



PMP Exam Prep—Questions, Answers & Explanations, 2013 Edition

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by [Christopher Scordo](#)

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Recommend? yes no



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Christopher Scordo,
PMP, ITIL



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All inquiries should be addressed via email to:

support@ssilogic.com

or by mail post to:

SSI Solutions, INC

340 S Lemon Ave #9038

Walnut, CA 91789

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Thank you for selecting SSI Logic's *PMP® Exam Prep – Questions, Answers, and Explanations* for your PMP study needs. The goal of this book is to provide condensed mock exams and practice tests which allow you to become comfortable with the pace, subject matter, and difficulty of the PMP exam.

The content in this book is designed to optimize the time you spend studying in multiple ways.

1. Practice exams in this book are condensed to be completed in one hour; allowing you to balance your time between practice tests and offline study.
2. Passing score requirements in this book are slightly higher than the real exam; allowing you to naturally adjust to a higher test score requirement.
3. Practice exams included in this book cover the entire scope of the PMP exam, while shorter quizzes focus only on specific Knowledge Areas outlined in the *PMBOK® Guide*.

The practice exam content in this book is structured into two general types of exam preparation:

- "Lite" Mock Exams, which allow you to test your knowledge across condensed versions of the PMP exam; designed to be completed within one hour.
- Knowledge Area Quizzes, which reflect brief practice tests focused on specific Knowledge Areas outlined in the *PMBOK® Guide* designed to be completed in 15 minutes.

We wish you the best of luck in your pursuit to become a certified PMP.

PMP Exam Updates as of July 31, 2013

This book reflects the updated version of the PMP exam put into place worldwide starting July 31st, 2013. While many refinements have been applied to the material to be tested on, a new Knowledge Area, Project Stakeholder Management, represents one of the more significant additions students should be aware of. **Please note: The *PMBOK® Guide – Fifth Edition* is the definitive reference text for the PMP certification exam.**

To accommodate the updated exam format, this book has been revised extensively so that exam updates are taken into account. All mock exams have been revised to align with the updated exam format, and a dedicated "Focus Area Test" has been added specifically for Project Stakeholder Management. Further, an additional focus on Project Stakeholder Management exists appropriately throughout the baseline practice exams in this book.

PMP Exam Overview

The PMP practice questions in this book reflect the PMP exam version updated July 31, 2013; and based on the content contained within the *PMBOK® Guide – Fifth Edition*.

About the Project Management Professional (PMP) Certification

The PMP certification is managed by the Project Management Institute (PMI®) and reflects the PMI's project management processes as published in the *PMBOK® Guide*. Since 1984, the PMP certification has become one of the most sought after internationally recognized management credentials available. The average salary of a PMP certified manager is 14% higher than individuals without the PMP certification.

The PMP certification is a globally recognized credential, and individuals are encouraged to remain active via PMI's Continuing Certification Requirements (CCRs). Only individuals who maintain active PMP credentials may refer to themselves as Project Management Professionals. Individuals do not need to be a member of PMI to earn a PMP credential.

The minimum requirements in attaining the PMP certification:

- Education: At a minimum, A high school diploma is required
- Project management experience
 - 36 months and 4500 hours of professional experience for individuals with a Bachelor's degree or global equivalent (within the past 8 years)
 - 60 months and 7500 hours of professional experience for individuals without a Bachelor's degree or equivalent (within the past 8 years)
- Project Management Education: 35 contact hours of formal education
- Ethics: Agree to PMI's Code of Ethics and Professional Conduct
- **Pass the PMP Exam**

The Ten Knowledge Areas of the *PMBOK*[®] *Guide*

The ten knowledge areas outlined in the *PMBOK*[®] *Guide* and covered by the PMP exam are listed below.

- Project Integration Management
- Project Scope Management
- Project Time Management
- Project Cost Management
- Project Quality Management
- Project Human Resource Management
- Project Communications Management
- Project Risk Management
- Project Procurement Management
- Project Stakeholder Management

Additionally, the PMP practice exam content in this book include questions on the overall Project Management Framework and Professional Responsibility; reflecting the real PMP exam.

The nine knowledge areas contain a total of 47 processes which are applied to **five basic process groups**. These five basic process groups, or "domains", are common across all projects and listed below along with the percentage of questions one should expect on the PMP exam:

1. Initiating (13%)
2. Planning (24%)
3. Executing (30%)
4. Controlling and Monitoring (25%)
5. Closing (8%)

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Exam 1 Test Questions

1. Daniel is managing the development of an ecommerce website for his organization. Daniel enjoys coercive powers and has assigned Julie, a project team member, to facilitate the team meetings. During any team meeting, Julie must? ?
 - A. Influence team members to support the project manager's decisions
 - B. Support the team members to challenge the project manager's decisions
 - C. Negotiate with team members to achieve the project objectives
 - D. Remain neutral and facilitate the meetings

2. You are a consulting project manager and have been contracted by an investment bank to run a large information technology project that is expected to last 15 months. During the Direct and Manage Project Work process, you discover that several regulatory requirements have not been addressed in the project management plan. Failure to meet these requirements could result in legal action against the company. However, implementing the technology to comply with these regulations exceeds the budget and scope of the project, and could result in the cancellation of the project. What should you do? ?
 - A. Submit a change request to incorporate the missed requirements to the project's scope.
 - B. Do not do anything as these requirements are not a part of the scope baseline.
 - C. Request additional funds to implement these requirements.
 - D. This is a classical example of scope creep and such requirements must be ignored.

