Exam Questions CBDA

Certification in Business Data Analytics (IIBA - CBDA)

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NEW QUESTION 1
- (Topic 1)
The analytics team has established two equally strong potential recommendations which will deliver the desired outcomes with similar benefits to be derived from each one. On the surface there is no discernable difference in costs or schedule for either option. To help the analytics team reach arecommendation the business analysis professional recommends the team:

A. Complete market research
B. Assess risks for each option
C. Vote to choose the recommendation
D. Seek management guidance

Answer: B

Explanation:
Assessing risks for each option is the recommendation that the business analysis professional should make to the analytics team, because it is a technique that involves identifying, analyzing, and evaluating the potential positive or negative impacts of each option on the project, the organization, or the stakeholders. Assessing risks can help the team compare the pros and cons of each option, and determine which one has the highest expected value or the lowest expected loss. Assessing risks can also help the team prepare contingency plans or mitigation strategies for the chosen option, and communicate the rationale and assumptions behind their recommendation. References:
•Business Analysis Certification in Data Analytics, CBDA | IIBA®, CBDA Competencies, Domain 5: Use Results to Influence Business Decision Making
•Understanding the Guide to Business Data Analytics, page 9
•CERTIFICATION IN BUSINESS DATA ANALYTICS HANDBOOK - IIBA®, page 8, CBDA Exam Sample Questions and Self-Assessment, Question 12

NEW QUESTION 2
- (Topic 1)
To gain traction on online sales, a retailer initiated a marketing campaign using banner ads. The company has requested their analytics team to evaluate the performance of the campaign. During the presentation, the analyst confirmed that the campaign did bring in a large number of net new customers to the website and met the target sales conversion rate. They also noted that there was a high number of repeat visitors not completing a sale. What decision would help the retailer improve sales conversion rates for repeat visitors?

A. Increase investment in banner ads
B. Incentivize customers to subscribe to promotional notifications
C. Add additional new products to attract customers
D. Ensure the sales checkout process is streamlined

Answer: D

Explanation:
According to the Business Data Analytics: A Decision-Making Paradigm1, one of the key steps in the analytics process is to communicate insights and recommendations to stakeholders. The analyst should present the findings in a clear and concise manner, and provide actionable suggestions to improve the business outcomes. In this case, the analyst has identified that repeat visitors are not completing a sale, which indicates a possible issue with the sales checkout process. Therefore, the analyst should recommend the retailer to streamline the sales checkout process, which could reduce friction, increase customer satisfaction, and boost sales conversion rates for repeat visitors. References: Business Data Analytics: A Decision-Making Paradigm

NEW QUESTION 3
- (Topic 1)
A new dataset describing employee salaries is received by a company. A colleague wonders whether a variable follows a Gaussian distribution. Which of the following plots would demonstrate this?

A. Normal probability plot
B. Scatterplot
C. Boxplot
D. Lowess curve

Answer: A

Explanation:
A normal probability plot is a graphical technique that can be used to check if a variable follows a Gaussian distribution. It plots the observed values of the variable against the expected values under the normal distribution. If the variable is normally distributed, the points should form a straight line. A scatterplot, a boxplot, and a lowess curve are not suitable for testing normality, as they do not compare the observed values with the theoretical values of the normal distribution.
https://www.graphpad.com/support/faq/testing-data-for-normal-distrbution/

NEW QUESTION 4
- (Topic 1)
An organization's customers are categorized based on the amount of purchases completed over the last 12 months. The analytics team would like to ensure the accuracy of their survey results and decide to randomly select 500 customers to participate in a survey from this large pool of customers. This is an example of:

A. Stratified sampling
B. Quota sampling
C. Purposive sampling
D. Snowball sampling

Answer: A

Explanation:
Stratified sampling is a technique that divides the population into homogeneous subgroups (strata) based on a relevant characteristic, such as the amount of purchases, and then randomly selects a proportional number of elements from each subgroup to form the sample. Stratified sampling ensures that the sample is representative of the population and reduces the sampling error and bias12. References: 1: Guide to Business Data Analytics, IIBA, 2020, p. 312: Statistics for

Business and Economics, David R. Anderson et al., 2014, p. 262.

NEW QUESTION 5
- (Topic 1)
After analyzing sales data, the analytics team finds that the older the customer, the more expensive the neckties purchased. The team felt this was a breakthrough insight but on closer analysis realized that other factors could account for this relationship. This is a clear indication that:

A. Correlation between variables implies causation
B. Causation has no relationship with correlation
C. Causation between variables does not imply correlation
D. Correlation between variables does not imply causation

Answer: D

Explanation:
The analytics team found a correlation between the age of the customer and the price of the neckties purchased, meaning that as one variable changes, the other tends to change in the same direction. However, this correlation does not imply causation, meaning that one variable does not necessarily cause the other to change. There could be other factors, such as income, preference, or quality, that affect both variables and create a spurious relationship. Therefore, the team realized that they need to investigate further to determine if there is a causal link between the variables, or if the correlation is coincidental12 References: 1: Correlation vs. Causation | Difference, Designs & Examples - Scribbr 2: Correlation vs Causation: Understanding the Differences - Statistics By Jim

NEW QUESTION 6
- (Topic 1)
The results of the data analytics work led to some clear and strongly supported outcomes and the analytics team is very confident in their recommendations; particularly given that the payback on the required changes are a short 3 months. However, there is concern because the organization operates in a highly regulated environment and some new regulatory changes are being considered with announcements and implementation in the next 6 months. Under these conditions the team decides to:

A. Recommend no action be taken at this time and revisit in 6 months
B. Reassess their results to ensure their validity and then decide what to do
C. Identify and carefully document assumptions for their recommendation
D. Postpone recommendations for 6 months until the announcements are made

Answer: C

Explanation:
The best option for the team under these conditions is to identify and carefully document theassumptions for their recommendation, such as the expected impact of the regulatory changes, the risks and benefits of implementing the changes before or after the announcements, and the sensitivity of the results to different scenarios. This way, the team can communicate their findings and recommendations clearly and transparently, while also acknowledging the uncertainty and limitations of their analysis. This can help the decision makers to evaluate the trade-offs and make informed choices12. References: 1: Guide to Business Data Analytics, IIBA, 2020, p. 242: Data-Driven Decision Making: A Primer for Beginners, Anand Rao, 2018, 1.

