

Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
1.	Finance	<p>What is one significant financial difference between a law firm organized as a partnership and one which is organized as a professional corporation?</p> <ul style="list-style-type: none"> a. In a professional corporation, the entity is responsible for withholding taxes for shareholders; in partnership each partner is personally responsible for filing employment taxes b. Income of the professional corporation is not subject to taxation until withdrawn from the corporation, whereas undistributed income in a partnership is fully taxed to the partner c. The capital contributions in a professional corporation are made on a pre-tax basis and those in a partnership are made on an after- tax basis d. Shareholders pay federal and state corporate income tax rates on their monthly compensation and partners pay individual income tax rates 	a
2.	Finance	<p>A firm has 10 years remaining on a 15 year lease when it spent \$200,000 on leasehold improvements. The leasehold improvement should be amortized over:</p> <ul style="list-style-type: none"> a. The remaining life of the lease b. 10 years c. 15 years d. The life of the improvement 	a
3.	Finance	<p>What Ratio describes the relationship between a firm's liabilities and its equities:</p> <ul style="list-style-type: none"> a. Current Ratio b. Debt Ratio c. Profitability Ratio d. Liquidity Ratio 	b

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4.	Finance	<p>All of the following are examples of profitability ratios except:</p> <ul style="list-style-type: none"> a. Gross profit margin b. Operating profit margin c. Net profit margin d. Days sales outstanding 	d
5.	Finance	<p>The type of accounting system used by most law firms is known as:</p> <ul style="list-style-type: none"> a. Cash basis accounting b. Modified cash basis accounting c. Accrual basis accounting d. GAAP 	b
6.	Finance	<p>A collection of accounts is called a(n)</p> <ul style="list-style-type: none"> a. Ledger b. Account c. Journal d. Trial Balance 	a
7.	Finance	<p>A law firm that files partnership 1096 forms?</p> <ul style="list-style-type: none"> a. PC b. LLP c. LLC d. All of the above 	c

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8.	Finance	S corps are based on size. They can't have more than how many shareholders? a. 55 b. 75 c. 85 d. No limit	b
9.	Finance	LLC's have members or shareholders?	Members
10.	Finance	Corporations do not want to have any net income on 12/31/07? True or False?	True
11.	Finance	"Off the Shelf" software should be expensed or capitalized?	Expensed
12.	Finance	"Customized" software can be expensed or capitalized?	Capitalized

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13.	Finance	Please label the following a hard cost or soft cost: Travel Expenses In-house copies Filing fees Faxes Court Reporter Fees Online Legal Research	Expenses: Hard cost <hr/> In-house copies: soft cost <hr/> Filing fees: hard cost <hr/> Faxes: soft cost <hr/> Court Reporter Fees: hard cost <hr/> Online Legal Research: soft cost
14.	Finance	A firm's Profit and Loss statement is the same as a firm's a. Income Statement b. Statement of Retained Earnings c. Changed in a Financial Position d. Equity Statement	a

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15.	Finance	<p>A budget used for a specific level of activity and does not take into account variables such as increased or decreased activity is:</p> <ul style="list-style-type: none"> a. Flexible or Variable Budget b. Continuous or Rolling Budget c. Long Ranged Budget d. Static budget e. Zero based budget 	d
16.	Finance	<p>A Master budget: Demonstrates the inflows and outflows of cash that are projected by the end of the budgeting period.</p> <ul style="list-style-type: none"> a. Is comprised of both an operating and a financial budget b. May be prepared on an annual basis or it may cover multiple years c. All of the above d. None of the above 	c
17.	Finance	<p>Revenue recognized when earned and expenses recognized when incurred is:</p> <ul style="list-style-type: none"> a. Accrual method b. Cash basis accounting c. Modified cash basis accounting d. Revenue Recognition 	a
18.	Finance	<p>Partner's equity appears on the firm's:</p> <ul style="list-style-type: none"> a. Cash Flow Statement b. Statement of Net Assets c. Income Statement d. All of the above 	b

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19.	Finance	Amount remaining after liabilities are deducted from assets, the owners' interest in the business. a. Net Worth b. Net Income c. Net Operating Income d. Capital account	a
20.	Finance	A partner pay system in which profits are equally split among all partners a. Unitization b. Parity c. Pay grade d. Merit pay	b
21.	Finance	Is used to show how activities in the current year compare to the previous year, and they indicate the amount of cash available to a firm with which to pay its debts. a. Statement of Revenues and Expenses b. Cash Flow Statement c. Operating Profit d. Statement of Net Assets	b
22.	Finance	A partner asks you to analyze the firm's ability to pay its debts as of the moment he makes the request. You need to conduct a: a. Current Ratio b. Acid-Test Ratio c. Debt Ratio d. Leverage Ratio	b

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23.	Finance	<p>Net worth is also known as (choose all that apply):</p> <ul style="list-style-type: none"> a. Equity b. Distributable Income c. Amount remaining after liabilities are deducted from assets d. Operating Income e. Amount owners can claim on the assets f. Owners' interest in the business g. Profit index 	a, c, e, f
24.	Finance	<p>True or False with regard to contingent fee agreements?</p> <ul style="list-style-type: none"> a. A contingent fee agreement should be in writing. b. A lawyer can enter into a contingent fee agreement for a property settlement in a domestic matter. c. A lawyer may enter into a contingent fee agreement for the recovery of post-judgment child support and/or alimony. 	<p>a True b False c True</p>
25.	Finance	<p>In some jurisdictions, with regard to maintaining a client fund account with a substantial balance, it is advisable to place that money in interest-bearing accounts to benefit the client, unless the client specifically directs otherwise.</p> <ul style="list-style-type: none"> a. True b. False 	a

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26.	Finance	<p>What type of ratio indicates the percentage of the firm's assets that is provided by the partners?</p> <ul style="list-style-type: none"> a. Debt Ratio b. Liquidity Ratio c. Equity Ratio d. Profitability Ratio 	c
27.	Finance	<p>You are preparing a Balance Sheet for the firm's partners. You will include the following accounts:</p> <ul style="list-style-type: none"> a. Revenue, expense and liabilities accounts b. Assets, liabilities, capital accounts c. Revenue, assets and depreciation accounts d. Assets, liabilities and expense accounts 	b
28.	Finance	<p>Which of the following would not be considered a short-term asset?</p> <ul style="list-style-type: none"> a. repaid rent b. Short-term investments c. Client disbursements receivable d. Computers 	d
29.	Finance	<p>Which statement below best describes positive pay?</p> <ul style="list-style-type: none"> a. A compensation method based on merit b. A method to prevent check fraud c. A group incentive plan d. A form of partner compensation 	b

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30.	Finance	<p>Which of the following is included in imputed partner compensation?</p> <ul style="list-style-type: none"> a. Leverage b. Bonus c. Premium fees d. Partner draw 	d
31.	Finance	<p>The depreciation method used by most law firms is:</p> <ul style="list-style-type: none"> a. Declining balance method b. MACRS c. ACRS d. Sum-of-the-years digit method 	b
32.	Finance	<p>Smith and Jones are partners in a law firm. This means:</p> <ul style="list-style-type: none"> a. They share income but are not personally liable for the other's behavior b. They are not taxed as individuals but rather the firm is taxed as a partnership c. They are personally liable for the other's professional behavior d. They are not personally liable for the debts of the partnership 	c
33.	Finance	<p>Variance analysis:</p> <ul style="list-style-type: none"> a. Is not a task useful for law firms b. Is most often performed by comparing actual results to budget c. Should be performed annually d. Makes upper management accountable for budget 	b

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34.	Finance	<p>RULES is an acronym which stands for the following:</p> <ul style="list-style-type: none"> a. Reliable, Utilization, Leverage, Economy, Success b. Realization, Utilization, Leverage, Expense control, Speed of collection c. Retainable, Unitization, Liquidity, Economy, Specific d. Retainable, Utilization, Leverage, Expense control, Speed of collection 	b
35.	Finance	<p>A law firm is assessing whether or not it can afford to replace old computers with new computers. What should they look at during the assessment process?</p> <ul style="list-style-type: none"> a. Liquidity ratio b. Action plan c. Accounts payable d. Liabilities 	a
36.	Finance	<p>Which statement is True about a firm's Balance Sheet?</p> <ul style="list-style-type: none"> a. The Balance Sheet presents an entity's financial position at a point in time (snapshot) b. The Balance Sheet reflects the firm's revenues and expenses c. The Balance Sheet presents an entity's operational results over a period of time d. The Balance Sheet reports the change in cash balance over a period of time 	a
37.	Human Resources	<p>According to Herzberg's Two Factor Theory:</p> <ul style="list-style-type: none"> a. Intrinsic factors known as motivators influence job performance b. Extrinsic factors known as hygiene factors influence job performance c. Comparison of two people with each other influences job performance d. Operant conditioning influences job performance 	a

