **not** a valid method for determining product cost?

Answer arbitrary assignment
direct measurement
systematic allocation
✓ cost-benefit measurement

[◀ Add Question Here](#)

Question 60 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Broadly speaking, cost accounting can be defined as a(n)

Answer external reporting system that is based on activity-based costs.
system used for providing the government and creditors with information about a company's internal operations.
✓ internal reporting system that provides product costing and other information used by managers in performing their functions.
internal reporting system needed by manufacturers to be in compliance with Cost Accounting Standards Board pronouncements.

[◀ Add Question Here](#)

Question 61 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Cost accounting is directed toward the needs of

Answer regulatory agencies.
external users.
✓ internal users.
stockholders.

[◀ Add Question Here](#)

Question 62 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Cost accounting is necessitated by

Answer ✓ the high degree of conversion found in certain businesses.
external reporting requirements for manufacturing companies.
management's need to be aware of all production activities.
management's need for information to be used for planning and controlling activities.

[◀ Add Question Here](#)

Question 63 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Financial accounting

Answer is primarily concerned with internal reporting.
✓ is more concerned with verifiable, historical information than is cost accounting.
focuses on the parts of the organization rather than the whole.
is specifically directed at management decision-making needs.

[◀ Add Question Here](#)

Question 64 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Financial accounting and cost accounting are both highly concerned with

Answer preparing budgets.
✓ determining product cost.
providing managers with information necessary for control purposes.
determining performance standards.

[◀ Add Question Here](#)

Question 65 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Which of the following topics is of more concern to management accounting than to cost accounting?

Answer generally accepted accounting principles
inventory valuation
cost of goods sold valuation
✓ impact of economic conditions on company operations

[◀ Add Question Here](#)

Question 66 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Cost and management accounting

- Answer** require an entirely separate group of accounts than financial accounting uses.
focus solely on determining how much it costs to manufacture a product or provide a service.
- ✓ provide product/service cost information as well as information for internal decision making.
 - are required for business recordkeeping as are financial and tax accounting.

[◀ Add Question Here](#)

Question 67 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Which of the following statements is true?

- Answer** Management accounting is a subset of cost accounting.
- ✓ Cost accounting is a subset of both management and financial accounting.
 - Management accounting is a subset of both cost and financial accounting.
 - Financial accounting is a subset of cost accounting.

[◀ Add Question Here](#)

Question 68 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Which of the following statements is **false**?

- Answer** A primary purpose of cost accounting is to determine valuations needed for external financial statements.
A primary purpose of management accounting is to provide information to managers for use in planning, controlling, and decision making.
The act of converting production inputs into finished products or services necessitates cost accounting.
- ✓ Two primary hallmarks of cost and management accounting are standardization of procedures and use of generally accepted accounting principles.

[◀ Add Question Here](#)

Question 69 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question The organization whose primary function is to provide a means to share information among cost and management accountants in the United States is the

- Answer** Internal Revenue Service.
American Institute of CPAs.
- ✓ Institute of Management Accountants.
 - Institute of Certified Management Accountants.

[◀ Add Question Here](#)

Question 70 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question The Institute of Management Accountants issues

- Answer** Statements on Accounting Research for Managers.
- ✓ Statements on Management Accounting.
 - Statements on Managerial and Cost Accounting.
 - Cost Accounting Standards.

[◀ Add Question Here](#)

Question 71 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Core competencies are **not**

- Answer** internal functions crucial to the success and survival of a company.
- ✓ attributes that keep a firm from competing.
 - different for every organization.
 - considered influences on corporate strategies.

[◀ Add Question Here](#)

Question 72 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question A long-term plan that fulfills the goals and objectives of an organization is known as a(n)

- Answer** management style.
- ✓ strategy.
 - mission statement.
 - operational mission.

[◀ Add Question Here](#)

Question 73 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Which of the following areas is **not** addressed by an organization's mission statement?

- Answer** the purpose for which the organization exists
what the organization wants to accomplish
- ✓ the organization's strategic plan for fulfilling its mission
 - how its products can uniquely meet the needs of its customers.

[◀ Add Question Here](#)

Question 74 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question The world has essentially become smaller because of

- Answer** improved technology.
trade agreements.
better communications systems.
- ✓ all of the above.