NEW QUESTION 7
- (Topic 1)
An analytics system is being developed by relying entirely on research questions that are framed using the results from benchmarking. Which research question is being asked?

A. Which customers provide the greatest profit to the company?
B. How efficient is the company compared to its competitors?
C. Will more profit be made if we increase or decrease our sales price?
D. Which employees are we in danger of losing?

Answer: B

Explanation:
 Benchmarking is a method of comparing the performance of a business with others in the same industry or with industry standards12. It helps to identify areas of improvement and best practices for superior performance34. A research question that is framed using the results from benchmarking would focus on how the company compares to its competitors or to the industry average on a specific metric or process. For example, how efficient is the company compared to its competitors? This question would require the company to measure its efficiency using a relevant indicator, such as cost per unit, time per task, or output per employee, and compare it to the same indicator for its competitors. This would help the company to identify its strengths and weaknesses, and to find ways to improve its efficiency and gain a competitive advantage

NEW QUESTION 8
- (Topic 1)
Based on the results of a recently completed analytics initiative, the Human Resource department for a major department store implemented a change to its hiring practice to address the attrition rates of its sales associates. The new policy stated that candidates applying for sales positions must possess at least 3 years of relevant sales experience to be considered. After implementing the change, attrition rates are 10% higher and management is frustrated. Which of the following could result in this outcome?

A. The results of analysis have been incorrectly interpreted
B. Sales experience is not a relevant skill
C. Analytics is not helpful given this situation
D. The change proposed is not aligned to company strategy

Answer: D

Explanation:
The change proposed is not aligned to company strategy, because it may not address the root cause of the attrition problem, or it may conflict with other organizational goals or values. For example, the change may reduce the pool of qualified candidates, increase the hiring costs, or lower the diversity or customer

satisfaction of the sales team. The change may also ignore other factors thatinfluence the attrition rates, such as compensation, training, feedback, or recognition. Therefore, the change may not achieve the desired outcome of reducing attrition, and may even worsen it. References:

•Business Analysis Certification in Data Analytics, CBDA | IIBA®, CBDA Competencies, Domain 5: Use Results to Influence Business Decision Making
•Understanding the Guide to Business Data Analytics, page 9
•CERTIFICATION IN BUSINESS DATA ANALYTICS HANDBOOK - IIBA®, page 8, CBDA Exam Sample Questions and Self-Assessment, Question 13

NEW QUESTION 9
- (Topic 1)
An online retailer has been successful utilizing analytics to guide decisions on product placement and marketing spend.
Management has requested a task force be assembled to make recommendations on how to further develop their analytics capabilities. To begin this work, the task force builds a model to develop a shared understanding about customer segments, customer relationships, key partnerships, and the company's value proposition. The team has leveraged the following model to facilitate this discussion?

A. Value chain analysis
B. Balanced scorecard
C. Business model canvas
D. CATWOE

Answer: C

Explanation:
The business model canvas is the model that the task force has leveraged to facilitate the discussion, because it is a technique that describes the logic of how an organization creates, delivers, and captures value. The business model canvas consists of nine building blocks that cover the key aspects of a business: customer segments, value proposition, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure. The business model canvas can help the task force develop a shared understanding of the current state of the online retailer, and identify the opportunities and challenges for developing their analytics capabilities. References:
•Business Analysis Certification in Data Analytics, CBDA | IIBA®, CBDA Competencies, Domain 6: Guide Organization-level Strategy for Business Analytics
•Understanding the Guide to Business Data Analytics, page 9
•10.8 Business Model Canvas | IIBA®

NEW QUESTION 10
- (Topic 1)
A professional association is funded by membership fees. The membership renewal occurs every 5 years. Although, they have a strong subscription rate each year, their renewal rate is low. They are working with an external firm specializing in Business Analytics to identify the groups of customers that have a high likelihood of cancelling their subscription after their first 5-year term ends. This type of study is called:

A. Untrained learning
B. Supervised learning
C. Trained learning
D. Unsupervised learning

Answer: D

Explanation:
Unsupervised learning is a type of study that involves finding patterns or clusters in data without any predefined labels or outcomes. It is useful for exploring data and discovering hidden structures or groups of customers. For example, the professional association can use unsupervised learning to identify the characteristics of customers who are likely to cancel their subscription after their first 5-year term ends, and then design strategies to retain them12 References: 1: What is Unsupervised Learning? - IBM 2: Unsupervised Learning - IIBA BABOK Guide v3

NEW QUESTION 10
- (Topic 1)
Senior executives in a large organization receive numerous sales reports of every sale through a corporate dashboard on a weekly basis. The executives are considering budget increases for various functions but would like to know if they are obtaining good returns for current budget allocations. They ask the analytics team to research and Answer: "How effective is our marketing spend?" This question is:

A. Already answered in the sales data
B. Difficult to analyze because its narrowly focused
C. Sufficient to begin initial analysis
D. Too broadly scoped to be effectively answered

Answer: D

Explanation:
 The question ??How effective is our marketing spend??? is too broadly scoped to be effectively answered, because it is a vague and ambiguous question that does not specify the criteria, scope, or timeframe for measuring the effectiveness of the marketing spend. The question also does not define what constitutes marketing spend, or how it relates to the sales data or the budget allocations. The question needs to be refined and clarified to make it more focused, relevant, and feasible for the analytics team to answer. For example, the question could be rephrased as ??How does the marketing spend per channel affect the sales revenue and customer retention rate in the last quarter??? References:
•Business Analysis Certification in Data Analytics, CBDA | IIBA®, CBDA Competencies, Domain 1: Identify the Research Questions
•Understanding the Guide to Business Data Analytics, page 10-11
•CERTIFICATION IN BUSINESS DATA ANALYTICS HANDBOOK - IIBA®, page 8, CBDA Exam Sample Questions and Self-Assessment, Question 16

NEW QUESTION 14
- (Topic 1)
Interested in experimenting with analytics, a manufacturing company hires an analyst to see how the capability can be developed within its organization. The analyst is getting started and recognizes the need to show value from the onset of their work to gain upper management's trust and future funding. What action will accomplish these objectives?