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38.	Human Resources	<p>Jane is having a difficult time at work with another employee at the company. Jane talks to Laura in the office. Laura is the employee of the company you can go to confidentially for help in resolving office issues. Laura is considered the _____ of the office.</p> <p>a. Mediator b. Busy body c. Ombudsman d. Arbitrator</p>	c
39.	Human Resources	<p>John has been with the firm for many years. Because of his seniority, he has moved through a series of promotions to a position requiring considerable managerial skills which he does not possess. It can be said that he has encountered:</p> <p>a. The Horn Effect b. Adverse Impact c. The Standard Deviation Rule d. The Peter Principle</p>	d
40.	Human Resources	<p>Leadership theories that look at personal characteristics and attributes of a leader are:</p> <p>a. Behavioral theories b. Trait theories c. Situational theories d. Contingency theories</p>	b

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41.	Human Resources	<p>A manager always hires young, attractive women as a receptionist. This is an example of:</p> <ul style="list-style-type: none"> a. Quid Pro Quo b. Disparate Treatment c. Disparate Impact d. Reverse Discrimination 	b
42.	Human Resources	<p>A difference between management and leadership is that:</p> <ul style="list-style-type: none"> a. Management aligns people to the vision and strategies; leadership establishes a structure for accomplishing plan requirements b. Management energizes people; leadership organizes people to solve problems. c. Management establishes the vision; leadership establishes detailed steps and timetables d. Management delegates responsibility and authority for carrying out the plan; leadership communicates the direction by words and deeds 	d
43.	Human Resources	<p>Which legislation protects workers displaced in the merger of two corporations:</p> <ul style="list-style-type: none"> a. Workers Adjustment and Retraining Notification Act (WARN) b. Immigration Reform and Control Act (IRCA) c. Labor Management Reporting and Disclosure Act (LMRDA)] d. Uniform Guidelines on Employee Selection Procedures (UGESP) 	a

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44.	Human Resources	Which of the following motives is not postulated by David McClelland as one of the three major needs in the workplace situation? a. Affiliation b. Power c. Compensation d. Achievement	c
45.	Human Resources	Under HIPAA, which of the following is NEVER considered a pre-existing condition? a. Employee who is pregnant b. Employee with a mental illness c. Employee with a terminal illness d. Employee who is involved in car accident 10 days after he left his last employer and which occurred 15 days prior to his start date at your firm	a
46.	Human Resources	Under ERISA, when is the annual report (Form 5500) on a qualified benefit plan due to be filed with the DOL? a. Two months after eligibility of the plan b. Three months after establishment of the plan c. Seven months after the end of the plan year d. One year after plan features have changed	c

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47.	Human Resources	<p>What is the difference between organizational development and organizational transformation?</p> <ul style="list-style-type: none"> a. OD can be traditional and can make transformational changes, OT shifts paradigms b. OD can be traditional or transformational; OT is traditional c. OD proceed toward a change model of the organization; OT maintains a stable learning organization d. OD is traditional; OT is transformational. 	a
48.	Human Resources	<p>Neil decides to move his family to Utah to join a Mormon village where Neil can marry as many wives as he wants. Neil resigns his employment with his current company. The company offers Neil COBRA coverage and Neil elects to continue his coverage. After being on COBRA for 30 days, Neil and his family get into an accident. Neil becomes totally and permanently disabled. Neil is now eligible for COBRA coverage for:</p> <ul style="list-style-type: none"> a. Group rates on medical insurance will be extended to him for up to 18 months following the loss of benefits b. Group rates on medical insurance will be extended to him for up to 36 months following the loss of benefits c. Group rates on medical insurance will be extended to him for up to 29 months following the loss of benefits d. Group rates on medical insurance will be extended to him for up to 9 months following the loss of benefits 	c

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49.	Human Resources	Which of the following is not part of the Progressive Disciplinary Process? a. Suspension with pay b. Suspension without pay c. Transfer or Demotion d. Evaluation	d
50.	Human Resources	_____ are often the issue when employees sue organizations over such matters as discipline, pay raises and termination. a. Performance Management Systems b. Critical Incidents c. Progressive discipline d. Employment At-will	a
51.	Human Resources	What methods do not measure performance? a. Ranking and Observation b. Rating, Ranking & Observation c. Observation & Narratives d. On-the-job training	d
52.	Human Resources	Which of the following is true? a. Rankings place an individual performance on a continuum b. Ratings are a comparative measure in which individuals performance is compared with the performance of others. c. Ratings objectivity maybe be difficult since differences between employees may be minimal. d. None of the above	d

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53.	Human Resources	List the six steps of Progressive Discipline	Verbal Warning; Written Warning; Suspension w/pay; Suspension w/out pay; Transfer/demotion; Termination
54.	Human Resources	This type of performance appraisal system is easy and quick to use. The terms need to be clearly identified and are dependent upon the quality of the instrument. They can be difficult to validate. a. Forced distribution b. Ratings c. Rankings d. Results	b
55.	Human Resources	What is the first step of the Progressive Disciplinary Process? a. Written warning b. Confrontation c. Suspension with pay d. Verbal warning	d

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56.	Human Resources	Some evaluators like to be viewed as “good guys” by co-workers and, therefore, hesitate to rate anyone poorly. This is known as a. Forced distribution b. Distribution error c. Leniency error d. Critical incident	c
57.	Human Resources	Results Measurements can be easily quantified. a. True b. False	a
58.	Human Resources	An employee manual with a description of discipline procedures can be considered an implied contract? a. True b. False	a
59.	Human Resources	The last step of progressive discipline is positive discipline which is a variation of progressive discipline. a. True b. False	b

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60.	Human Resources	<p>Courts may find exception to “at-will” employment in cases where the employee is terminated for refusal to:</p> <ul style="list-style-type: none"> a. follow arbitration procedures b. speak with the company's ombudsman c. violate public policy d. adhere to attendance policy 	c
61.	Human Resources	<p>SMART is used to guide the way in which some companies define standards. What does it stand for:</p> <p>S _____</p> <p>M _____</p> <p>A _____</p> <p>R _____</p> <p>T _____</p>	<p>Specific Measurable Attainable Realistic/Relevant Time Driven/ Trackable</p>
62.	Human Resources	<p>A form of distance learning that is useful for law firms is:</p> <ul style="list-style-type: none"> a. Off-the-job training b. On-the-job training c. Docuconferencing d. Hands on learning 	c

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63.	Human Resources	<p>List in order the five steps of effective training:</p> <ul style="list-style-type: none"> • Establish Objectives • Prepare Content/Determine Methods • Deliver Training • Conduct Needs Assessment • Evaluation 	<p>Conduct Needs Assessment; Establish Objectives; Prepare Content/Determine Methods; Deliver Training; Evaluation</p>
64.	Human Resources	<p>Which of the following is not a motivational theory?</p> <ul style="list-style-type: none"> a. Reinforcement Theory b. Two Factor Theory c. Employer Involvement Theory d. Equity Theory 	c
65.	Human Resources	<p>According to the Employee Involvement Theory, the reward for employee involvement is:</p> <ul style="list-style-type: none"> a. Extra benefit time b. Monetary/non-monetary rewards c. Job advancement d. Empowerment 	d

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66.	Human Resources	<p>A candidate with a hearing impediment applies for a job as a data entry operator. This position requires that the person essentially sit at a desk and key information into a computer database all day long. This information is provided to the employee in written form, and gathered from billing invoices and other written data given to the employee. The candidate requests that he will need to have the interview questions in typewritten format so that he can be sure he understands all the interview questions. His hearing impediment may preclude him from hearing the interviewee. You should do the following:</p> <ul style="list-style-type: none"> a. Disregard this candidate's information because you do not have to accommodate this sort of a request. b. Interview the candidate and type the interview questions, as this is your obligation under the Americans With Disabilities Act c. Send the candidate for a hearing test to verify the hearing impediment d. Ask the candidate how he handled his previous job duties with his disability 	b
67.	Human Resources	<p>All of the following statements are true except:</p> <ul style="list-style-type: none"> a. Legal risks to an employer for searching an employee's desk or checking their email are minimal because the desk and computer equipment belong to the employer b. Under federal law, employees must be permitted to review their personnel files c. Willful violations of the Fair Labor Standards Act (FLSA) can result in imprisonment d. Under FMLA, maternity and paternity leave must be provided to eligible employees. 	b

