Certified Business Analyst - Foundation

GAQM CBAF-001

Version Demo

Total Demo Questions: 20

Total Premium Questions: 205

Buy Premium PDF

QUESTION NO: 1

Which of the following is a perceived advantage of using workshops to investigate requirements?

A. It reduces speed and productivity of the project.

B. It is time-consuming to arrange and organize.

C. It focuses on a narrow view of the area under investigation.

D. It obtains buy-in and acceptance for the project.

ANSWER: D

Explanation:

“It obtains buy-in and acceptance for the project.” is a key perceived advantage of requirements workshops. Workshops bring together relevant stakeholders—such as business representatives, subject-matter experts, users, and project team members—to discuss needs, assumptions, priorities, and potential requirements in a shared setting. This direct participation gives stakeholders an opportunity to contribute to the emerging requirements rather than merely receiving a finished specification after decisions have already been made. As a result, participants are more likely to understand the rationale for decisions, regard the requirements as reflecting their input, and support the project as it proceeds. Workshops can also build a common understanding across groups with different perspectives, helping establish commitment to the agreed direction and reducing later resistance caused by lack of involvement. The International Institute of Business Analysis describes workshops as a collaborative elicitation technique that enables stakeholders to work together to achieve defined objectives and reach agreement. This collaborative agreement-building role is why stakeholder buy-in and acceptance are recognized benefits of the technique. See the IIBA BABOK Guide resources and the Project Management Institute discussion of requirements workshops.

QUESTION NO: 2

A business analyst wishes to show that a company wants to store information about different types of product. Some attributes are common to every product (for example; product name) but other attributes only apply to certain product types. For example, product material only applies to accessory products. Which of the following constructs could the business analyst use to represent this on a class model?

A. An association class.

B. A many-to-many multiplicity.

C. A generalization structure.

D. An <> structure.

ANSWER: C

Explanation:

A generalization structure is correct because it models a shared, more-general business concept together with specialized concepts that inherit its common properties. In this case, *Product* can be represented as the general class and can contain attributes applicable to every product, such as product name. *Accessory Product* can then be represented as a specialized class beneath Product. The specialized class inherits the common Product attributes while also defining attributes that are meaningful only for that type, such as product material.

This structure gives the class model a clear and maintainable representation of the business rules: every accessory product is a product, but not every product needs to have a material attribute. Further product categories can be added as additional specializations when they have their own type-specific data, without duplicating the common attributes in each class. In UML terminology, generalization captures an “is-a” relationship between a specific classifier and a more general classifier. The Object Management Group describes generalization as a taxonomic relationship in which the specific element is consistent with the general element’s characteristics; see the [UML 2.5.1 specification]. A practical overview of UML class generalization is also available from [UML Diagrams].

QUESTION NO: 3

An organization called Quality Signs' makes display signs for commercial customers. Which of the following are MOST likely to be the Actors in a CATWOE analysis?

A. The Managing Director of Quality Signs.

B. The sign makers of Quality Signs.

C. The competitors of QualitySigns.

D. The customers of Quality Signs.

ANSWER: B

Explanation:

The sign makers of Quality Signs are the Actors because, in CATWOE, Actors are the people who carry out the activities required for the transformation described in the root definition. Quality Signs transforms materials, designs, specifications, and production effort into completed display signs for commercial customers. The sign makers directly perform the operational work that makes this transformation happen: for example, interpreting the approved design, preparing materials, producing the sign, applying finishes, and making it ready for delivery. Their role is therefore defined by active participation in the system’s process, rather than by seniority, external market position, or receipt of the resulting product or service. Identifying the people who undertake the transformation is essential in soft systems methodology because it clarifies who must have the skills, resources, procedures, and practical involvement needed for the conceptual system to operate. CATWOE is a mnemonic used to structure perspectives around Customers, Actors, Transformation, Weltanschauung, Owners, and Environmental constraints. See the overview of CATWOE and Peter Checkland’s foundational work on soft systems methodology.

QUESTION NO: 4

As part of an investigation, a business analyst has asked a business user to keep track of the actual tasks they carry out over a period of time. What is this investigation technique called?