A. Solve the biggest problem the organization has first to quickly grab the support and attention of senior management

B. Develop a question that can be answered quickly regardless of alignment to strategy, just to get started
C. Develop a meaningful question that can be answered with data the company already has in its possession
D. Perform a market analysis to understand how competitors are using analytics and then launch a similar initiative

Answer: C

Explanation:
The best action for the analyst to show value from the onset of their work is to develop a meaningful question that can be answered with data the company already has in its possession. This way, the analyst can demonstrate the potential of analytics to solve relevant business problems, without spending too much time or resources on data collection or market research. The question should also be aligned with the organization??s strategy and goals, and provide actionable insights for decision making12. References: 1: Guide to Business Data Analytics, IIBA, 2020, p. 202: Data Science for Business, Foster Provost and Tom Fawcett, 2013, p. 14.

NEW QUESTION 18
- (Topic 2)
A future state data model is created to depict how information will be structured in a proposed solution but the analyst is also interested in modeling how and when data is transformed throughout various processes across the organization.In which model would the analyst find this information?

A. Process flows
B. Data flow diagram
C. Data transformation model
D. Physical data model

Answer: B

Explanation:
A data flow diagram (DFD) is a graphical representation of how data flows and transforms through a system or process. A DFD shows the sources and destinations of data, the data inputs and outputs, the data transformations and logic, and the data stores and flows. A DFD can help the analyst model howand when data is transformed throughout various processes across the organization, as well as identify potential data quality issues, bottlenecks, and redundancies. A DFD can also complement a future state data model by showing the relationships and dependencies among the data entities and
attributes. References:
? Certification in Business Data Analytics (IIBA ® - CBDA), IIBA, accessed on January 20, 2024.
? Business Data Analytics Certification - CBDA Competencies | IIBA®, IIBA, accessed on January 20, 2024.
? Guide to Business Data Analytics, IIBA, 2020, p. 19-20.
? Data Flow Diagram - Everything You Need to Know About DFD, Visual Paradigm, accessed on January 20, 2024.

NEW QUESTION 19
- (Topic 2)
A real estate broker is tracking monthly sales between two of its teams. The results have been visualized using a Treemap chart. What is the advantage of using a Treemap chart, over a Sunburst chart to visualize the results?

A. With its colour scheme, it is easy to compare the variables within a Treemap
B. With its rectangles and straight lines, a Treemap is optimized to include more
C. A Treemap is meant to represent a hierarchical result set as opposed to a Sunburst chart
D. A Treemap shows all the hierarchical levels of data as opposed to a Sunburst chart

Answer: B

Explanation:
A Treemap chart is a type of chart that displays hierarchical data as a set of nested rectangles, where the size and color of each rectangle represent a quantitative value and a categorical variable, respectively1. A Sunburst chart is a type of chart that displays hierarchical data as a set of concentric circles, where the size and color of each slice represent a quantitative value and a categorical variable, respectively2. Both charts are useful for visualizing hierarchical data structures, but they have different advantages and disadvantages. One advantage of using a Treemap chart over a Sunburst chart is that a Treemap chart is optimized to include more data points, as it uses a Cartesian coordinate system that fills the entire rectangular space of the chart area, whereas a Sunburst chart uses a polar coordinate system that leaves empty spaces in the corners of the chart area3. This means that a Treemap chart can display more levels of hierarchy, more categories, and more details than a Sunburst chart, without compromising readability or clarity. Therefore, the correct answer is B, as a Treemap chart is optimized to include more data than a Sunburst chart.
References:1: Treemap Charts in Excel - Easy Excel Tutorial, 2: Sunburst Chart in Excel - Easy Excel Tutorial, 3: Breaking down hierarchical data with Treemap and Sunburst charts| Microsoft 365 Blog

NEW QUESTION 23
- (Topic 2)
A clinical research organization is using predictive analytics to improve patient safety and decrease costs on its clinical trials. To ensure that a standard set of tools/techniques is identified and best practices adhered to, teams are required to create scenarios to generate appropriate data for initial analysis. This practice is required because it is almost certain that data will be difficult to come by for most research. Which concern would lead the team to establish scenario development as a required technique?

A. Data validity
B. Data privacy
C. Data reliability
D. Data reproducibility

Answer: A

Explanation:
Data validity refers to the extent to which data accurately represents the phenomenon or concept that it is intended to measure1. Data validity is essential for predictive analytics, as it affects the quality and credibility of the analysis results and the subsequent decisions or actions based on them. If data is invalid, the predictions may be inaccurate, misleading, or irrelevant. However, data validity may be challenging to ensure in clinical research, as data may be scarce, incomplete, inconsistent, or subject to errors or biases2. Therefore, the team may establish scenario development as a required technique to address this concern. Scenario development is a form of document analysis that involves creating hypothetical situations or stories based on assumptions, evidence, and logic to explore

the possible outcomes or implications of a problem or opportunity3. Scenario development can help the team generate appropriate data for initial analysis by simulating different conditions, variables, or events that may affect the clinical trials, and by testing the validity of the data against the scenarios4.
References:1: Validity in data collection methods - OpenLearn - Open University, 2: Data Quality in Clinical Research - NCBI - NIH, 3: Scenario Analysis: How It Works and Examples - Investopedia, 4: Predictive Analytics using simulation models - AnyLogic

NEW QUESTION 25
- (Topic 2)
A 3rd party is marketing an application for financial institutions to use for credit scoring. This application is an example of what type of analytics?