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68.	Human Resources	<p>If one of your employees injures a third party (i.e., the copier repairman), and it can be proven that you should have known about the employee's violent past, you can be successfully sued by this third party. This is known as:</p> <ul style="list-style-type: none"> a. Negligent Hiring/Negligent Retention b. Quid Pro Quo c. Wrongful Termination d. Adverse Impact 	a
69.	Human Resources	<p>Under FMLA, "key" employees may be denied reinstatement from a leave to prevent substantial and grievous economic injury to the employer's operations. Key employees must be (choose all that apply):</p> <ul style="list-style-type: none"> a. Salaried employees b. Among the highest paid 10% of employees within 75 miles of the worksite c. Notified by the employer of their status as key employees ahead of time if there is any possibility that the employer may deny them reinstatement after leave d. All of the above 	d
70.	Human Resources	<p>FMLA is enforced by:</p> <ul style="list-style-type: none"> a. Equal Employment Opportunity Commission b. National Labor Relations Board c. Occupational Safety and Health Administration d. Wage and Hour Division, U.S. Department of Labor 	d

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Greater Chicago Chapter CLM Study Questions

Number	Topic(s)	Question	Answer
71.	Human Resources	<p>Given a pay range with a minimum of \$6/hour and a maximum of \$10/hour, the midpoint is \$8/hour ($16 \div 2$). The compa-ratio for an employee who earns \$9/hour would be:</p> <ul style="list-style-type: none"> a. 75 or 75% b. 81 or 81% c. 89 or 89% d. 1.13 or 113% 	d
72.	Human Resources	<p>All of the following are types of arbitration except:</p> <ul style="list-style-type: none"> a. Final Offer b. Rights or Grievance c. Mediation d. Interest 	c

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
73.	Human Resources	<p>A company begins with 600 job applicants, narrows the field to 30 qualified applicants, and schedules 30 final interviews. They offer employment to ten applicants and hire six.</p> <p>1. What is the yield ratio of qualified applicants to total applicants?</p> <p>a. 5%</p> <p>b. 18%</p> <p>c. 20%</p> <p>d. 30%</p> <p>2. What is the yield ratio of offers to final interviews?</p> <p>a. 10%</p> <p>b. 30%</p> <p>c. 33%</p> <p>d. 50%</p> <p>3. What is the yield ratio of hires to offers?</p> <p>a. 10%</p> <p>b. 60%</p> <p>c. 70%</p> <p>d. 73%</p>	<p>1. a</p> <p>2. c</p> <p>3. b</p>

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
74.	Human Resources	<p>A company receives 250 responses to its job advertisement. They interview 95 qualified applicants, 20 of whom are African-American. Jobs are offered to two African-Americans from this group, but only one accepts the position.</p> <p>1. What is the yield ratio of offers extended to African-Americans to qualified African-American applicants?</p> <p>a. 5%</p> <p>b. 10%</p> <p>c. 15%</p> <p>d. 20%</p> <p>2. What is the yield ratio of African-American new hires to qualified African-American applicants?</p> <p>a. 5%</p> <p>b. 10%</p> <p>c. 15%</p> <p>d. 20%</p>	<p>1. b</p> <p>2. a</p>
75.	Human Resources	<p>A benefit of job posting is that it:</p> <p>a. provides a cost-effective way to reach the largest number of applicants at one time</p> <p>b. provides an easy way to create a personnel database for job vacancies</p> <p>c. allows individuals to maximize career opportunities within an organization</p> <p>d. allows employees to indicate interest in a position that is currently filled</p>	c

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
76.	Human Resources	Which of the following statements characterizes a nondirective interview? a. The interviewer asks all applicants the same questions b. The interviewer deliberately creates a high level of anxiety c. Each applicant is asked different questions about the same skill and ability areas d. The interviewer's next question is determined by the applicant's response to an open question	d
77.	Human Resources	Which of the following recruitment methods allows candidates to talk to employers about an opening without making a formal job application? a. Executive search firms b. Public employment agencies c. Employee referrals d. Career fairs	d
78.	Human Resources	Which of the following selection practices is illegal under federal law? a. Obtaining information from references without an applicant's permission b. Requiring a job-related test that has adverse impact on minority groups c. Determining if an applicant has ever filed a workers' compensation claim d. Requiring applicants to submit to a pre-employment drug test	c
79.	Human Resources	Which of the following interview questions is legal under federal law? a. Is English your native language? b. What religious holidays do you observe? c. Kalinowski? Is that Polish? d. Do you have the legal right to work in the U.S.?	d

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
80.	Human Resources	<p>Which of the following interview questions has the potential to be discriminatory under federal law?</p> <ul style="list-style-type: none"> a. I notice you use a white cane. Are you legally blind? b. Do you have any relatives who work for this company? c. The job requires you to lift a 20-pound weight and place it on an overhead shelf. Can you do that several times an hour, all day long? d. Are you over age 18? 	a
81.	Human Resources	<p>Which of the following pre-employment tests potentially has the best reliability and validity in measuring an applicant's integrity?</p> <ul style="list-style-type: none"> a. Ability test b. Personality test c. Honesty test d. Polygraph test 	c
82.	Human Resources	<p>Which of the following selection practices is legal under federal law?</p> <ul style="list-style-type: none"> a. Taking age into consideration if an applicant volunteers the information b. Requesting applicants to take a polygraph test c. Rejecting an applicant on the basis of their credit record without telling them the name of the party that prepared the report d. Requesting proof of an applicant's education 	d
83.	Human Resources	<p>Which of the following statements about a reliable employment test is true?</p> <ul style="list-style-type: none"> a. It determines how the applicant handled previous work situations b. It avoids linking the responses of successive questions c. It must be job-related and measure what it purports to measure d. It measures the sample of behavior with a high degree of consistency 	d

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Number	Topic(s)	Question	Answer
84.	Human Resources	Interviews with future coworkers is an example of a: a. stress interview technique b. realistic job preview c. specialized pre-employment test d. method to establish equity	b
85.	Human Resources	To which employment act do the following four factors pertain: Skills, Effort, Responsibility, Working Conditions? a. Age Discrimination in Employment Act (ADEA) b. Equal Pay Act c. Fair Labor Standards Act (FLSA) d. Americans with Disabilities Act (ADA)	b
86.	Human Resources	You employ a cartoonist who is highly creative and produces work product based on his artistic skills and innovativeness. Under which exempt status category would this employee fall? a. Executive Exemption b. Administrative Exemption c. Professional Exemption d. Computer Employee Exemption	c
87.	Human Resources	Which of the following employment laws protects an individual against discrimination? a. Americans with Disabilities Act (ADA) b. Pregnancy Discrimination Act c. Title VII of the Civil Rights Act of 1964 d. All of the above	d

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
88.	Human Resources	<p>From the date of hire, how many days does a new employee have to complete an I-9 form, verifying their eligibility status?</p> <p>a. 2 b. 3 c. 5 d. 7</p>	b
89.	Human Resources	<p>Which legislation prohibits mandatory retirement based on age?</p> <p>a. Age Discrimination in Employment Act (1967) b. Rehabilitation Act (1973) c. Older Worker's Benefit Protection Act (1990) d. Title I of the Americans with Disabilities Act (1990)</p>	a
90.	Human Resources	<p>The Pregnancy Discrimination Act of 1978 requires employers to treat pregnancy:</p> <p>a. under the provisions for protected classes b. the same as any other temporary disability c. under existing provisions for a long-term disability d. as a reasonable ADA accommodation</p>	b
91.	Human Resources	<p>The Rehabilitation Act of 1973 prohibits discrimination on the basis of:</p> <p>a. Age b. Disability c. Gender d. national origin</p>	b

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Number	Topic(s)	Question	Answer
92.	Human Resources	Which federal agency was established to investigate charges of discrimination under Title VII of the Civil Rights Act of 1964? a. National Labor Relations Board (NLRB) b. Worker's Compensation Board c. Equal Employment Opportunity Commission (EEOC) d. ADA Board	c
93.	Human Resources	According to the Equal Pay Act, employers must: a. Reduce the pay of employees to equalize pay between the sexes b. Pay the rates set by union contracts even if there are inequities c. Pay women and men the same pay for the same work d. Pay similarly for jobs requiring comparable skills and knowledge.	c
94.	Human Resources	Which of the following is an example of disparate treatment? a. Members of a protected group are subject to stricter attendance rules b. Height restrictions are set for all security guards c. A neutral staffing practice results in discrimination against protected groups d. All employees are required to take an intelligence test	a
95.	Human Resources	Vroom's expectancy theory states that: a. Employees dislike rigid controls and want to accomplish something b. Employees' effort is related to the likelihood of perceived success c. Employees works to meet their physical and social needs d. Employees are likely to quit their jobs if treated unfairly	b