A. Shadowing.

B. Prototyping.

C. Special purpose records.

D. Activitysampling.

ANSWER: C

Explanation:

Special purpose records. is correct because this technique asks the people performing work to record specific information about that work for a defined period. In this case, the business user keeps a contemporaneous record of the actual tasks undertaken, creating evidence of how work is performed in practice rather than relying only on recollection during an interview. The analyst can then review the completed records to understand task sequences, volumes, timings, exceptions, hand-offs, and variations in the process. This is particularly useful where work is intermittent, distributed across several activities, or difficult for an analyst to observe directly throughout the whole period.

Special purpose records are designed for the particular investigation: for example, a simple diary, activity log, checklist, tally sheet, or timesheet may be prepared with fields that capture the information needed to analyse the current business situation. The resulting data supports an evidence-based view of the process and can help identify improvement opportunities and requirements. This aligns with established business-analysis practice of eliciting and analysing information from stakeholders and operational work. See the BCS Business Analysis reference and the IIBA BABOK Guide resources.

QUESTION NO: 5

Business rules define how actions are to be performed. Under which of the following headings are

business rules considered?

A. Explicit or implicit management statements.

B. Statutory and internal policies.

C. Constraints and operational guidance.

D. Negotiable and non-negotiable limitations.

ANSWER: C

Explanation:

Constraints and operational guidance. is correct because business rules establish the boundaries within which an organization, process, or system must operate and provide direction for consistent day-to-day decisions and actions. They may prescribe conditions that must be satisfied, calculations that must be applied, approvals that are required, or actions that are prohibited. In this sense, a business rule both constrains behavior and guides operations: it ensures that work is performed in accordance with agreed organizational logic, applicable obligations, and intended business practice.

For a business analyst, documenting these rules separately and clearly is important because they often apply across multiple processes, requirements, and systems. A rule such as a mandatory eligibility check or a required authorization threshold can be reused wherever the relevant business situation occurs. This supports consistency, traceability, governance, and accurate implementation. The International Institute of Business Analysis describes business analysis as enabling change by defining needs and recommending value-delivering solutions; identifying rules that guide and constrain operations is a central part of understanding that business context. See the IIBA Business Analysis Body of Knowledge resources and the Business Rules Group for further business-rule terminology and guidance.

QUESTION NO: 6

A project reporting system stores information about Employees. How would an Employee be represented in an entity-relationship diagram?

A. As an Actor.

B. As an Attribute.

C. As anEntity.

D. As a Relationship.

ANSWER: C

Explanation:

As an Entity. is correct because an employee is a distinct business object about which the project reporting system stores information. In an entity-relationship diagram (ERD), an entity represents a class of identifiable things that the organization needs to record, such as employees, projects, departments, or reports. Employee records would normally have their own attributes, for example employee identifier, name, job title, email address, and department. Each individual employee is an instance of the Employee entity, while the entity defines the common structure for all such records.

Employee can also participate in relationships with other entities. For example, an employee may work on a project, belong to a department, or submit a timesheet. Those associations are modeled separately as relationships, while the descriptive data about each employee remains attached to the Employee entity. This distinction helps a business analyst create a logical data model that is clear, normalized, and capable of representing multiple employee records consistently. ERD guidance describes entities as the people, places, objects, events, or concepts for which data is maintained; see Lucidchart's ERD overview and IBM's explanation of entity-relationship diagrams.

QUESTION NO: 7

A business case for a project claims that the new system will provide managers with more time to think creatively about strategic issues. What would this be classified as in a cost-benefit analysis?