A. Descriptive analytics
B. Prescriptive analytics
C. Exploratory
D. Inferential

Answer: B

Explanation:
Prescriptive analytics is the type of analytics that provides recommendations or suggestions for optimal actions or decisions based on data analysis. Prescriptive analytics uses techniques such as optimization, simulation, and decision analysis to generate and evaluate various scenarios and outcomes. Prescriptive analytics can help financial institutions to use credit scoring to determine the best loan offers, interest rates, and repayment terms for their customers, as well as to manage risk and compliance.
Prescriptive analytics is the most advanced and complex type of analytics, as it requires a high level of data quality, integration, and modeling, as well as human judgment and domain expertise. References:
? Certification in Business Data Analytics (IIBA ® - CBDA), IIBA, accessed on January 20, 2024.
? Business Data Analytics Certification - CBDA Competencies | IIBA®, IIBA, accessed on January 20, 2024.
? Guide to Business Data Analytics, IIBA, 2020, p. 15-16.

NEW QUESTION 30
- (Topic 2)
What is the relationship between a Customer entity and an Order entity, where a customer entry will be present in the Customer entity regardless of whether an order was made?

A. zero-to-one
B. many-to-many
C. zero-to-many
D. one-to-one

Answer: C

Explanation:
A zero-to-many relationship between two entities means that one instance of the first entity can be associated with zero or more instances of the second entity, and one instance of the second entity can be associated with only one instance of the first entity1. In this case, a customer entry will be present in the Customer entity regardless of whether an order was made, which means that a customer can have zero or more orders, but an order can only belong to one customer. Therefore, the relationship between Customer and Order is zero-to-many.
References:1: Entity Relationship Diagram (ERD) Tutorial - Part 1

NEW QUESTION 35
- (Topic 2)
An analytics team is discussing ways to improve company performance. Before identifying a set of research questions to analyze, they identify the need to understand the current company strategy and performance. The business analyst suggests using the Balanced Scorecard technique to guide this discussion. In which dimension of the matrix would the team be discussing metrics for changing and improving?

A. Learning and Growth
B. Customer
C. Financial
D. Internal Business Process

Answer: A

Explanation:
According to the Introduction to Business Data Analytics: An Organizational View, the Balanced Scorecard technique is a strategic management tool that helps organizations align their vision, mission, and goals with their performance measures. The Balanced Scorecard consists of four dimensions: financial, customer, internal business process, and learning and growth. Each dimension has a set of objectives, measures, targets, and initiatives that reflect the organization??s strategy and value proposition. The learning and growth dimension focuses on the metrics for changing and improving the organization??scapabilities, such as employee skills, knowledge, innovation, and culture. The learning and growth dimension supports the other three dimensions by providing the necessary resources and competencies to achieve the desired outcomes.
References: Introduction to Business Data Analytics: An Organizational View, page 9- 10; CBDA Exam Blueprint, page 7; [Balanced Scorecard Basics - Balanced Scorecard Institute]

NEW QUESTION 39
- (Topic 2)
A business analyst is conducting a series of interviews to understand the research questions that will be explored within a new analytics project. Which of the following is true about interviews?

A. Planned interviews are less effective than unplanned
B. Interviews must be structured to be effective
C. Goals for the interview should be clearly articulated
D. Interviews should only be conducted with one interviewee

Answer: C

Explanation:
Interviews are a technique to elicit information from stakeholders and subject matter experts. Interviews can be planned or unplanned, structured or unstructured, depending on the context and purpose of the interview. However, regardless of the type of interview, it is important to have clear goals for the interview, such as what information is needed, what questions will be asked, and how the information will be used. Having clear goals for the interview helps the interviewer to prepare, conduct, and follow up the interview effectively, and also helps the interviewee to understand the expectations and provide relevant and accurate information. References: Guide to Business Data Analytics, page 25; Certification in Business Data Analytics Handbook, page 9; How to Ace Your Next Business Analysis Job Interview

NEW QUESTION 44
- (Topic 2)
An analyst at an Insurance company has been asked to share results and provide insights into any impacts to the business since a new government regulation took effect. The analyst is in the process of reviewing the analyzed data to identify any patterns. When interpreting results, what would be one of the questions the analyst will be asking?

A. How will the recipients receive the results?
B. Are the right data dimensions being used?
C. What do the results mean in the context of the business?
D. Is the data accurate based on the sources being used?

Answer: C

Explanation:
According to the IIBA??s Guide to Business Data Analytics, one of the steps in the data analysis process is to interpret and report results, which involves explaining the meaning, significance, and implications of the results in the context of the business problem and the stakeholders?? needs1. When interpreting results, one of the questions the analyst will be asking is what do the results mean in the context of the business, which means how the results relate to the business situation, objectives, and outcomes, and how they can be used to support decision making and action taking2. For example, the analyst may ask how the new government regulation affects the business performance, operations, or strategy, and what recommendations or changes are needed to comply with the regulation and achieve the business goals.
The other options are not correct questions for interpreting results. How will the recipients receive the results is a question for presenting results, not interpreting results. Presenting results is a subsequent step after interpreting results, and it involves choosing the best format, medium, and style to communicate the results to the audience3. Are the right data dimensions being used is a question for analyzing data, not interpreting results. Analyzing data is a prior step before interpreting results, and it involves applying the appropriate techniques, tools, and methods to manipulate, transform, and explore the data4. Is the data accurate based on the sources being used is a question for sourcing data, not interpreting
results. Sourcing data is a prior step before analyzing data, and it involves identifying, collecting, and validating the data from the relevant sources5.
References:1: Guide to Business Data Analytics, IIBA, 2020, p. 572: Introduction to Business Data Analytics: A Practitioner View, IIBA, 2019, p. 253: Guide to Business Data Analytics, IIBA, 2020, p. 584: Guide to Business Data Analytics, IIBA, 2020, p. 555: Guide to Business Data Analytics, IIBA, 2020, p. 45. : Guide to Business Data Analytics, IIBA, 2020, p. 57. : Introduction to Business Data Analytics: A Practitioner View, IIBA, 2019, p. 25. : Guide to Business Data Analytics, IIBA, 2020, p. 58. : Guide to Business Data Analytics, IIBA, 2020, p. 55. : Guide to Business Data Analytics, IIBA, 2020, p. 45.

