

# DUMPS ARENA

## Praxis Business Education: Content Knowledge (5101) Exam

Praxis Business-Education-Content-Knowledge-5101

Version Demo

Total Demo Questions: 10

Total Premium Questions: 107

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## Topic Break Down

| Topic                                   | No. of Questions |
|-----------------------------------------|------------------|
| Topic 1, Accounting and Finance         | 14               |
| Topic 2, Communication                  | 9                |
| Topic 3, Economics                      | 10               |
| Topic 4, Entrepreneurship               | 7                |
| Topic 5, Information Technology         | 16               |
| Topic 6, Law and International Business | 16               |
| Topic 7, Management                     | 20               |
| Topic 8, Marketing                      | 11               |
| Topic 9, Personal Finance               | 1                |
| Topic 10, Mix Questions                 | 3                |
| Total                                   | 107              |

**QUESTION NO: 1**

Which of the following types of charts is used with spreadsheets to show the relation between the fractional parts that make up a whole amount?

- A. Flowcharts
- B. Line charts
- C. Scatter charts
- D. Pie charts

**ANSWER: D**

**Explanation:**

Pie charts are designed to display a part-to-whole relationship. A spreadsheet can summarize categories as values or percentages of a total and then plot those values as slices of a circle. Because the entire circle represents the whole amount, each slice visually communicates the relative fractional share contributed by one category. For example, a business could use a pie chart to show how its total quarterly expenses are divided among payroll, rent, inventory, and marketing, or how total sales are allocated across product categories. The size of each slice is proportional to that category's value relative to the total, making it appropriate when the central message is composition rather than change over time or correlation between numerical variables. Pie charts are clearest when there are relatively few, mutually exclusive categories and the values collectively represent one meaningful total. Microsoft's chart guidance identifies pie charts as a way to show proportions of a whole and recommends their use when the data series totals 100 percent or otherwise represents a complete total. See [Microsoft Support: Present your data in a pie chart](#) and [Microsoft Support: Available chart types in Office](#).

**QUESTION NO: 2**

A college graduate wants to start a business and looks into franchise opportunities. The graduate has \$30,000 and has narrowed the selection to three different franchise choices. Which of the following franchise credentials is the most important to review?

- A. Owner's handbook
- B. Fee schedule agreement
- C. Broker policy agreement
- D. Franchise disclosure document

**ANSWER: D**

**Explanation:**

The franchise disclosure document is the most important document to review because it supplies the standardized, legally required information a prospective franchisee needs to evaluate and compare franchise opportunities. Under the Federal Trade Commission's Franchise Rule, a franchisor generally must provide this disclosure document at least 14 calendar days before the prospective franchisee signs a binding agreement or pays money. Its required disclosures address such decision-critical topics as the franchisor's business background, litigation and bankruptcy history, initial and ongoing fees, estimated initial investment, restrictions, training and support, territory, franchisee obligations, financial-performance representations when provided, and the current franchisee and former franchisee contact lists. For a graduate with \$30,000, these disclosures are especially useful for determining whether the required initial investment, continuing royalty payments, advertising fees, and working-capital needs are realistic. Reviewing the document also makes it possible to compare each candidate franchise using the same categories of information and to seek professional advice before committing funds. The Federal Trade Commission explains the disclosure requirements in its [Franchise Rule Compliance Guide](#), and its consumer guidance, [Buying a Franchise](#), emphasizes careful review of the disclosure document before purchasing a franchise.

**QUESTION NO: 3**

Which THREE of the following are the primary responsibilities of a human resources department?

- A. Facilitating new employees' orientation
- B. Compiling and posting financial statements
- C. Communicating employer policies and expectations
- D. Developing new product designs and production strategies
- E. Advising employees on privacy rights and health insurance options

**ANSWER: A C E**

**Explanation:**

Human resources is responsible for managing key aspects of the employee life cycle and helping the organization maintain a fair, compliant, and well-informed workplace. Facilitating new employees' orientation is an HR responsibility because onboarding introduces hires to the organization, their roles, workplace practices, required documentation, and available resources. Effective orientation supports employees' transition into the organization and is part of HR's staffing and employee-development functions.

Communicating employer policies and expectations is also central to HR work. HR commonly develops, administers, and communicates policies involving conduct, attendance, equal employment opportunity, leave, workplace safety, and employee relations. Clear policy communication promotes consistent treatment of employees and helps employees understand organizational standards.

Advising employees on privacy rights and health insurance options fits HR's benefits-administration and compliance responsibilities. HR personnel help employees understand benefit-plan enrollment and coverage choices, while also supporting appropriate handling of employee information and communicating relevant workplace rights. These activities reflect the employee-focused functions assessed within the management content area of the Praxis Business Education examination. The ETS [Praxis Business Education: Content Knowledge preparation materials](#) and the Society for Human Resource Management's overview of [HR knowledge and practice resources](#) support these core HR functions.

**QUESTION NO: 4**

A business is considering whether to introduce a meal-delivery service for employees working late shifts. Which THREE of the following would be examples of primary market research the business could use before making the decision?

- A. Surveying employees about their meal preferences and schedules
- B. Reviewing a published report on national food-delivery trends
- C. Interviewing employees who regularly work late shifts
- D. Using census data to estimate neighborhood population growth
- E. Operating a one-week pilot service and recording employee orders

**ANSWER: A C E**

**Explanation:**

Primary research is information collected directly for the business's current decision. A survey of employees, interviews with prospective customers, and a trial service that records actual orders all generate original information about the proposed service. Published industry reports and government demographic data are secondary research because they were collected previously for another purpose. Reviewing a competitor's public menu may be useful, but it does not directly measure the company's own employees' demand.