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Number	Topic(s)	Question	Answer
96.	Human Resources	Which of the following could be an exception to the employment-at-will concept? a. An employee is fired for engaging in misconduct b. An employer terminates an employee who does not have an employment contract c. An employee is terminated for filing for worker's compensation benefits d. An employer and employee agree to sever the employment relationship.	c
97.	Human Resources	The ADA applies to: a. All employers, regardless of the size of the company b. Employers with 25 or more employees c. Employers with 15 or more employees d. Employers who contract with the federal government	c
98.	Human Resources	In voluntary arbitration, both parties must: a. Accept the decision of the arbitrator as binding b. Agree to consider the judgment of the arbitrator c. Agree to a time frame for settlement of the dispute d. Waive their rights to appeal the award.	a
99.	Human Resources	Which of the following procedurally assists employers in complying with federal regulations against discrimination? a. Executive Order 11246 b. Uniform Guidelines in Employee Selection Procedures c. Congressional Accountability Act d. Title VII, Civil Rights Act	b

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Greater Chicago Chapter CLM Study Questions

Number	Topic(s)	Question	Answer
100.	Human Resources	<p>Motivation occurs through a process known as:</p> <ul style="list-style-type: none"> a. Job Characteristic Model b. Emotional Intelligence c. Moral Development d. Operant Conditioning 	d
101.	Human Resources	<p>A pension plan is governed by ERISA, but an employer's health plan is not.</p> <ul style="list-style-type: none"> a. True b. False 	b
102.	Human Resources	<p>During the interview process, it is obvious to you that the interviewee has a medical condition. You become concerned as to whether or not this interviewee might be a suitable candidate. You should:</p> <ul style="list-style-type: none"> a. Ask the interviewee to tell you about his/her medical condition b. Ask the interviewee how many times he/she was absent in their prior job c. Tell the interviewee that your company requires medical examinations for all interested candidates. Therefore, as part of the interview process, he/she will be required to go for a medical examination d. Give the interviewee a copy of the job description and ask the interviewee if he/she can do the job with or without accommodation 	d
103.	Human Resources	<p>The following is a form of ranking that places employees in groups according to performance:</p> <ul style="list-style-type: none"> a. Forced distribution b. Job rotation c. Ratings d. Job grades 	a

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Number	Topic(s)	Question	Answer
104.	Human Resources	<p>Your firm decided to make a major change to its health insurance coverage to the benefit of all employees. Because of this change, the firm’s administrator must provide all employees with what?</p> <ul style="list-style-type: none"> a. Certificate of Credible Coverage b. Fair Credit Reporting Act Disclosure Statement c. COBRA Initial Notice d. An updated Summary Plan Description (“SPD”) or a Summary of Material Modification (“SMM”) 	d
105.	Human Resources	<p>According to the law, workers’ compensation benefits must be provided:</p> <ul style="list-style-type: none"> a. regardless of fault in an accident b. only in cases where employees followed the company’s safety and health rules c. only to workers in the construction and other “heavy” work industries d. for off-the-job injuries 	a
106.	Human Resources	<p>Which of the following acts protects employees covered by private pension programs?</p> <ul style="list-style-type: none"> a. Tax Reform Act b. Employee Retirement Income Security Act c. Tax Equity and Fiscal Responsibility Act d. Age Discrimination in Employment Act 	b

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Number	Topic(s)	Question	Answer
107.	Human Resources	<p>Sarah, a secretary in your firm, becomes seriously ill. Which of the following describes her rights under the Family and Medical Leave Act?</p> <ul style="list-style-type: none"> a. 12 weeks of unpaid leave in a 12-month period b. 12 weeks of paid leave in a 12-month period c. Unlimited number of weeks of unpaid leave as needed and documented by a physician d. Number of unpaid weeks to be determined through negotiation with her employer 	a
108.	Human Resources	<p>The employer agrees to provide the employee with a retirement benefit amount based on a formula. The employer must fund the plan to the level required by the formula. The employer bears the risk that sufficient funds will be available in the plan when required for retirement distributions. What is this plan called?</p> <ul style="list-style-type: none"> a. 401(k) plan b. Defined Contribution Plan c. Defined Benefit Plan d. High Deductible Health Plan 	c
109.	Human Resources	<p>In which of the following scenarios are you <u>not</u> required to offer the employee COBRA coverage?</p> <ul style="list-style-type: none"> a. To an employee's covered spouse, when the employee has given you notice they have divorced b. To an employee's covered dependent student, when the student reaches the age of 22 and is no longer a full-time student c. To an employee when the employee was terminated for gross misconduct d. To an employee who was terminated due to a reduction in force 	c

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Number	Topic(s)	Question	Answer
110.	Human Resources	ERISA applies to which of the following plans: a. Pension Plans b. Health Insurance Plans c. Defined Contribution Plans d. All of the Above	d
111.	Human Resources	Another term for HMO (Health Maintenance Organization) is "managed care." a. True b. False	a
112.	Human Resources	Premium quotes provided by insurance carriers are based on all of the following <u>except</u> : a. Funding Arrangement b. Claims Experience c. Community Rating Issues d. Profitability of the Law Firm	d
113.	Human Resources	If an employee is offered more employer-paid life insurance beyond the non-taxable limit, <u>how</u> do you treat that excess coverage? a. Employee should receive a 1099 at year end b. The excess amount must be reported on employee's W2 and is considered imputed income c. If employee is over the age of 59½, the excess is not taxable d. As the employer, you are not responsible for doing anything. It is up to the employee to report the excess coverage amount to the IRS.	b

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Number	Topic(s)	Question	Answer
114.	Human Resources	<p>Pre-tax benefit programs such as health care reimbursement plans and commuter benefits are regulated by all of the following <u>except</u>:</p> <ul style="list-style-type: none"> a. ERISA b. HIPAA c. IRC (Internal Revenue Code) d. DOL 	d
115.	Human Resources	<p>Your firm has an open position for which you must recruit and hire. What is the first step in assessing the needs of your firm and how this available position can help meet those needs?</p> <ul style="list-style-type: none"> a. Write a Job Description b. Evaluate Job Enrichment c. Conduct a Job Analysis d. Consider Job Rotation 	c
116.	Human Resources	<p>What is the compa-ratio for an employee who earns \$15 per hour where the salary range has a midpoint of \$12 per hour?</p> <ul style="list-style-type: none"> a. 1.0 b. .80 c. 1.25 d. .25 	c

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Number	Topic(s)	Question	Answer
117.	Human Resources	<p>A partner informs you that he and his spouse are getting divorced. You must offer the spouse COBRA coverage for how many months?</p> <ul style="list-style-type: none"> a. 18 months b. 12 months c. 24 months d. 36 months 	d
118.	Human Resources	<p>An employee does an excellent job on a project to which you assigned her. You are very pleased with the results. The employee went above and beyond your expectations. You should acknowledge this employee's excellent performance immediately and provide her with feedback right away. This process/motivational technique is known as:</p> <ul style="list-style-type: none"> a. Expectancy Theory b. Just-in-Time Training c. Operant Conditioning d. Empowerment 	c
119.	Human Resources	<p>The following compensation theory is based on knowing (from on past experience) that quality performance will be rewarded.</p> <ul style="list-style-type: none"> a. Reinforcement Theory b. Equity Theory c. Knowledge Theory d. Expectancy Theory 	a

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Number	Topic(s)	Question	Answer
120.	Human Resources	<p>Broad banding is:</p> <ul style="list-style-type: none"> a. A compensation reward system b. Paying employees according to the skills they possess c. A way to establish a flexible compensation system by creating fewer pay levels d. Establishing the minimum, midpoint and maximum pay levels for each grade 	c
121.	Human Resources	<p>Unitization is:</p> <ul style="list-style-type: none"> a. Partners from the same class are advanced together until they reach a full interest in the firm (seniority system) b. Profits are equally split among all partners c. Each partner is allocated a certain amount of the profits based on a pre-determined formula that is subject to annual or more frequent revision d. A merit-based partner compensation system 	c
122.	Human Resources	<p>This law provides employers who make improper salary deductions a certain amount of time to fix their mistake provide d they have a clearly communicated policy prohibiting improper deductions.</p> <ul style="list-style-type: none"> a. Equal Pay Act of 1963 b. Age Discrimination in Employment Act (ADEA) c. Employee Retirement Income Security Act (ERISA) d. Safe Harbor Provision of the Fair Labor Standards Act (FLSA) 	d