A. An intangible cost.

B. A tangible benefit.

C. An intangible benefit.

D. A tangible cost.

ANSWER: C

Explanation:

An intangible benefit. is correct because the claimed outcome is a positive result of implementing the system: managers gain time to focus on creative, strategic thinking. It is therefore a benefit rather than an expenditure or sacrifice associated with the project. The benefit is intangible because its value cannot ordinarily be measured directly and reliably in monetary units. Although an organization may try to estimate downstream effects, such as improved decisions, innovation, or competitive performance, the immediate benefit described—more opportunity for strategic thought—is qualitative and not a directly priced project output. In a cost-benefit analysis, identifying intangible benefits is important because a business case should capture relevant value even where it cannot be included precisely in a financial calculation. The analyst should document the expected strategic value, the managers or business areas affected, and suitable non-financial indicators, such as time released from routine work, quality of strategic decisions, or stakeholder assessments. This gives decision-makers a fuller view of the project's expected value alongside benefits that can be quantified financially. Guidance on developing business cases recognizes that proposals should consider both monetisable and non-monetisable impacts; see the UK government's Green Book and the Association for Project Management's business case resource.

QUESTION NO: 8

What stage of the V model provides the test criteria for user acceptance testing?

A. The business needs.

B. The requirements.

C. The designed solution.

D. The developed solution.

ANSWER: A

Explanation:

The business needs. In the V model, each testing activity on the validation side is traced back to a corresponding definition activity on the verification side. User acceptance testing is the highest-level validation activity: it establishes whether the delivered solution is fit for use and provides the outcomes, value, and capabilities the business originally needed. Consequently, the business needs stage supplies the acceptance criteria used to plan and assess user acceptance testing. These criteria should be expressed in business-oriented terms, such as whether users can complete essential processes and whether the solution supports the intended organizational objectives. This traceability is important because acceptance is not merely confirmation that functions were built according to a specification; it is confirmation that the implemented solution delivers the expected business result in its real operational context. The V-model description in the SEBoK identifies acceptance testing as validation against stakeholder needs, while ISTQB describes acceptance testing as testing performed to determine whether a system satisfies acceptance criteria and is ready for use. See the SEBoK V-Model overview and ISTQB Certified Tester Foundation Level.

QUESTION NO: 9

Which of the following techniques can be used to pull together the results of an analysis of the external and internal business environment of an organization?

A. SWOT analysis.

B. Resource audit.

C. Five-forces model.

D. Balanced business scorecard.

ANSWER: A

Explanation:

SWOT analysis is the appropriate technique because it brings findings from both the internal and external business environment into one structured view. It organizes internal analysis as strengths and weaknesses, such as capabilities, resources, processes, skills, or operational limitations. It then combines these with external analysis as opportunities and threats, including market trends, customer changes, competitors, regulation, technology, and economic conditions. This consolidated perspective helps business analysts and decision-makers connect the organization's current capabilities with the conditions it faces in its wider environment. The result is useful for identifying strategic priorities, evaluating business needs, and developing responses that leverage strengths, address weaknesses, exploit opportunities, or reduce exposure to threats. The SWOT framework is widely used in strategic planning specifically because it synthesizes these internal and external factors rather than examining only one perspective. The UK Government's strategic planning guidance describes SWOT as a method for considering strengths, weaknesses, opportunities, and threats: GOV.UK strategic planning tools and techniques. Further background on the framework and its use in strategy development is available from the Chartered Institute of Management Accountants: AICPA & CIMA SWOT analysis.

QUESTION NO: 10

Which of the following is an example of 'Individual Tacit Knowledge'?

A. Culture.

B. Process.

C. Norms.

D. Intuition.

ANSWER: D

Explanation:

Intuition is an example of individual tacit knowledge because it is personal, experience-based understanding that a person applies without necessarily being able to state the full reasoning process in explicit, documented form. In business analysis, professionals often develop intuition through repeated exposure to stakeholders, business processes, organisational constraints, and previous project outcomes. For example, an experienced analyst may sense that a proposed requirement will create operational difficulties or that a stakeholder concern reflects an unstated business need, even before all supporting evidence has been formally articulated. This knowledge resides in the individual's judgement, perceptions, and accumulated practical experience, rather than in a manual, process description, or shared organisational artefact. Tacit knowledge is therefore valuable when analysts interpret ambiguous information, identify patterns, and make context-sensitive decisions. It can be shared and strengthened through collaboration, mentoring, observation, reflection, and communities of practice, although it is not transferred as directly as explicit knowledge. The distinction between tacit and explicit knowledge originates in knowledge-management theory, including the work of Ikujiro Nonaka; see Knowledge

Management Tools: Tacit and Explicit Knowledge and Asian Productivity Organization: Knowledge Management Tools and Techniques.