**QUESTION NO: 5**

A company is preparing a customer database for a direct-mail promotion. Which THREE of the following practices would most improve the quality of the customer data before the mailing is sent?

- A. Removing duplicate customer records
- B. Standardizing address formats
- C. Verifying incomplete or outdated customer information
- D. Creating additional records for customers who have purchased frequently
- E. Retaining records that contain known address errors

ANSWER: A B C

Explanation:

Removing duplicate records, standardizing address formats, and verifying outdated or incomplete customer information improve data accuracy and reduce wasted mailings. These practices help ensure that each customer receives appropriate communication and that mailing costs are not spent on unusable records.

Adding the same customer multiple times can lead to repeated mailings. Keeping records with known errors simply preserves inaccurate information in the database.

QUESTION NO: 6 - (SIMULATION)

There are runny factors of production that contribute to the output of a final product. Place the descriptions below into the appropriate categories.

|                                 |                             |
|---------------------------------|-----------------------------|
| Human resources                 | Raw materials and equipment |
| Innovation and entrepreneurship | Natural resources           |
| Factors of Production           | Descriptions                |
| Land                            |                             |
| Labor                           |                             |
| Capital                         |                             |
| Organization                    |                             |

ANSWER: See the explanation for the answer

Explanation:

Place the descriptions as follows:

- Land — Natural resources
- Labor — Human resources
- Capital — Raw materials and equipment
- Organization — Innovation and entrepreneurship

Land consists of natural resources; labor is human work and skills; capital includes productive materials and equipment; and organization (entrepreneurship) combines resources, innovates, and assumes business risk.

#### QUESTION NO: 7

Which of the following laws establishes the right to form unions?

- A. National Labor Relations Act
- B. Norris-LaGuardia Act
- C. Taft-Hartley Act
- D. Fair Labor Standards Act

#### ANSWER: A

##### Explanation:

The National Labor Relations Act is correct because it is the principal federal statute protecting most private-sector employees' right to organize and select representatives for collective bargaining. Enacted in 1935 and commonly called the Wagner Act, the law states that employees have the right to self-organization; to form, join, or assist labor organizations; and to bargain collectively through representatives of their own choosing. Those protections establish the legal foundation for employees to create and participate in unions without prohibited employer interference, restraint, or coercion. The National Labor Relations Board administers and enforces the Act, including conducting representation elections when workers seek to determine whether they want union representation. This is the central labor-law concept tested by the question: the statutory right to form and join a union comes from the National Labor Relations Act. The official text of the employee rights provision appears in Section 7 of the Act, available through the [National Labor Relations Board's National Labor Relations Act page](#). The Board also summarizes these organizing rights and its role in representation cases on its [Conduct Elections page](#).

#### QUESTION NO: 8

A retailer purchased identical units of merchandise as follows: 100 units at \$12 each in January and 100 units at \$15 each in February. During March, the retailer sold 150 units. If the retailer uses the FIFO inventory-costing method, which of the following is the cost of goods sold for March?

- A. \$1,800
- B. \$1,950
- C. \$2,025
- D. \$2,250

#### ANSWER: B

##### Explanation:

Under FIFO, the first units purchased are treated as the first units sold. The retailer therefore assigns the January cost to the first 100 units sold and the February cost to the next 50 units sold. Cost of goods sold is \$1,200 for the January units ( $100 \times \$12$ ) plus \$750 for the February units ( $50 \times \$15$ ), for a total of \$1,950. The remaining inventory consists of 50 units from the February purchase at \$15 each.

#### QUESTION NO: 9

Which of the following is most likely to teach skills that will help students make a smooth transition from school to work?

- A. Making an educational plan

- B. Joining a student organization
- C. Searching for a part-time job
- D. Developing an electronic portfolio

**ANSWER: B**

**Explanation:**

Joining a student organization is most likely to teach the transferable employability skills that support a successful transition from school to work. Career and technical student organizations give students structured opportunities to practice communication, collaboration, leadership, problem solving, professionalism, project management, and responsible participation in workplace-like activities. Through meetings, competitive events, community service, officer roles, and team projects, students apply classroom learning in authentic settings while receiving feedback from peers, advisers, and often business partners. These experiences also help students develop professional networks and confidence in presenting themselves to employers and colleagues. Such skill development is central to the school-to-work connection because employers value demonstrated readiness behaviors in addition to technical knowledge. The Association for Career and Technical Education describes career and technical student organizations as integral to career and technical education, helping students develop leadership and employability skills through applied learning experiences. The U.S. Department of Education's employability-skills framework likewise emphasizes applied competencies such as effective relationships, workplace skills, and communication. See [ACTE's overview of CTE student organizations](#) and [the U.S. Department of Education's Perkins V CTE resources](#).

**QUESTION NO: 10**

An entrepreneur is developing the operations section of a business plan for a small custom-printing business. Which THREE of the following items should be included in that section?

- A. The workflow used to receive, produce, and deliver customer orders
- B. The equipment, workspace, and technology required to operate the business
- C. The suppliers and materials needed to complete printing jobs
- D. The age and income characteristics of the target market
- E. The projected income statement for the first three years

**ANSWER: A B C**

**Explanation:**

The operations section explains how the business will produce and deliver its goods or services. Information about production workflow, needed equipment and facilities, and supplier arrangements helps show that the business can operate reliably. Customer demographics belong primarily in the market-analysis section, while projected revenues and expenses are addressed in the financial section. The entrepreneur's personal résumé may be included in an appendix or management discussion, but it is not a core operations item.