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Number	Topic(s)	Question	Answer
123.	Human Resources	<p>When calculating overtime, the employer must include the time for an employee who:</p> <ul style="list-style-type: none"> a. spends two hours at home, waiting for a call to report to work b. arrives one hour early for the shift and waits in the employee waiting area c. arrives at 8:00 as scheduled but cannot begin work because the needed delivery doesn't arrive until 10:00 d. must commute one hour each way from home to the plant 	c
124.	Human Resources	<p>Which of the following statements cannot be said about e-learning?</p> <ul style="list-style-type: none"> a. Allows for consistency in the delivery of training b. Bad habits of the trainer may be transferred to the trainee c. Self-pace: trainees can proceed on their own time d. Not appropriate for all training content (e.g., leadership) 	b
125.	Human Resources	<p>Which answer best describes the following negotiating style: The negotiator tends to rely on objective criteria and to seek multiple options. He is thoughtful and acts independent of trust.</p> <ul style="list-style-type: none"> a. Fight b. Flee or evade c. Appease d. Analyze 	d

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Number	Topic(s)	Question	Answer
126.	Human Resources	<p>If, before giving birth, an employee takes a pregnancy-related absence, you are required to hold open that employee's job (choose the right answer):</p> <ul style="list-style-type: none"> a. Until birth b. For the same length of time you customarily offer to any employee who takes sick or disability leave c. 120 days d. 12 weeks 	b
127.	Human Resources	<p>The Hay system of evaluating jobs is most often used with exempt employees. Which of the following is not a factor considered by the Hay system:</p> <ul style="list-style-type: none"> a. Degree of Difficulty b. Know-how c. Accountability d. Problem-solving 	a

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Number	Topic(s)	Question	Answer
128.	Human Resources	<p>Which of the following statements is true:</p> <ul style="list-style-type: none"> a. You discipline an employee for being repeatedly late for work. Later, for the first time, the employee tells you – and proves – he has a disability that caused the tardiness. You must then rescind the discipline. b. As soon as an employee provides the documentation to prove he is disabled, you must lower that employee’s performance standards to accommodate the disability. c. The amount an employer must spend to accommodate a disabled employee is determined by the firm’s financial resources. d. One of the requirements of a clerk’s job is regular overtime and she is informed of this during the job interview. After she is hired, the employee informs the firm that she cannot work overtime due to a health condition and requests a transfer. The firm refuses and fires the employee. If the employee sues, the employer will lose because it refused to accommodate the employee’s disability. 	c
129.	Human Resources	<p>You are interviewing five candidates for a position. The interview committee members develop five questions that they plan to ask of each candidate. This is likely to:</p> <ul style="list-style-type: none"> a. Reveal how candidates will handle themselves in difference situations b. Increase the risk of discrimination c. Decrease the risk of discrimination d. Make objective ratings of the candidate more difficult 	c
130.	Human Resources	<p>Which of the following job evaluation methods would be MOST appropriate for an organization that has a large number of people with similar, defined jobs?</p> <ul style="list-style-type: none"> a. Paired comparison b. Factor comparison c. Job ranking d. Job classification 	d

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
131.	Human Resources	<p>Two consecutive years of mandated 10% increases in the minimum wage would probably result in which of the following?</p> <ul style="list-style-type: none"> a. Compression between the lowest-paid workers and more skilled workers b. Less pressure on the available pool of discretionary funds for pay increases for most employers who have minimum-wage employees c. Reduced leverage of employees making one to two times the minimum wage in asking for larger pay increases d. Increased pressure for larger pay increases among employees making one to two times the minimum wage 	a
132.	Human Resources	<p>Gainsharing is a type of:</p> <ul style="list-style-type: none"> a. Profit sharing b. Individual incentive plan c. Group incentive d. Commission 	c

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Number	Topic(s)	Question	Answer
133.	Human Resources	<p>As part of conducting a benefit plan needs assessment, the HR professional has looked at the organization's business strategy and compensation philosophy. What is the NEXT step that should be taken:</p> <ul style="list-style-type: none"> a. Look at market conditions to see what benefits competitors offer b. Determine which benefits should be included in the plan c. Conduct a utilization review to determine how benefits are used d. Determine employee needs with regard to benefits 	d
134.	Human Resources	<p>Which of the following would be considered direct compensation?</p> <ul style="list-style-type: none"> a. Unpaid leave b. Deferred pay c. Cash bonus d. Perquisites 	c
135.	Human Resources	<p>A compensation method related to an employee's individual performance is known as:</p> <ul style="list-style-type: none"> a. an incentive pay plan b. a Scanlon plan c. a step plan d. a merit pay plan 	d
136.	Human Resources	<p>Which of the following is the indirect benefit MOST effective as a retention tool?</p> <ul style="list-style-type: none"> a. Health-care benefits b. Competitive salaries c. Defined benefit plans d. Workplace location 	a

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Number	Topic(s)	Question	Answer
137.	Human Resources	<p>A 41-year-old man died, leaving a wife and five children under the age of 12. Which of the following federally mandated benefits can the man’s wife expect to receive?</p> <ul style="list-style-type: none"> a. Medicare health-care coverage for herself and all dependent children under the age of 18 b. COBRA health continuation coverage for herself and all dependent children for up to 18 months c. Social Security death benefits of \$255 and monthly income for herself and all dependent children under the age of 18 d. Unemployment insurance coverage for up to 26 weeks 	c
138.	Human Resources	<p>The Civil Rights Act of 1991 emphasized the importance of _____ in establishing validity.</p> <ul style="list-style-type: none"> a. Test reliability b. Affirmative Action c. Business necessity d. Job descriptions 	c
139.	Human Resources	<p>Which of the following groups would be considered disabled persons under the ADA?</p> <ul style="list-style-type: none"> a. Current users of illegal drugs b. Compulsive gamblers c. Individuals infected with HIV d. Pregnant women 	c

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Number	Topic(s)	Question	Answer
140.	Human Resources	Which of the following statements is true? a. Using conviction records in employment decisions has been shown to be discriminatory b. All convictions may be considered when making employment decisions c. In general, only job-related convictions may be considered in employment decisions d. Recent job-related arrests may be considered in employment decisions	c
141.	Human Resources	One result of the increasing number of women in the workforce is _____. a. Conflict between men and women b. Increased productivity c. The movement of women into jobs traditionally held by men d. An increase in the number of men staying home with children	c
142.	Human Resources	By setting _____, _____ and _____ as part of affirmative action efforts, employers specify how many of which types of individuals they hope to employ in the future. a. Quotas, goals, projections b. Quotas, timetables, estimates c. Goals, targets, timetables d. Policies, procedures, goals	c

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
143.	Human Resources	A _____ is a grouping of tasks, duties and responsibilities that constitutes the total work assignment for employees. a. Job b. Essential function c. Job specification d. Job design	a
144.	Human Resources	A major limitation of the interview method of job analyses is that it is _____. a. less accurate than other methods b. very time-consuming c. too subjective d. a very complex process	b
145.	Human Resources	The Americans with Disabilities Act calls the fundamental duties of the position that an individual with a disability holds or desires _____. a. essential job functions b. knowledge, skills, and abilities c. critical job elements d. job specifications	a
146.	Human Resources	The essential functions and duties section of a job description should contain clear and precise statements on the _____. a. Tasks, duties and responsibilities performed b. Qualifications needed to do the job satisfactorily c. Conditions in which the work is performed d. Mental and physical requirements of the job	a

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
147.	Human Resources	<p>More than anything else, placement of human resources should be seen as:</p> <ul style="list-style-type: none"> a. A public relations activity b. An operating management responsibility c. A matching process d. An HR unit responsibility 	c
148.	Human Resources	<p>What can employers do to comply with the EEO requirements for reporting the race and sex of applicants?</p> <ul style="list-style-type: none"> a. Collect the data after the hiring decision has been made b. Gather information on the application blank c. Ask applicants to provide EEO reporting data on a separate form d. Make visual assessments during the initial stages of the selection process 	c
149.	Human Resources	<p>Instruments that assess an individual's ability to perform in a specific manner are _____ tests.</p> <ul style="list-style-type: none"> a. aptitude b. knowledge c. ability d. behavioral 	c
150.	Human Resources	<p>The Employee Polygraph Protection Act _____.</p> <ul style="list-style-type: none"> a. Prohibits most employers from using polygraph tests for pre-employment screening b. Prohibits employers from using polygraph tests to investigate theft c. Prohibits government agencies from using polygraph tests d. Permits the use of polygraph tests, but only when administered by training experts 	a