QUESTION NO: 11

Which of the following would BEST be managed with the "keep satisfied" stakeholder management strategy?

A. Those with high power/influence and no interest in the project.

B. Those with high power/influence and some interest in theproject.

C. Those with some power/influence and high interest in the project.

D. Those with some power/influence and some interest in the project.

ANSWER: A

Explanation:

Those with high power/influence and no interest in the project are best managed using the “keep satisfied” strategy. In a power-interest stakeholder matrix, these stakeholders have substantial ability to affect decisions, resources, approvals, priorities, or the project’s overall direction. Their current interest is low, so they do not require the frequent, detailed two-way engagement used for stakeholders who are both highly influential and highly interested. Nevertheless, their power means that the business analyst or project team must ensure they remain appropriately informed, confident that the work is being governed well, and free from concerns that could prompt them to intervene adversely. Communication should therefore be targeted and proportionate: provide concise status updates, highlight significant decisions, risks, benefits, and exceptions, and seek input when an issue falls within their authority or could materially affect them. This approach preserves their satisfaction without unnecessarily consuming their time or overwhelming them with operational detail. Stakeholder analysis is an ongoing activity, because interest and influence can change as the initiative progresses; a stakeholder who becomes more interested may require a more intensive engagement approach. See the Association for Project Management’s guidance on stakeholder engagement and its overview of stakeholder analysis.

QUESTION NO: 12

In which of the following circumstances do buyers have high bargaining power?

A. When alternative sources of supply are readily available and easy to find.

B. When the cost of a product or service is low.

C. When switching costs are high.

D. When the supplier brand is powerful.

ANSWER: A

Explanation:

When alternative sources of supply are readily available and easy to find, buyers have high bargaining power because they can choose among competing sellers rather than depending on a single provider. This is a core condition in Porter’s Five Forces framework: buyer power rises when customers have credible alternatives and can readily compare or replace suppliers. A buyer can use the possibility of moving its purchases to another source to negotiate for a lower price, improved quality, more favourable contract terms, or additional service. The supplier’s ability to retain the customer is therefore reduced, particularly where comparable products or services are offered by several vendors and information about those alternatives is accessible.

For business analysis, recognising this condition helps assess competitive pressure in an industry and identify implications for a supplier’s strategy. Businesses facing buyers with many readily accessible supply options may need to differentiate their offering, strengthen relationships, deliver distinctive value, or reduce the practical effort involved for customers to continue buying from them. Harvard Business School’s overview of Porter’s Five Forces identifies buyer bargaining power as a force shaping industry competition. The [Porter's Five Forces analysis] likewise highlights the availability of alternative suppliers as a key driver of customer negotiating leverage.

QUESTION NO: 13

A stakeholder in a project has been classified as having no interest but high power/influence on the power/interest grid. Which of the following would be an appropriate way of managing this stakeholder?

A. Ignore.

B. Watch.

C. Keep satisfied.

D. Keep informed.

ANSWER: C

Explanation:

Keep satisfied. is the appropriate approach for a stakeholder with high power or influence but low interest in the project. In a power/interest grid, this stakeholder can materially affect decisions, resources, approvals, priorities, or the project's continued support, even though they do not want detailed day-to-day involvement. The business analyst or project team should therefore actively maintain a positive relationship, understand any concerns that could increase their interest or opposition, and provide concise, relevant updates at appropriate points—particularly when decisions, risks, milestones, or requested support may affect them. The aim is not to overload the stakeholder with operational detail, but to ensure they remain confident that the work is controlled and aligned with their expectations. This is commonly described as the "keep satisfied" quadrant of the stakeholder power/interest matrix. Stakeholder analysis supports selecting an engagement approach that matches both a person's influence and their current level of interest. Guidance on stakeholder engagement and the use of power/interest grids is available from the Association for Project Management and in PMI's overview of stakeholder management strategies.

