

PRACTICE QUESTIONS

Microsoft

AB-731

AI Transformation Leader

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EDITION Free Set 2

QUESTIONS 10

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EXAM Microsoft AB-731, AI Transformation Leader

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10 practice questions for the Microsoft AB-731 exam, AI Transformation Leader, each followed by its answer and a short explanation. More free sets and the full practice exam: www.aiexamcerts.com/microsoft/ab-731.
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1. A leadership team wants to prioritize AI investments across departments. Which criterion should weigh most heavily?
 - A Which department has the largest headcount and the biggest technology budget this year
 - B Which vendor sent the most persuasive proposal
 - C Expected business value weighed against feasibility, data readiness and risk
 - D Which tool is trending most on social media

Answer: C

A prioritization that weighs expected value against feasibility, data readiness and risk focuses investment where it is most likely to pay off. Headcount is a tempting proxy for impact, but a large department does not guarantee a valuable use case. Vendor persuasiveness and social media trends are not business criteria.

2. Generative AI projects should be judged only on whether the model's outputs look impressive in a demonstration.
 - A True
 - B False

Answer: B (False)

A demonstration shows capability in a controlled setting, not whether the solution performs reliably, is adopted, or improves an outcome in daily work. Projects should be judged on measured results. The statement is false.

3. A customer-facing AI system will make recommendations that affect eligibility for a service. Which governance step is most important before launch?
 - A A marketing campaign that highlights the system's accuracy, its speed and the number of customers served
 - B A decision to publish the model on a public website
 - C A documented review of fairness, human oversight and appeal options, approved by an accountable owner
 - D A plan to remove human staff from the eligibility decision

Answer: C

Eligibility decisions require a documented fairness review, human oversight and an appeal route approved by an accountable owner. A marketing campaign is a tempting launch activity, but it does not address harm. Public publication and removing human oversight both increase risk for affected people.

4. Ensuring that an AI system behaves as its designers intended, including under unexpected conditions, is the responsible AI principle of reliability and _____.

Answer: safety

Reliability and safety means the system performs consistently and avoids harm, including in unexpected conditions. Security is a tempting answer because it also protects people, but it belongs to the separate privacy and security principle. The principle is reliability and safety.

5. Which two capabilities help an organization control what a deployed AI agent is allowed to do? (Choose two.)

- A Scoped permissions and approved actions for each agent
- B Unlimited access to every connected data source for convenience
- C Public sharing of the agent's configuration to speed up reviews
- D Human approval steps before high-impact actions are executed
- E Automatic execution of all actions suggested by the model

Answer: A, D

Scoped permissions and approval steps for high-impact actions limit what an agent can do and keep people in control. Unlimited access is a tempting convenience for makers, but it expands exposure. Public configuration sharing and automatic execution remove the controls that matter.

6. Which signal most strongly suggests that a proposed AI use case is ready to move from pilot to scaled deployment?
- A Senior leaders have praised the idea in a board presentation and asked for a rollout plan soon
 - B The pilot team has produced a long list of new feature ideas
 - C The vendor has announced a new version of the underlying model
 - D The pilot met its agreed KPIs, and users kept using the tool after the trial period

Answer: D

Meeting agreed KPIs and sustained voluntary use after the trial indicates real value and adoption. Leadership praise is a tempting endorsement, but it is not evidence of outcome. A long feature list and a vendor version change reflect activity outside the pilot's results.

7. Which approach best prevents an AI portfolio from filling up with low-value experiments?
- A A stage gate with clear entry criteria and a sunset rule for pilots that miss their targets
 - B Approving every idea submitted by any employee during the year, so that no suggestion is lost
 - C Letting each team fund its own experiments without any review
 - D Counting the number of pilots as the main success measure

Answer: A

Stage gates with entry criteria and sunset rules stop weak experiments from consuming resources indefinitely. Approving every idea is a tempting way to encourage participation, but it dilutes focus. Unreviewed funding and pilot counts both reward activity over value.

8. A Copilot agent that answers only from a company's own content can still produce incorrect answers, so its outputs need monitoring and human review where stakes are high.
- A True
 - B False

Answer: A (True)

Grounding reduces some errors but does not eliminate them, because the agent may misread or lack relevant content. Monitoring and review remain necessary, especially for high-stakes use. The statement is true.

9. What is the main purpose of a data classification scheme for AI projects?
- A To rank datasets by file size for storage planning and budgeting across all departments
 - B To choose the color code used in data dashboards
 - C To decide which data may be used with which AI tools, based on its sensitivity
 - D To count how many people have accessed a dataset each year

Answer: C

A classification scheme sets which data can be used with which tools according to sensitivity, which is the basis for AI data governance. File size is a tempting storage question, but it does not determine permitted use. Dashboard colors and access counts are unrelated to this decision.

10. Which practice is most important when using third-party data to train or ground an AI model?
- A Assuming public data has no usage restrictions
 - B Mixing the third-party data with internal data to hide its origin
 - C Deleting the source information after the first use
 - D Confirming the data's license and usage rights before it is used

Answer: D

Confirming license and usage rights ensures the organization is permitted to use the data for that purpose. Assuming public data is unrestricted is a tempting shortcut, but public availability is not permission. Mixing data to hide its origin and deleting source records both remove the evidence needed to show rights.