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
151.	Human Resources	Which is a way to determine whether or not training is cost-effective? a. Measure improvements in employee performance resulting from training b. Compare costs and benefits associated with training c. Identify attitude changes following training d. Assess any reductions in voluntary turnover	b
152.	Human Resources	The performance consulting approach recognizes that it is important to consider _____. a. Existing training methods b. The separation of training from development c. Non-training factors such as compensation d. The cost of training programs	c
153.	Human Resources	When they are ready to learn, people have the ability to learn, _____, and belief that they can learn. a. The right attitude b. Time c. A desire to learn d. Organizational support	c
154.	Human Resources	Specific _____, or dimensions of job performance, identify the most important elements in a given job. a. Job criteria b. Essential functions c. Tasks d. Performance criteria	a

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Number	Topic(s)	Question	Answer
155.	Human Resources	<p>A legally defensible performance appraisal system should include _____.</p> <ul style="list-style-type: none"> a. Appraisal criteria based on job analysis b. Opportunity for self-appraisals c. Informal evaluation criteria to permit managerial discretion d. Input from outsiders who can provide objective feedback 	a
156.	Human Resources	<p>A method frequently used by supervisors to rate the performance of subordinates on a continuum is _____.</p> <ul style="list-style-type: none"> a. Critical incidents b. Graphic rating scales c. Essay d. Ranking 	b
157.	Human Resources	<p>_____ is the tendency to rate people relative to others rather than against performance standards:</p> <ul style="list-style-type: none"> a. Contract error b. Halo effect c. Rater bias d. Central tendency error 	a
158.	Human Resources	<p>_____ are paid a salary for the standard workweek, but are subject to the overtime provisions of FLSA.</p> <ul style="list-style-type: none"> a. Salaried exempt employees b. Independent contractors c. Hourly employees d. Salaried non-exempt employees 	d

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
159.	Human Resources	Pay compression occurs primarily because _____. a. Employers fail to conduct performance appraisals b. Organizations fail to conduct pay surveys c. Labor market pays levels increase more than employers' pay adjustments d. Employers pay below the minimum of their pay ranges	c
160.	Human Resources	Employee benefits cost employers about _____ of payroll costs. a. 30% b. 40% c. 50% d. 60%	a
161.	Human Resources	An employee's right to receive benefits from a pension plan is called _____. a. Funding b. Contributory c. Portable d. Vesting	d
162.	Human Resources	The Family and Medical Leave Act requires employers to allow eligible employees to take a total of _____ weeks' leave in a _____ month period. a. 6, 12 b. 12, 12 c. 12, 18 d. 12, 24	b

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
163.	Human Resources	Who is responsible for workers' compensation costs? a. Employers b. Employees c. Employees and employers jointly d. State and local governments	a
164.	Human Resources	Bill is terminated from his employment as a billing clerk at Smith & Johnson because the firm decides to outsource his full time position. His qualifying event date is February 1. Bill elects COBRA. On May 1, Bill suffers a stroke and becomes totally and permanently disabled. How many months of COBRA coverage is Bill entitled to? a. 18 months b. 29 months c. 36 months d. None, now that he is disabled and qualifies for social security and Medicare	a
165.	Human Resources	What is a characteristic of an adult learner: a. Directed by others b. Resistant to change c. Inflexible d. Focus on "real world" issues	d
166.	Human Resources	According to Maslow, which of the following is an example of an esteem need? a. Advancement b. Base salary c. Effective work team d. Recognition	d

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
167.	Human Resources	Which of the following appraisal methods includes the employee in setting goals? a. 360 degree feedback b. Behaviorally anchored rating scale c. Behavior observation scale d. Management by objectives	d
168.	Human Resources	Recruiting for current job openings is an example of what type of task? a. Administrative b. Operational c. Organizational d. Executive	b
169.	Human Resources	The Pregnancy Discrimination Act is an amendment to what Act? a. Americans with Disabilities Act (ADA) b. Family & Medical Leave Act c. Title VII of the Civil Rights Act of 1964 d. Age Discrimination in Employment Act of 1967	c
170.	Human Resources	An employee who is extremely good at answering customer questions on technical software is not good at completing paperwork or working with fellow employees. In spite of this the employee is rated highly in all performance categories. What performance appraisal error has occurred? a. Leniency b. Bias c. Halo effect d. Horn effect	c

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
171.	Human Resources	Which of the following is a compensation theory? a. Equity Theory b. Expectancy Theory c. Reinforcement Theory d. Entitlement Theory	d
172.	IT	Joe Client wants to find out more about the law firm of Smith & Wesson and decides to look on the firm's website. Without knowing the web address, how can Joe locate the correct web page? a. Use the Unique Resource Locator (URL) b. Use a search engine c. Use a system called Doman Name Service d. Use a web browser	b
173.	IT	What system is used to locate the internet address of a web page like www.pjjq.com ? a. URL b. HTTP c. TCP/IP d. DNS e. WWW	d

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Number	Topic(s)	Question	Answer
174.	IT	<p>Your firm just received a large employment litigation case in which you must track and report in varying ways a vast amount of information on their employees, including dates of hire, gender, location, dates of termination, etc. Which program would best suit your needs in this case?</p> <p>a. Microsoft Word b. Microsoft Access c. Microsoft Excel d. Lotus Notes</p>	b
175.	IT	<p>The book describes two types of firewalls, hardware firewalls and software firewalls. Which would allow for a better detailed analysis of your network activity?</p>	<p>Software, because it has a sophisticated logging of system traffic.</p>
176.	IT	<p>Give an example of utility software.</p>	<p>Virus checkers, screensavers and compression software.</p>

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Number	Topic(s)	Question	Answer
177.	IT	<p>A bridge is a computer that allows different types of network protocols to communicate with each other.</p> <p>a. True b. False</p>	b. A gateway does that. A bridge is a network device that connects two network systems together.
178.	IT	<p>What is the difference between a CD-ROM and a CD-RW?</p> <p>a. A CD-ROM is an optical disk with a significantly higher capacity than a CD-RW b. CD-RW is a disk on which information is written and read from the disk by vibration c. CD-ROM allows data to be read from an optical disk, while a CD-RW allows data to be both read and written to an optical disk d. CD-RW's, even new ones, are capable of burning CD's.</p>	c
179.	IT	<p>In order for a computer to operate on a network, what component must be present in the hardware configuration:</p> <p>a. Processor b. Memory c. Hard disk d. Ethernet card e. RAM</p>	d

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Number	Topic(s)	Question	Answer
180.	IT	<p>A _____ is a computer that allows different types of network protocols to communicate with each other:</p> <ul style="list-style-type: none"> a. router b. gateway c. switches d. bridge 	b
181.	IT	<p>Which of the following is not a remote access option?</p> <ul style="list-style-type: none"> a. RAS b. VPN c. Terminal Services d. IPX 	d
182.	IT	<p>Which would allow for a better detailed analysis of your network activity?</p> <ul style="list-style-type: none"> a. Hardware firewalls b. Software firewalls 	b
183.	IT	<p>What is an example of utility software?</p> <ul style="list-style-type: none"> a. Virus Checkers b. Screensavers c. Compression Software d. All of the above e. None of the above 	d

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Number	Topic(s)	Question	Answer
184.	Legal Industry	<p>Which of the following statements is true?</p> <ul style="list-style-type: none"> a. The ABA Rules of Professional Conduct supersede the ethical rules in each individual state b. Ethical rules in each state are designed to be used as voluntary guidelines for professional behavior c. The ABA Rules of Professional Conduct cover the recruitment and hiring of attorneys d. The ethical rules in each individual state supersede the ABA Model Rules of Professional Conduct 	d
185.	Legal Industry	<p>The ABC law firm is working on a strategic plan. The partners must reach a consensus about the firm's critical elements for a sound strategic plan. They are:</p> <ul style="list-style-type: none"> a. Culture, governance and management for policy determination and implementation, compensation system, competitive position, plan of attack, and each group's and each individual's role in the implementation effort b. Planning, budgeting, technology issues and each group's and each individual's role in the implementation effort c. Culture, governance and management policies for all attorneys and staff, competitive position, plan of attack and each group's and each individual's role in the implementation effort d. Strategic Team needs to take a trip to Hawaii to discuss what they need to do 	a