[◀ Add Question Here](#)

Question 75 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question The set of processes that convert inputs into services and products that consumers use is called

Answer

- a core competency.
- an operational plan.
- ✓ the value chain.
- the product life cycle.

[◀ Add Question Here](#)

Question 76 ▾ **Multiple Choice** **0 points**

[Modify](#) [Remove](#)

Question The value chain

Answer

- reflects the production of goods within an organizational context.
- is concerned with upstream suppliers, but not downstream customers.
- results when all non-value-added activities are eliminated from a production process.
- ✓ is the foundation of strategic resource management.

[◀ Add Question Here](#)

Question 77 ▾ **Multiple Choice** **0 points**

[Modify](#) [Remove](#)

Question In a global economy,

Answer

- the trade of goods and services is focused on trade between or among countries on the same continent.
- the international movement of labor is prohibited except for multilingual persons.
- ✓ the international flows of capital and information are common.
- all of the above happen in a global economy.

[◀ Add Question Here](#)

Question 78 ▾ **Multiple Choice** **0 points**

[Modify](#) [Remove](#)

Question The balanced scorecard perspective that focuses on using a firm's intellectual capital to adapt to the needs of the market through product or service innovations is the:

Answer

- ✓ learning and growth perspective
- internal business perspective
- customer value perspective
- financial perspective

[◀ Add Question Here](#)

Question 79 ▾ **Multiple Choice** **0 points**

[Modify](#) [Remove](#)

Question The balanced scorecard perspective that addresses things that an organization needs to do well to meet customer needs and expectations:

Answer

- learning and growth perspective
- ✓ internal business perspective
- customer value perspective
- financial perspective

[◀ Add Question Here](#)

Question 80 ▾ **Multiple Choice** **0 points**

[Modify](#) [Remove](#)

Question The balanced scorecard perspective that addresses how well the organization is meeting specific customer-based criteria is the:

Answer

- learning and growth perspective
- internal business perspective
- ✓ customer value perspective
- financial perspective

[◀ Add Question Here](#)

Question 81 ▾ **Multiple Choice** **0 points**

[Modify](#) [Remove](#)

Question The balanced scorecard perspective that addresses concerns about organizational growth is the:

Answer

- learning and growth perspective
- internal business perspective
- customer value perspective
- ✓ financial perspective

[◀ Add Question Here](#)

Question 82 ▾ **Multiple Choice** **0 points**

[Modify](#) [Remove](#)

Question A managerial accountant who communicates information objectively is exercising which of the following standards?

Answer

- ✓ objectivity
- integrity
- competence
- confidentiality

[◀ Add Question Here](#)

Question 83 ▾ **Multiple Choice** **0 points**

[Modify](#) [Remove](#)

Question A managerial accountant who prepares clear reports and recommendations after analyzing relevant facts is exercising which of the following standards?

Answer

- objectivity
- integrity
- ✓ competence
- confidentiality

[◀ Add Question Here](#)

Question 84 ▾ **Multiple Choice** **0 points**

[Modify](#) [Remove](#)

Question Cost accounting standards

Answer are legal standards set by the Institute of Management Accountants for use in all manufacturing and professional businesses.

are set by the Cost Accounting Standards Board and are legally binding on all manufacturers, but not service organizations.

✓ do not exist except for those legal pronouncements for companies bidding or pricing cost-related contracts with the government.

are developed by the Cost Accounting Standards Board, issued by the Institute of Management Accountants, and are legally binding on CMAs.

[◀ Add Question Here](#)

Question 85 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Which of the following U.S. legislation relates to bribes being offered to foreign officials?

Answer Racketeer Influenced and Corrupt Organizations Act

Foreign Illegal Activities Act

✓ Foreign Corrupt Practices Act

Federal Bribery and Corrupt Practices Act

[◀ Add Question Here](#)

Question 86 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question The Institute of Management Accountants' Code of Ethics

Answer is a legally enforceable contract with all management accountants.

✓ should be viewed as a goal for professional behavior.

is a legally enforceable contract with all CPAs.

provides ways to measure departures from ethical behavior.

[◀ Add Question Here](#)

Question 87 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question The Foreign Corrupt Practices Act is directed at

Answer ✓ U.S. corporations operating overseas.

foreign businesses operating in the U.S.

all businesses dealing with U.S. consumers.

all U. S. businesses with operations in foreign countries.