NEW QUESTION 46
- (Topic 2)
Interested in ensuring that analytics continues to contribute value to the overall organization, the lead analyst suggests developing a long term plan to define how the enterprise will identify, store, manage, share, and use its data long-term.The analyst is proposing the development of a:

A. Data roadmap
B. Business strategy
C. Data strategy
D. Data management plan

Answer: C

Explanation:
A data strategy is a long-term plan that defines how the enterprise will identify, store, manage, share, and use its data to achieve its business goals and objectives1. A data strategy aligns the data vision, mission, principles, and policies with the business strategy, and guides the data governance, data quality, data architecture, data security, data integration, data analytics, and data culture of the organization2. A data strategy helps the organization to leverage its data as a strategic asset, to create value, to improve performance, and to gain competitive advantage3.
A data roadmap is a document that outlines the specific actions, milestones, deliverables, and timelines for implementing the data strategy. A data roadmap is a tactical tool that helps the organization to prioritize, coordinate, and communicate its data initiatives, and to track its progress and outcomes. A data roadmap is not a long-term plan, but a dynamic and flexible plan that can be updated and revised as the data strategy evolves.
A business strategy is a high-level plan that defines how the enterprise will achieve its vision, mission, and goals in a competitive market. A business strategy sets the direction, scope, and value proposition of the organization, and guides its decisions on resource allocation, product development, customer segmentation, pricing, marketing, and differentiation. A business strategy is not a plan that defines how the enterprise will identify, store, manage, share, and use its data, but a plan that defines how the enterprise will create and sustain value for its stakeholders.
A data management plan is a document that describes the data that will be collected, generated, or used in a specific project, and how the data will be handled, stored, preserved, shared, and reused during and after the project. A data management plan is a operational tool that helps the project team to comply with the data policies, standards, and best practices of the organization, and to ensure the quality, integrity, security, and accessibility of the data. A data management plan is not a long-term plan, but a project- specific plan that can be modified and updated as the project progresses.
References:1: Guide to Business Data Analytics, IIBA, 2020, p. 392: Introduction to Business Data Analytics: An Organizational View, IIBA, 2019, p. 143: Data Strategy: The Definitive Guide, Tableau, . : Data Strategy: The Definitive Guide, Tableau, . : Data Roadmap: The Definitive Guide, Tableau, . : Business Strategy: The Definitive Guide, Tableau, . : Business Strategy: The Definitive Guide, Tableau, . : Data Management Plan: The Definitive Guide, Tableau, . : Data Management Plan: The Definitive Guide, Tableau, .
: Data Strategy: The Definitive Guide, Tableau, . : Guide to Business Data Analytics, IIBA, 2020, p. 39. : Introduction to Business Data Analytics: An Organizational View, IIBA, 2019, p. 14. : Data Strategy: The Definitive Guide, Tableau, . : Data Roadmap: The Definitive Guide, Tableau, . : Business Strategy: The Definitive Guide, Tableau, . : Data Management Plan: The Definitive Guide, Tableau, .

NEW QUESTION 47
- (Topic 2)
A company wants to run a monthly promotion on batteries that cost 15 cents each and sells for 50 cents. At this price, they typically sell 1000 batteries and

generate a profit of 35 cents per battery for a total profit of $350. The analytics team was asked to test two price points - 20% off (i.e. a sale price of 40 cents) and 40% off (i.e., a sale price of 30 cents). The survey data completed by 10000 participants was analyzed and showed that a 20% savings would result in sales of 1200 batteries and the 40% savings would result in 1800 batteries being sold. The team's initial recommendation was to recommend the 40% discount. Now that they are validating their recommendations, they decide to:

A. Question why management would only want them to test two price points
B. Change their recommendation realizing they have been victims of linear bias
C. Redo the survey looking for a larger sample size
D. Use their original recommendation given that the volume of sales is much higher

Answer: B

Explanation:
Linear bias is a type of cognitive bias that assumes a linear relationship between two variables, when in fact the relationship may be more complex or nonlinear. In this case, the analytics team assumed that the higher the discount, the higher the sales and profit, without considering other factors that may affect customer behavior, such as price elasticity, perceived quality, or competition. By changing their recommendation, the team can avoid making a suboptimal decision that may result in lower profit or customer satisfaction.
References:10 Cognitive Biases in Business Analytics and How to Avoid Them, page 5; [Business Data Analytics: A Decision-Making Paradigm], page 9.

NEW QUESTION 49
- (Topic 2)
The sales department is interested in using business analytics to better understand their customer's purchasing habits. During the process of sourcing data, the analyst discovers geographic differences in how sales data is being recorded. The analyst would like to influence how the organization strategically plans for business analytics. Which practice, would move the organization closer to meeting this objective?

A. Data governance
B. Data integration
C. Data management
D. Data warehousing

Answer: A

Explanation:
Data governance is the practice of establishing and enforcing policies, standards, roles, and responsibilities for the quality, security, and usage of data across an organization1. Data governance helps ensure that data is consistent, reliable, and trustworthy, and that it aligns with the organization??s strategic goals and objectives. Data governance also facilitates collaboration and communication among different stakeholders, such as business analysts, data owners, data stewards, and data consumers2. By implementing data governance, the analyst can influence how the organization strategically plans for business analytics, as data governance can help address the issues of data quality, data integration, data access, data ethics, and data value3.
Data integration, data management, and data warehousing are related but distinct concepts from data governance. Data integration is the process of combining data from different sources into a unified view4. Data management is the process of collecting, storing, organizing, and maintaining data throughout its lifecycle5. Data warehousing is the process of creating and maintaining a centralized repository of data for analytical purposes. While these practices can support business analytics, they do not necessarily influence how the organization strategically plans for business analytics, as they are more focused on the technical aspects of data rather than the organizational aspects of data. References:1: Guide to Business Data Analytics, IIBA, 2020, p. 392: Introduction to Business Data Analytics: An Organizational View, IIBA, 2019, p. 143: Data Governance: The Definitive Guide, Tableau, 4: Data Integration: The Definitive Guide, Tableau, 5: Data Management: The Definitive Guide, Tableau, . : Data Warehousing: The Definitive Guide, Tableau, .