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Number	Topic(s)	Question	Answer
186.	Legal Industry	<p>During a “black out” period mentioned about, the security alarms in the law firm offices were not working. Burglars stole 12 computers with all the accessories. Which type of commercial property insurance would best replace the stolen items:</p> <ul style="list-style-type: none"> a. Basic form policy coverage with guaranteed replacement cost insurance b. Special form policy coverage with guaranteed replacement cost insurance c. Basic form policy coverage with depreciated value replacement insurance d. Special form policy coverage with depreciated value replacement insurance 	b
187.	Legal Industry	<p>What type of insurance is available to a dead attorney’s firm or estate, a disabled attorney, or a retired attorney to protect indefinitely his prior legal work from future liability?</p> <ul style="list-style-type: none"> a. Commercial Liability coverage b. Worker’s Compensation coverage c. Death benefit coverage d. Prior Acts coverage under an “claims made” malpractice liability policy 	d
188.	Legal Industry	<p>According to the ABA guidelines, when may a lawyer destroy client files?</p> <ul style="list-style-type: none"> a. One year after the conclusion of the matter b. After the lawyer has attempted to return the file to the client and after ensuring that no legal or ethical restrictions prevent their destruction c. If the lawyer, in his or her professional opinion, concludes that the matter is completed and the client has no further need of the file contents d. Once the lawyer has determined that the client cannot or will not pay outstanding fees. 	b

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Number	Topic(s)	Question	Answer
189.	Legal Industry	<p>Environmental scanning is a performing analysis. The STEP system is a way of relating the firm to the world in which it exists. STEP is an acronym for</p> <ul style="list-style-type: none"> a. Stop, The, Economic, Professional Factors b. Social, Technological, Economic, Political Factors c. Step, The Economic, Political Factors d. Social, Timesheets, Environment, Process Factors 	b
190.	Legal Industry	<p>The law firms of Smith & Wesson have hired a Legal Administrator to assist in the day to day operations. Also known as</p> <ul style="list-style-type: none"> a. Standing Plans b. Single Use – Plans c. Business Planning d. All of the above e. None of the above 	d
191.	Legal Industry	<p>The following are examples of a Standing Plan.</p> <ul style="list-style-type: none"> a. Planning, Policies, Rules b. Policies, Procedures, Rules c. Planning, Politics, Rules d. Policies, Promises, Rules 	b
192.	Legal Industry	<p>Single use Plans are needed when there is a single issue that is not expected to recur repeatedly, but that must be addressed. Programs, Projects and budget are examples.</p> <ul style="list-style-type: none"> a. True b. False 	a

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Number	Topic(s)	Question	Answer
193.	Legal Industry	<p>This form of liability insurance protects the non-employee member of the public.</p> <ul style="list-style-type: none"> a. Commercial Liability Insurance b. General Liability Insurance c. Employment Practices Liability Insurance d. Workers Comp 	b
194.	Legal Industry	<p>Attorneys retiring from firms often do not need tail policies as long as the firm continues and has continuing coverage in place with good prior acts language.</p> <ul style="list-style-type: none"> a. True b. False 	a
195.	Legal Industry	<p>Occurrence coverage is common</p> <ul style="list-style-type: none"> a. True b. False 	b
196.	Legal Industry	<p>The following is treated like a partnership for income tax purposes.</p> <ul style="list-style-type: none"> a. Corporation b. LLC c. PC d. LLP e. LLC and LLP 	e

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Number	Topic(s)	Question	Answer
197.	Legal Industry	<p>What type of liability insurance would cover a situation wherein a malpractice claim would be covered if the claim arises during the policy period, even if it is not reported until after the policy expires or is otherwise terminated?</p> <p>a. Occurrence Coverage b. Claims Made Coverage c. Tail Coverage d. Prior Acts Coverage</p>	a
198.	Legal Industry	<p>Can a lawyer or law firm sell part of their practice to another lawyer or law firm (rather than the entire practice)?</p> <p>a. Yes b. No</p>	a
199.	Legal Industry	<p>A lawyer often acts as guardian of property (i.e., monies, jewelry, deeds to real estate, etc.). After termination of representation, how many years must a lawyer keep records of that client's property that he/she "guarded" during the time the lawyer represented the client?</p> <p>a. 3 Years b. 5 Years c. 7 Years d. Indefinitely</p>	b
200.	Legal Industry	<p>It is advisable that solo practitioners purchase a tail coverage policy.</p> <p>a. True b. False</p>	a

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Greater Chicago Chapter CLM Study Questions

Number	Topic(s)	Question	Answer
201.	Legal Industry	<p>You are an administrator in an estate planning firm and you store many of your clients' valuable papers on site. Which of the following insurance policies would provide coverage in case of a theft?</p> <ul style="list-style-type: none"> a. Employment Practices b. General Liability c. Business Interruption d. Property Insurance 	d
202.	Legal Industry	<p>Assume your malpractice insurance is due to expire in 2 months and you are completing an application with a new carrier. You disclose a potential claim on the application form and the new proposed carrier specifically excludes the claim from coverage. Under what circumstances would the firm be protected?</p> <ul style="list-style-type: none"> a. If the firm concurrently reported the potential claim to the current insurer b. If the firm purchased prior acts coverage with the current insurer c. If the firm has an Employment Practices Liability Policy in place d. The firm waits until the new policy is in place to file a formal claim 	a

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Number	Topic(s)	Question	Answer
203.	Legal Industry	<p>Under the ABA Rules of Professional Conduct, which is true about contingency fees:</p> <ul style="list-style-type: none"> a. Contingency fees are not allowed b. Contingency fees are allowed, except in divorce matters only c. Contingency fees are allowed, except in a domestic matter or representing a client in a criminal matter d. Contingency fees are allowed, except in a domestic matter, representing a client in a criminal matter, and representing a client in a real estate dispute 	c
204.	Legal Industry	<p>Lawyer Jeff of ABC Law Firm and Lawyer Tom of XYZ Law Firm are sharing the representation of Bob Smith in a contract dispute. Bob Smith is unhappy about the outcome of the matter and sues only Lawyer Jeff for malpractice. Lawyer Tom does not have to notify his malpractice carrier until he becomes aware that Bob Smith also intends to sue him for malpractice.</p> <ul style="list-style-type: none"> a. True b. False 	b
205.	Legal Industry	<p>Your firm decides to change insurance carriers from Travelers to Aon for your claims made professional liability insurance coverage. On the application to Aon, you describe a potential claim that may arise from a client complaint in which you were recently made aware. Aon excludes that claim from your new policy. What steps would you need to take to ensure that the firm is protected from this potential claim?</p>	Concurrently report the potential claim to the current insurer, so that the firm is protected under the expiring policy

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
206.	Legal Industry	<p>If an insured party has full prior acts coverage, the tail coverage will apply to all claims made during the tail period, regardless of when in the past the work that gave rise to the claim was done.</p> <p>a. True b. False</p>	a
207.	Legal Industry	<p>According to the ABA Model Rules for Professional Conduct regarding Public Service, a lawyer should aspire to donate at least _____ hours of pro bono legal services per year without fee or expectation of fee.</p>	50
208.	Legal Industry	<p>What can happen if an employer has been warned of a safety violation but does not correct the situation, and a death occurs?</p> <p>a. The business may be shut down for up to one year b. The employer can be fined 25% of its yearly gross income c. Workers' compensation insurance will not pay, leaving the employer liable for civil litigation on the ground of gross negligence d. A jail term of six months can be imposed on responsible executives or managers</p>	d
209.	Legal Industry	<p>The most common cause of homicides at work are _____.</p> <p>a. Attacks by disgruntled employees. b. Armed robbery attempts. c. Attacks by former employees. d. Confrontation resulting from abusive domestic relationships.</p>	b
210.	Legal Industry	<p>According to the ABA Code of Professional Responsibility, how long must an attorney maintain trust accounting records after the termination of representation?</p>	5 years

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
211.	Legal Industry	While representing the Chicago Catering Company, Attorney Smith learned that Chicago Catering was teetering on the edge of insolvency. Smith knew that her good friend Rita had contracted with Chicago Catering to cater her daughter's wedding reception. Rojas advised Rita to cancel the contract and hire a different caterer. Is Smith subject to discipline under the rules?	Yes, for using confidential information to the disadvantage of Chicago Catering
212.	Office Operations	A good property insurance policy would include coverage for <ul style="list-style-type: none"> a. Office furniture b. Computers & accessories c. Inventory & supplies d. Equipment & machinery e. All of the above 	e
213.	Office Operations	Special Form Coverage covers all risks, except theft <ul style="list-style-type: none"> a. True b. False 	b
214.	Office Operations	PEO stands for <ul style="list-style-type: none"> a. Professional Equipment Operations b. Professional Employment Organization c. Perfectly Equal Opportunity 	b
215.	Office Operations	Key Man Insurance is purchased for all new associates joining the firm <ul style="list-style-type: none"> a. True b. False 	b