[◀ Add Question Here](#)

Question 88 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question The ethical standards established for management accountants are in the areas of

Answer competence, licensing, reporting, and education.

budgeting, cost allocation, product costing, and insider trading.

✓ competence, confidentiality, integrity, and credibility.

disclosure, communication, decision making, and planning.

[◀ Add Question Here](#)

Question 89 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Which ethical standard is violated by an accountant who accepts a gift from a client

Answer Credibility

Confidentiality

Competence

✓ Integrity

[◀ Add Question Here](#)

Question 90 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Which ethical standard has been violated if an accountant fails to prepare financial statements according to industry standards?

Answer ✓ Competence

Confidentiality

Integrity

Credibility

[◀ Add Question Here](#)

Question 91 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Which ethical standard is violated when an accountant uses information from a financial statement he is preparing to advise a relative of a stock purchase?

Answer Competence

✓ Confidentiality

Integrity

Credibility

[◀ Add Question Here](#)

Question 92 ▾

Multiple Choice

0 points

[Modify](#)

[Remove](#)

Question Which ethical standard has been violated if an accountant fails to disclose relevant information pertaining to a financial statement?

Answer Competence

Confidentiality

Integrity

✓ Credibility

[◀ Add Question Here](#)

Question 93 ▾

Essay

0 points

[Modify](#)[Remove](#)**Question** On what needs do (1) management accounting and (2) financial accounting focus?**Answer** Management accounting focuses on the needs of users inside an organization. Managers need information related to planning, controlling, decision making, and performance evaluation. Their needs are satisfied through the providing of information designed for their particular uses. Financial accounting focuses on the needs of users outside the organization, such as stockholders, creditors, and regulatory agencies. These users require information that is in conformity with generally accepted accounting principles and, thus, is standardized in the form of general purpose financial statements.[◀ Add Question Here](#)

Question 94 ▾

Essay

0 points

[Modify](#)[Remove](#)**Question** What are the functions of a mission statement?**Answer** The mission statement expresses:

1. the purpose for which the organization exists.
2. what the organization wants to accomplish
3. how its products and services can uniquely meet its targeted customers' needs.

[◀ Add Question Here](#)

Question 95 ▾

Essay

0 points

[Modify](#)[Remove](#)**Question** Define value chain and provide a graphic of the interacting flows of information within the value chain.**Answer** The value chain is the set of processes that convert inputs into products and services for a firm's customers. It includes both internal and external processes. It encompasses both upstream and downstream entities. A depiction of the value chain and its information flows is shown in Exhibit 1-6.[◀ Add Question Here](#)

Question 96 ▾

Essay

0 points

[Modify](#)[Remove](#)**Question** Distinguish between lead indicators and lag indicators, and provide an example of each. Which of these indicators is a better guide for strategic planning?**Answer** A lag indicator is an outcome that has resulted from past actions. A common lag indicator is profitability. Other similar performance measures are also acceptable answers.

A lead indicator reflects future financial and nonfinancial outcomes. A good example of a lead indicator would be the number of employees trained on a new transaction processing system. Lead indicators are better guides for strategic planning, because they provide information on outcomes more quickly than do lag indicators.

[◀ Add Question Here](#)

Question 97 ▾

Essay

0 points

[Modify](#)[Remove](#)**Question** List and explain the four perspective of the balanced scorecard (BSC).**Answer** Learning and growth perspective--Focuses on using an organization's intellectual capital to adapt to or influence changing customer needs.Internal business perspective--Addresses those things that an organization needs to do well to meet customer needs and expectations.Customer value perspective--Addresses how well the organization is doing relative to important customer criteria.Financial perspective--Addresses the concerns of stakeholders about profitability and organizational growth.[◀ Add Question Here](#)

Question 98 ▾

Essay

0 points

[Modify](#)[Remove](#)**Question** What four areas are covered by the Standards of Ethical Conduct for Certified Management Accountants? How are these areas defined?**Answer** The four areas covered by the Standards of Ethical Conduct for Certified Management Accountants are: competence, confidentiality, credibility, and integrity. Competence means having the capacity to function in a particular manner.Confidentiality means having the ability to maintain or keep information undisclosed. Credibility means having the ability to communicate information fairly and objectively. Integrity is the ability to mitigate actual conflicts of interest and to refrain from engaging in any conduct that would prejudice carrying out duties ethically and/or discredit the profession.[◀ Add Question Here](#)

OK