NEW QUESTION 52
- (Topic 2)
A movie production company wants to use analytics to decide which customers would choose to watch or not watch a particular movie after seeing a promotional teaser. The business analysis professional suggests they could make that prediction by identifying characteristics of the new movie and determining if the customer has watched other movies with similar characteristics.Thisis an example of using the following technique:

A. Logistic regression
B. Ouster analysis
C. Integer programming
D. Analysis of variance

Answer: A

Explanation:
Logistic regression is a technique that can be used to model the probability of a binary outcome, such as choosing to watch or not watch a movie, based on one or more predictor variables, such as the characteristics of the movie and the customer??s viewing history. Logistic regression can help the business analysis professional to identify the factors that influence the customer??s decision and to estimate the likelihood of each customer??s preference. Logistic regression can also be used to test hypotheses and to evaluate the performance of the predictive model. References: [Guide to Business Data Analytics], page 55; [Business Data Analytics: A Practical Guide], page 93; [Introduction to Business Data Analytics: A Practitioner View], page 14.

NEW QUESTION 53
- (Topic 2)
DIAGRAM TAKEN
An analyst at an organization has just learnt about bullet charts. For the latest dashboard, the analyst has decided to display the customer satisfaction rate from the latest 2018 customer survey results through a bullet chart while comparing it to the 2017 customer satisfaction rate.What can be gleaned from this chart?
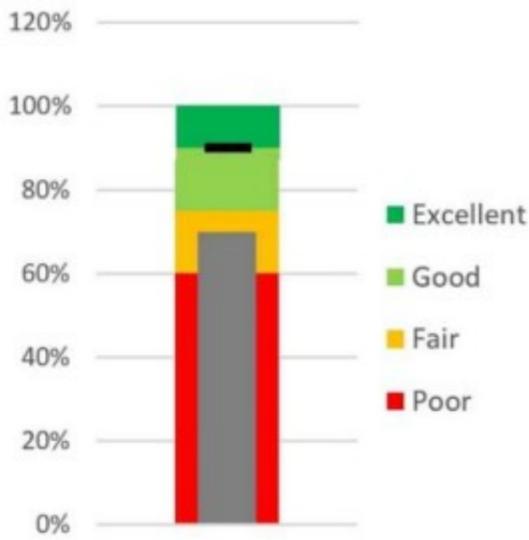
Customer Satisfaction
120%
100%
80%

A. The 2018 customer satisfaction rate is at 90%. between good and excellent, and exceeded its target of 70%
B. The 2018 customer satisfaction rate is at 90%. between good and excellent
C. The 2018 customer satisfaction rate was fair, at 70%, and did not reach its target of 90%
D. The 2018 customer satisfaction rate is at 90%. between good and excellent, while the 2017 customer satisfaction rate was at 70%

Answer: D

Explanation:
A bullet chart is a type of bar chart that shows progress towards a goal or performance against a reference line1. It consists of a bar representing the featured measure, a reference line denoting a target or threshold, and a background with qualitative ranges (such as poor, fair, good, excellent)2. In this case, the featured measure is the customer satisfaction rate for 2018, the reference line is the target of 70%, and the background ranges are 0-50% (poor), 50-70% (fair), 70-90% (good), and 90-120% (excellent). The chart also shows a thin black bar representing the customer satisfaction rate for 2017, which can be used for comparison. From the chart, we can see that the 2018 customer satisfaction rate is at 90%, which falls in the excellent range and exceeds the target of 70%. We can also see that the 2017 customer satisfaction rate was at 70%, which falls in the good range and meets the target. Therefore, the correct answer is D, as it summarizes both the 2018 and 2017 customer satisfaction rates and their relation to the target and the ranges.
References:1: Understanding and Using Bullet Graphs | Tableau, 2: Bullet Charts - What Is It And How To Use It - JSCharting

NEW QUESTION 58
- (Topic 2)
An analyst is interested in providing a visual diagram to compare and contrast the characteristics of four different solution options. Each option should be represented by their cost, value, and risk level. What type of chart would accomplish this task?

A. Bubble
B. Waterfall
C. Pie
D. Bullet

Answer: A

Explanation:
A bubble chart is a type of chart that displays three dimensions of data: the x-axis, the y-axis, and the size of the bubble. A bubble chart can be used to compare and contrast the characteristics of different solution options by plotting their cost, value, and risk level on the three axes. For example, a solution option with a high cost, high value, and low risk would be represented by a large bubble on the upper left corner of the chart, while a solution option with a low cost, low value, and high risk would be represented by a small bubble on the lower right corner of the chart. A bubble chart can help the analyst and the stakeholders to visualize the trade-offs and benefits of each solution option and to select
the most optimal one based on the business objectives and constraints. References: Guide to Business Data Analytics, page 77; Introduction to Business Data Analytics: A Practitioner View, page 16; [Business Data Analytics: A Practical Guide], page 121.

NEW QUESTION 63
- (Topic 2)
The CustomerOrder entity will include information on all customer orders. Applying database normalization rules, which set of attributes will need to be normalized to avoid redundancies?
•CustomerId
•CustomerPhone
•OrderId
•OrderDate
•ProductName
•ProductQuantity
•OrderTotal