QUESTION NO: 14

The V model is an example of which of the following?

A. A business analysis process model.

B. A systems development lifecycle.

C. A concerns-based adoption model.

D. A soft systems methodology.

ANSWER: B

Explanation:

The V model is an example of **a systems development lifecycle**. It is a structured development approach that represents the relationship between specification and design activities on one side of the "V" and the corresponding verification and validation testing activities on the other. Requirements are defined and progressively refined into system, architectural, and component designs; each level is then validated through an associated level of testing, such as acceptance, system, integration, and unit testing. This explicit pairing helps ensure that the delivered system can be demonstrated to meet the needs and requirements established earlier in the lifecycle.

For business analysts, the V model is particularly relevant because clear, testable business and stakeholder requirements provide the basis for acceptance testing and validation of the completed solution. The model is commonly used where disciplined controls, documentation, traceability, and early test planning are important, including regulated or safety-critical environments. The UK Government's Systems Engineering Management Guide describes the V-model as a lifecycle representation linking development stages with verification and validation activities. See the [UK Systems Engineering Management Guide] and the [IBM overview of the V-model].

QUESTION NO: 15 - (SIMULATION)

The requirements catalogue documents the business user or users who requested the requirement. Which heading in the requirements catalogue template would this information be recorded?

1. Owner.

2. Justification.

3. Author.

4. Source.

ANSWER: Check the explanation for the answer

Explanation:

Correct answer: 4. Source.

The **Source** heading records the person, business user, stakeholder, or other origin from which the requirement was requested or obtained.

Owner is typically the person accountable for the requirement.
Justification explains why the requirement is needed.
Author identifies who wrote or documented the requirement.

QUESTION NO: 16

Business Analysis competencies are divided into three groups. Which of the following are the groups of competencies for a Business Analyst?

a. IT skills.

b. Behavioural skills and personal qualities.

c. Techniques.

d. Project Management Support.

e. Business Knowledge.

A. b, c and e.

B. a, band e.

C. b, c and d.

D. a, dand e.

ANSWER: A

Explanation:

b, c and e. is correct because the established business-analysis competency model groups a practitioner's capability into behavioural skills and personal qualities, business-analysis techniques, and business knowledge. Behavioural skills and personal qualities cover how the analyst works with people and approaches work, including communication, relationship building, analytical thinking, and professional conduct. Techniques are the structured methods used to investigate business situations, define requirements, model processes, evaluate options, and support change. Business knowledge is the understanding required to apply those techniques appropriately in an organisation's context, including its industry, operating environment, strategy, processes, and domain terminology.

These three areas are complementary: an analyst needs sound methods, sufficient knowledge of the business context, and the interpersonal and personal capabilities to engage stakeholders and turn analysis into useful outcomes. This classification is reflected in the BCS business-analysis body of knowledge and its foundation-level syllabus, both of which treat business knowledge, techniques, and behavioural/personal qualities as core areas of professional capability. See the BCS Business Analysis Foundation syllabus and the BCS Business Analysis reference text.

QUESTION NO: 17

The Internal Rate of Return has been calculated for an option in a Business Case. Which ONE of the following statements is true?

A. The Net Present Value is not known.

B. The DCF Rate is not known.

C. The Net Present Value is Zero.

D. The DCF Rate is Zero.

ANSWER: C

Explanation:

The Net Present Value is Zero. The internal rate of return is the discount rate that makes the present value of an investment's expected cash inflows equal to the present value of its cash outflows. Consequently, when the future cash flows in the business case are discounted using the calculated internal rate of return, their net present value equals zero. This is the defining mathematical relationship of the measure, rather than merely a result that may occur under particular circumstances.