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Number	Topic(s)	Question	Answer
216.	Office Operations	<p>The Building Owners and Managers Association (BOMA) computes “Rentable Area” of a space by measuring the</p> <ul style="list-style-type: none"> a. Inside finished surface of the dominant portion of the permanent outer building, excluding any major vertical penetrations of the floor b. Outside finished surface of the dominant portion of the permanent outer building walls c. Finished surface of the office side of corridor and other permanent walls d. Square footage of all space that can be occupied by a tenant on a given floor, excluding common corridors, elevator lobbies and restrooms 	a
217.	Office Operations	<p>The law firm of Smith and Jones are looking to move very soon. They are not sure how much space they will need per attorney. One quick way to roughly estimate space needs is to figure</p> <ul style="list-style-type: none"> a. 500 - 600 square feet of usable space per each attorney b. 700 - 900 square feet of usable space per each attorney c. 550 - 700 square feet of usable space per each attorney d. 400 - 550 square feet of usable space per each attorney 	c
218.	Office Operations	<p>Load or loss factor refers to the tenant’s prorated share of Usable Space</p> <ul style="list-style-type: none"> a. True b. False 	a

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
219.	Office Operations	<p>The law firm of Smith and Jones has asked their Legal Administrator to work with a real estate broker to negotiate a net-net lease. This means</p> <ul style="list-style-type: none"> a. You will assume responsibility for the base rent and the landlord will be responsible for the real estate taxes and most other building related expenses b. You will assume responsibility for the base rent and real estate taxes c. You will share some costs jointly with the landlord, such as real estate taxes and other building operating costs 	c
220.	Office Operations	<p>This approach maybe most appropriate when there is a need for a quick, short-term response within the organization.</p> <ul style="list-style-type: none"> a. Top-down b. Combined c. Bottom Up d. Up-Down 	c
221.	Office Operations	<p>What is another name for Contingency Planning?</p> <ul style="list-style-type: none"> a. Alternative Futures Planning b. “What If” Planning c. Assessment Planning d. Assertive Action Planning 	a
222.	Office Operations	<p>A key component of a disaster preparedness plan is:</p> <ul style="list-style-type: none"> a. Business Interruption Insurance b. Minimizing loss & quick return to normal c. Chain of command d. Contact list & protocols 	a

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Greater Chicago Chapter CLM Study Questions			
Number	Topic(s)	Question	Answer
223.	Office Operations	The analysis that will guide the firm in identifying its position in the marketplace and the factors that will allow it to move or may hinder it from moving: <ul style="list-style-type: none"> a. STEP Analysis b. SWOT Analysis c. Situational Analysis d. Environmental Scanning 	b
224.	Office Operations	A(n) _____ is a single-use plan that encompasses a broad range of activities, all of which are designed to achieve a related set of goals. <ul style="list-style-type: none"> a. Program b. Project c. Objective d. Goal 	a
225.	Office Operations	Structural maintenance is included as the tenant's responsibility in a(n): <ul style="list-style-type: none"> a. Net Lease b. Triple Net Lease c. Absolute Net Lease d. Operating Lease 	c
226.	Office Operations	A short-term, cancelable lease is known as a(n): <ul style="list-style-type: none"> a. Operating Lease b. Full-Service Lease c. Net Lease d. Financial Lease 	a

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Number	Topic(s)	Question	Answer
227.	Office Operations	<p>You are meeting with the building landlord regarding a potential build-out. You will be discussing:</p> <ul style="list-style-type: none"> a. Constructing customized furnishings for your new office space b. Right of approval c. Sublease d. Space adjustments 	d
228.	Office Operations	<p>The R/U ratio is:</p> <ul style="list-style-type: none"> a. The amount of common area space you share with other tenants b. How much weight the floor can safely hold c. The division of Rentable Area for a floor by the Useable Area of that floor d. The ratio of partner offices to associate offices 	c
229.	Office Operations	<p>The part of the lease that specifies what the landlord is to provide in terms of construction for Tenant Improvement Allowance (TI) is called:</p> <ul style="list-style-type: none"> a. Work Letter b. Contingent Allowances c. Right of Approval Clause d. Construction Considerations 	a
230.	Office Operations	<p>True or False? Tenant Improvement Allowances must be spent within a specified period of time.</p> <ul style="list-style-type: none"> a. True b. False 	a

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Greater Chicago Chapter CLM Study Questions

Number	Topic(s)	Question	Answer
231.	Office Operations	<p>In this type of lease, you assume the responsibility for the base rent plus all of the costs of real estate taxes, insurance and non-structural maintenance.</p> <ul style="list-style-type: none"> a. Gross Lease b. Net Lease c. Net-Net Lease (Double Net Lease) d. Net-Net-Net Lease (Triple Net Lease) 	d
232.	Office Operations	<p>In this type of lease, you assume the responsibility for the base rent plus two other expenses (real estate taxes, insurance or maintenance costs).</p> <ul style="list-style-type: none"> a. Gross Lease b. Net Lease c. Net-Net Lease (Double Net Lease) d. Net-Net-Net Lease (Triple Net Lease) 	c
233.	Office Operations	<p>Predetermined annual increases to the base rent are known as:</p> <ul style="list-style-type: none"> a. Markups b. Load/Loss Factor c. Balloon Rates d. Escalations/Escalators 	d
234.	Office Operations	<p>What type of lease most favors the landlord?</p> <ul style="list-style-type: none"> a. Gross Lease b. Net Lease c. Net-Net Lease (Double Net Lease) d. Net-Net-Net Lease (Triple Net Lease) 	b

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Number	Topic(s)	Question	Answer
235.	Office Operations	Which of the following statements best describes strategic planning? a. Strategic planning involves the detailed inventory of equipment and supplies b. Strategic planning defines the marketplace in which a firm exists and addresses the question of how to compete in the marketplace c. The best strategic planning begins with input from employees at the lowest level of organizational hierarchy d. Strategic planning focuses on the day-to-day operations that are the means by which a firm strives to achieve its long-term goals	b
236.	Office Operations	Rentable area includes vertical ducts and elevator shafts. a. True b. False	b
237.	Office Operations	Your new space calls for Open Plan offices. Your space will be made up of: a. Open area with no partitions b. Spaces divided by moveable partitions c. Offices with exposed ceilings d. Offices enclosed by floor-to-ceiling walls	b
238.	Office Operations	A Paid Time Off policy is an example of a: a. Mandated Plan b. Standing Plan c. Single-Use Plan d. Business Plan	b

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Number	Topic(s)	Question	Answer
239.	Office Operations	An example of a mandate that must be taken into consideration when establishing a strategic plan would be: <ul style="list-style-type: none"> a. Goals b. List of all stakeholders c. Situational analysis d. Current law 	d
240.	Office Operations	Name the three critical aspects of project management: <ul style="list-style-type: none"> a. Timing b. Scope c. Deadlines d. Resources e. Feedback 	a, b, d

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Number	Topic(s)	Question	Answer
241.	Office Operations	<p>Your firm's sprinkler system malfunctioned and you are unable to occupy your firm's space for three days. The extent of the damage included your carpeting and wood flooring, furniture, and documents. All of the following insurance policies may come into play except your:</p> <ul style="list-style-type: none"> a. Business interruption policy b. General liability policy c. Property insurance policy d. Basic form policy 	b
242.	Office Operations	<p>The firm decides to sell its building and then lease it back. The lessor realizes the residual value of the property at the end of the lease. The lease may provide the lessee with a tax advantage since the monthly payments are now a tax-deductible expense. This form of leasing involves the sale of an asset with the agreement to immediately lease it back for an extended period of time.</p> <ul style="list-style-type: none"> a. Direct leasing b. Leverage leasing c. Capital leasing d. Sale and Leaseback leasing 	d
243.	Office Operations	<p>Which of the following is not true of Strategic Planning</p> <ul style="list-style-type: none"> a. SP begins with a situational analysis b. Understanding of mandates is a basic component of SP c. SP assumes everything except the environment is changing d. The final step in SP is evaluation 	c

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Number	Topic(s)	Question	Answer
244.	Office Operations	Strategic Planning is a creative process? a. True b. False	a
245.	Office Operations	The advantage of this approach is that those who presume to know most about the organization drive it. a. Top-Down Approach b. Combined Approach c. Bottom-Up Approach d. Up-Down Approach	a
246.	Office Operations	This kind of planning is most appropriate when circumstances that are particularly uncertain. a. Contingency Planning b. Disaster Planning c. Business Planning d. Emergency Planning	a
247.	Office Operations	Which three deal with Single Use Plans: a. Programs, Projects & Polices b. Programs, Projects & Budgets c. Rules, Procedure & Policies	b

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Number	Topic(s)	Question	Answer
248.	Office Operations	Goals are quantified statements that include target dates and Objectives are broad general statements of where the firm hopes to go. a. True b. False	b

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