A. CustomerPhone ProductName
B. ProductName ProductQuantity
C. OrderId ProductName
D. CustomerId OrderDate

Answer: B

Explanation:
Database normalization is the process of organizing the data in a database to reduce redundancy and improve integrity, consistency, and performance1. Database normalization rules are based on the concept of normal forms, which are levels of database design that meet certain criteria2. One of the most common normal forms is the third normal form (3NF), which states that a table should not have any transitive dependencies, meaning that a non-key attribute should not depend on another non-key attribute3. In the CustomerOrder entity, the set of attributes that will need to be normalized to avoid redundancies are ProductName and ProductQuantity, as they are non-key attributes that depend on another non-key attribute, OrderId. This means that the same product information may be repeated for different orders, which could lead to data inconsistency, duplication, or update anomalies. To normalize this set of attributes, a separate table should be created for the OrderDetails entity, which would have OrderId, ProductName, and ProductQuantity as its attributes, and OrderId and ProductName as its composite primary key.
The other sets of attributes do not need to be normalized to avoid redundancies, as they do not violate the 3NF. CustomerPhone and ProductName are non-key attributes that depend on the primary key, CustomerId and OrderId respectively, which is allowed by the 3NF. OrderId and ProductName are part of the composite primary key of the OrderDetails entity, which is also allowed by the 3NF. CustomerId and OrderDate are both primary keys of the Customer and Order entities respectively, which are also allowed by the 3NF. References:1: Guide to Business Data Analytics, IIBA, 2020, p. 442: Introduction to Business Data Analytics: A Practitioner View, IIBA, 2019, p. 93: Database Normalization: The Definitive Guide, Tableau, . : Database Normalization: The Definitive Guide, Tableau, .
: Guide to Business Data Analytics, IIBA, 2020, p. 44. : Introduction to Business Data Analytics: A Practitioner View, IIBA, 2019, p. 9. : Database Normalization: The Definitive Guide, Tableau, . : Database Normalization: The Definitive Guide, Tableau, .

NEW QUESTION 64
- (Topic 2)
A private school has decided to include bullet charts in students' end of year performance report. It will depict the student's score against the highest score achieved in that grade, and the qualitative category that the student's score falls under.Should a column chart be used instead?

A. Both charts are insufficient in meeting the requirements of a student score card
B. Both charts can be used as a column chart is a comparable alternative to a bullet chart
C. Yes, a column chart would be a better option to depict all three criteria in one chart
D. No, a bullet chart is a good option as it will depict all three criteria in one chart

Answer: D

Explanation:
A bullet chart is a type of bar chart that shows progress towards a goal or performance against a reference line1. It consists of a bar representing the featured measure, a reference line denoting a target or threshold, and a background with qualitative ranges (such as poor, fair, good, excellent)2. In this case, the featured measure is the student??s score, the reference line is the highest score achieved in that grade, and the background ranges are the qualitative categories that the student??s score falls under. A bullet chart is a good option for this use case because it can display all three criteria in one chart, using minimal space and avoiding clutter. A column chart, on the other hand, would require either multiple columns for each student to show the score, the highest score, and the category, or a separate legend to map the colors of the columns to the categories. This would make the chart less effective in communicating the information and more difficult to compare across students.
References:1: Understanding and Using Bullet Graphs | Tableau, 2: Bullet Charts - What Is It And How To Use It - JSCharting

NEW QUESTION 66
- (Topic 2)
A data scientist at a consumer goods company, has been asked to do a detailed analysis on customer profiles. The Data Scientist has identified an external data source that carries valuable additional information on their customers. The data scientist also identifies the address column as the most reliable column to join the internal data source with the external data source. Addresses may appear in different formats for example:
File A = "13 Smith St"
File B = "Unit 7, 13 Smith Street"
Which of the following techniques would be useful in this situation?

A. Deterministic linkage
B. Probabilistic linkage
C. Genetic linkage
D. Cuff linkage

Answer: B

Explanation:
Probabilistic linkage is a technique that uses statistical methods to match records from different data sources based on the similarity of key variables, such as name, address, date of birth, etc1. Probabilistic linkage can handle variations, errors, or missing values in the data, and assign a score or probability to each potential match2. Probabilistic linkage would be useful in this situation, as the address column may have different formats, spellings, or abbreviations in the internal and external data sources, and a deterministic linkage (which requires exact matches) might miss some valid matches or create false matches.
Deterministic linkage is a technique that uses predefined rules or criteria to match records from different data sources based on the exact agreement of key variables, such as identifiers, codes, or hashes3. Deterministic linkage would not be useful in this situation, as the address column may not have consistent or unique values in the internal and external data sources, and a probabilistic linkage (which allows for some variation or uncertainty) might find more accurate matches or avoid false matches.
Genetic linkage is a term used in genetics to describe the tendency of genes or DNA sequences that are located close together on a chromosome to be inherited together4. Genetic linkage is not relevant to this situation, as it has nothing to do with matching records from different data sources based on the address column.
Cuff linkage is a term used in sewing to describe the process of attaching a cuff to a sleeve by stitching or fastening. Cuff linkage is not relevant to this situation, as it has nothing to do with matching records from different data sources based on the address column. References:1: Guide to Business Data Analytics, IIBA, 2020, p. 452: Data Linkage: The Definitive Guide, Tableau, 3: Guide to Business Data Analytics, IIBA, 2020, p. 454: Genetic Linkage, National Human Genome Research Institute, . : Cuff Linkage, Sewing Dictionary, .
: Data Linkage: The Definitive Guide, Tableau, . : Genetic Linkage, National Human Genome Research Institute, . : Cuff Linkage, Sewing Dictionary, .

NEW QUESTION 71
- (Topic 2)
A fifty-year-old brick and mortar business is interested in determining the potential for selling their current products online. The sales director has asked the analytics team to predict future sales for their most popular product. A simple question is formed "Would you buy this product online?" The sales director would like to survey students from local colleges and universities within a 50km radius.As a result, the team will conclude:

A. The sample size being considered may be too large to work with
B. The research question will be easily answered with currently available data
C. Focusing on a 50km radius will allow the team to complete the analysis quickly
D. The survey will establish a poor study population

Answer: D

Explanation:
According to the Guide to Business Data Analytics, a study population is the subset of the population that meets the eligibility criteria for the research question. A study population should be representative of the population of interest and relevant to the business problem or opportunity. In this situation, the survey will establish a poor study population because the students from local colleges and universities within a 50km radius may not reflect the characteristics, preferences, and behaviours of the potential online customers for the fifty-year-old brick and mortar business. The students may have different demographics, income levels, shopping habits, and needs than the target market for the business. Therefore, the survey results may not be generalizable or applicable to the population of interest and may not provide valid and reliable insights for predicting future sales.
References: Guide to Business Data Analytics, page 48-49; CBDA Exam Blueprint, page 7; Population vs. Sample | Definitions, Differences & Examples - Scribbr

NEW QUESTION 72
- (Topic 2)
Freedom Insurance is planning to offer a new type of insurance policy and would like to determine how to optimally price it. The company seeks to identify the characteristics of this policy that would produce the maximum profit in the coming year. What type of analytics would Freedom Insurance be considering to achieve this objective?