In a business case, this relationship allows the calculated rate to be compared with the organization's required return, hurdle rate, or cost of capital. If the internal rate of return exceeds the relevant required rate, the projected cash flows generate a positive net present value when assessed at that required rate; if it is below the required rate, the investment may not meet the organization's return criterion. The rate itself is therefore derived by solving the zero-net-present-value condition for the forecast cash-flow series. Microsoft's documentation describes the IRR function as returning the internal rate of return for a series of cash flows and notes that this is the rate at which the net present value is zero: Microsoft Support: IRR function. See also Corporate Finance Institute: Internal Rate of Return.

QUESTION NO: 18

Cars, trucks and motorbikes are all types of vehicle. What structure could be used on a class model to model this?

A. Generalization

B. Association class

C. Exclusivity relationship

D. The «include» construct

ANSWER: A

Explanation:

Generalization is the appropriate class-model structure because it represents an "is a kind of" relationship between a more general classifier and its specialized classifiers. In this example, *Vehicle* is the general superclass, while *Car*, *Truck*, and *Motorbike* are specialized subclasses. Each specialized class inherits the common properties and behaviors defined for Vehicle, such as registration number, manufacturer, or the ability to be registered, while also allowing each type to define characteristics unique to it. For example, Truck could include load capacity and Motorbike could include engine displacement.

In UML, generalization is normally shown as a solid line from the specialized class to the general class, ending in a hollow triangular arrowhead pointing to the general class. This structure helps avoid duplicating shared attributes and operations across several classes, while making the business-domain hierarchy explicit. The Object Management Group's UML specification defines generalization as a taxonomic relationship in which a specific classifier is a specialized form of a general classifier and is substitutable for it. See the OMG UML 2.5.1 specification and the UML generalization notation overview.

QUESTION NO: 19

The term 'happy day' is often used in the context of which of the following investigation techniques?

A. Protocol analysis.

B. Scenarios.

C. Activity Sampling.

D. Document analysis.

ANSWER: B

Explanation:

"Scenarios." is correct because a happy-day scenario describes the normal, successful path through a business process, user interaction, or proposed system function. It assumes that the expected inputs, decisions, and handoffs occur without exceptions, errors, or unusual conditions. Business analysts use scenarios to investigate and communicate how a user or stakeholder achieves a goal in a realistic sequence of steps. Establishing this successful baseline helps clarify the intended process, identify business rules and requirements, and provide a foundation from which alternative flows, failures, and exception cases can later be explored.

In requirements work, this is also commonly called the "happy path": the route in which everything proceeds as planned and the user reaches the desired outcome. Scenario-based investigation is especially useful because it makes abstract requirements concrete, supports discussion with stakeholders, and can be developed into use cases, process models, acceptance criteria, or test cases. The Agile Alliance defines the happy path as the expected flow with no errors or exceptions, while GAQM's Certified Business Analyst Foundation certification covers core business-analysis practices and techniques. See the Agile Alliance happy-path glossary and GAQM Certified Business Analyst Foundation overview.

QUESTION NO: 20

Which of the following lists includes only activities that are defined as support activities in the value chain?

A. Firm infrastructure, service, marketing and sales.

B. Inbound logistics, outbound logistics, operations.

C. Procurement, technology development, human resource management.

D. Service, procurement, firm infrastructure.

ANSWER: C

Explanation:

Procurement, technology development, human resource management is correct because these are all support activities in Porter's value-chain model. Support activities provide the capabilities, resources, systems, and governance that enable the organization's primary activities to create and deliver value. Procurement covers acquiring inputs and resources used throughout the business, not merely purchasing materials for one operational stage. Technology development includes activities such as research and development, process improvement, automation, information systems, and other technologies that improve how value is created. Human resource management covers recruiting, hiring, training, development, compensation, and retention of employees across the organization.

In Porter's model, the complete set of support activities also includes firm infrastructure, such as general management, planning, finance, legal functions, and quality management. These support activities span the whole value chain and help improve effectiveness, cost efficiency, differentiation, and competitive advantage. Understanding this distinction helps a business analyst identify whether an organizational capability is directly involved in producing, marketing, delivering, or servicing an offering, or whether it enables those value-producing activities. See University of Cambridge Institute for Manufacturing: Value Chain Analysis and Mind Tools: Porter's Value Chain.