A. Retrospective analytics
B. Descriptive analytics
C. Predictive analytics
D. Prescriptive analytics

Answer: D

Explanation:
According to the Guide to Business Data Analytics, prescriptive analytics is a type of analytics that provides recommendations or suggestions for optimal actions or decisions based on data analysis. Prescriptive analytics uses techniques such as optimization, simulation, and decision analysis to evaluate various scenarios and trade-offs and to determine the best course of action for a given objective and constraint. Prescriptive analytics can help organizations achieve their goals, improve their performance, and increase their efficiency and effectiveness. In this situation, Freedom Insurance wants to determine how to optimally price a new type of insurance policy that would produce the maximum profit in the coming year. This is a prescriptive analytics problem, as it involves finding the optimal solution for a complex and uncertain decision problem.
References: Guide to Business Data Analytics, page 49-50; CBDA Exam Blueprint, page 7; [Introduction to Business Data Analytics: A Practitioner View], page 14.

NEW QUESTION 75
- (Topic 2)
A merger has been completed between two telecommunication companies and the analytic practices from both organizations are being joined. The newly formed analytics department will create a task force of data experts to combine the data from both companies into a structure usable for future analytics initiatives. Which of the following activities would provide a high level understanding about any potential data issues that might be encountered when merging sources?

A. Data conversion
B. Data cleansing
C. Data migration
D. Data profiling

**Answer:** D

Explanation:
According to the Guide to Business Data Analytics, data profiling is a technique that analyzes the structure, content, and quality of data sources. Data profiling can help identify data issues such as missing values, outliers, inconsistencies, duplicates, and errors. Data profiling can also provide information about the data types, formats, ranges, distributions, and relationships of data elements. Data profiling can help prepare data for data conversion, data cleansing, and data migration by providing a high level understanding of the current state of data and the potential challenges and risks involved in transforming and integrating data from different sources.
References: Guide to Business Data Analytics, page 53; CBDA Exam Blueprint, page 7; Data Profiling vs Data Cleansing - Data Ladder

NEW QUESTION 77
- (Topic 2)
An analyst is doing a clinical study on the value of analyte among a large population of healthy people. The analyst is going to use a Gaussian Distribution to share the results. Which of the following represents a Gaussian Distribution? (IMAGE TAKEN)
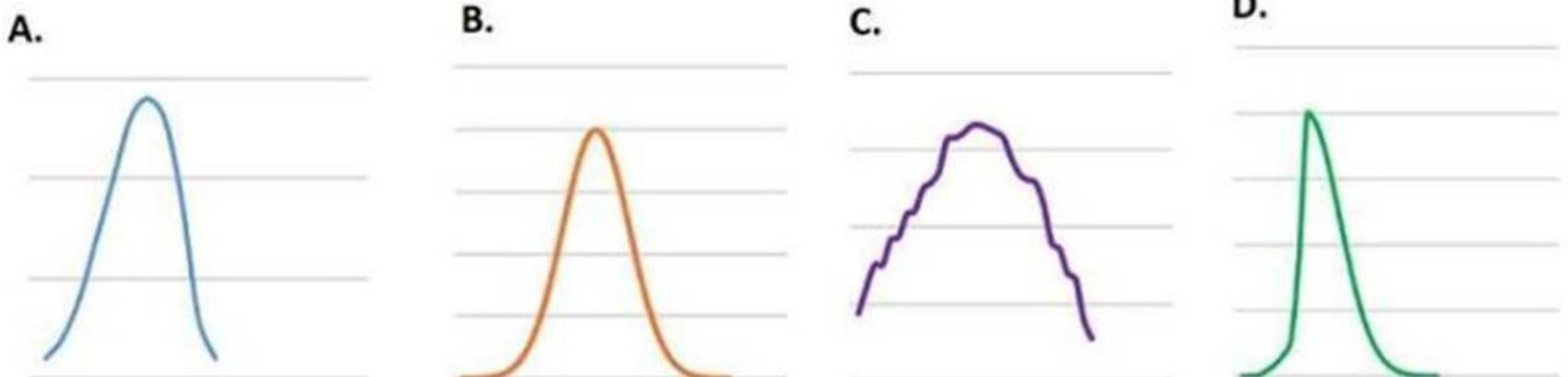
A. D
B. B
C. A
D. C

Answer: C

Explanation:
As explained in the previous question, a Gaussian Distribution, also known as a normal distribution, is represented by a symmetrical bell-shaped curve. The mean, median, and mode of the distribution are equal and are at the center of the distribution. This type of distribution is characterized by its mean and standard deviation. The curve is symmetrical around the mean. In the image, the curve labeled A is the only one that matches this description. The other curves are either skewed or irregular.
References: Guide to Business Data Analytics, page 58-59; CBDA Exam Blueprint, page 7; [Introduction to Business Data Analytics: A Practitioner View], page 17.

NEW QUESTION 79
- (Topic 2)
An analyst is interested in determining whether their company is charging the right prices for their products. Before creating a research question to frame their data analysis, they review a research study provided by the sales department and review several competitor websites.Which statement is true about document analysis?

A. Documents that add the most value during document analysis are marketing studies
B. Data mining is a form of document analysis
C. Document analysis should be limited to proprietary sources
D. Document analysis only involves reviewing physical documents

Answer: B

Explanation:
Document analysis is a qualitative research technique that evaluates electronic and physical documents to interpret them and gain an understanding of their meaning1. It can be used to study various types of documents, such as informal, external, or contextual documents, and to explore their meanings, patterns, and themes. Data mining is a form of document analysis that involves applying statistical and computational methods to large datasets to discover hidden patterns, trends, or relationships2. Data mining can help analysts answer complex questions, generate hypotheses, or support decision making. Therefore, the correct answer is B, as data mining is a form of document analysis.
References:1: Document Analysis Guide: Definition and How To Perform It | Indeed.com, 2: Data Mining - an overview | ScienceDirect Topics

NEW QUESTION 81
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