3. A fundamentally functional organization creates a special project team to handle a critical project. This team has many of the characteristics of a project team in a project organization and has a Project manager dedicated to the project. Such an organization would be called: ?
 - A. A projectized organization
 - B. A functional organization.
 - C. A strong matrix organization
 - D. A composite organization

4. As you are creating the Activity List, which technique is recommended for subdividing the project into smaller components called activities? ?
 - A. Decomposition
 - B. Rolling Wave Planning
 - C. Expert judgment
 - D. Deconstruction

5. Linda has been assigned to establish a PMO in her organization. Linda believes that this project cannot be successful unless all of the key project stakeholders support the project. She also believes that she needs to pay special attention on stakeholder management to ensure success of this project. As the first step, she needs to develop her stakeholder register. Which of the following processes must be started by Linda to produce the project stakeholder register? ?
- A. Plan Stakeholder Management
 - B. Control Stakeholder Engagement
 - C. Identify Stakeholders
 - D. Manage Stakeholder Engagement
6. The Create WBS process identifies the deliverables at the _____ level in the Work Breakdown Structure (WBS). ?
- A. Lowest
 - B. Any
 - C. Tenth
 - D. Highest
7. What is the primary risk with including reserves or contingency allowances in your cost estimate? ?
- A. Cancelling your project
 - B. Understating the cost estimate
 - C. Overstating the cost estimate
 - D. Tracking the funds
8. Which of the following statements most accurately describes a project scenario? ?
- A. Changes in project scope during the initial phases of the project are very expensive.
 - B. The influence of the stakeholders is the same all through the project.
 - C. Staffing peaks up during the execution phase of a project.
 - D. The next phase of a project should never start until the deliverables for the previous phase have been completely reviewed and approved.
9. Which of the following is not an organizational process asset that is used during the Plan Human Resource Management process? ?
- A. Template for organizational charts
 - B. Template for position descriptions
 - C. Standardized role descriptions
 - D. Standardized stakeholder list
10. With the establishment of a PMO in an organization, the project ?

management jargon is being adopted by the employees. However, few people are still struggling with the project management terminologies. One of the most common confusion is the difference between a project stakeholder and a key stakeholder. Who are the key stakeholders?

- A. Individuals, groups or organizations in a decision making position.
- B. Individuals, groups or organizations actively involved in the project.
- C. Individuals, groups or organizations affected by the project.
- D. Individuals, groups or organizations carrying out the project work.

11. Perform Integrated Change Control includes several configuration management activities. Which of the following is not part of Perform Integrated Change Control? ?

- A. Change request
- B. Configuration Verification
- C. Configuration Status Accounting
- D. Configuration Identification

12. After brainstorming potential project risks, what is the recommended method for prioritizing these risks and their mitigation plans? ?

- A. RACI chart
- B. Control chart
- C. Fishbone Diagram
- D. Probability and impact matrix

13. If you are influencing factors that create changes to the cost of the project, which process are you using? ?

- A. Negotiate Costs
- B. Estimate Costs
- C. Control Costs
- D. Determine Budget

14. 14.) If you are requesting a vendor quote for a defined scope, what is the recommended contract type? ?

- A. Fixed price
- B. Commission
- C. Cost reimbursable
- D. Time and materials

15. 15.) All of the following are interpersonal skills EXCEPT: ?

- A. Resisting to change
- B. Building trust
- C. Resolving conflict

D. Active listening

16. 16.) What is the logical sequence of the Project Scope Management processes? ?

- A. Create WBS, Collect Requirements, Define Scope, Validate Scope, and Control Scope
- B. Define Scope, Collect Requirements, Create WBS, Validate Scope, and Control Scope
- C. Plan Scope Management, Collect Requirements, Define Scope, Create WBS, Validate Scope, and Control Scope
- D. Plan Scope Management, Collect Requirements, Define Scope, Validate Scope, Create WBS, and Control Scope

17. The most detailed level of the WBS is called the _____ . ?

- A. WBS element
- B. Work package
- C. Project scope
- D. Deliverable

18. Which of the following is a hierarchical representation of project risks? ?

- A. Risk Register
- B. Risk Mitigation
- C. Risk categories
- D. Risk Breakdown Structure

19. Which of the following is a tool or technique used in the Monitor and Control Project Work process? ?

- A. Expert judgment
- B. Rejected change requests
- C. Earned value technique
- D. Change control tools

20. A large network hardware upgrade project was scheduled to take place over a weekend. During the course of the implementation, several previously unidentified dependencies for additional materials were discovered. The project manager gave approval for the tech staff doing the implementation procure with corporate credit cards several hundred dollars worth of additional equipment required to complete the implementation. However these additional expenses caused the project to exceed its budget. How should the project manager handle this? ?

- A. Ask the IT Director to cover those expenses from his budget.
- B. Advise the staff to submit expense reports for the purchases. Because the cost is relatively small, it can be categorized as miscellaneous purchases that are not associated with the project.

- C. Notify the project stakeholders immediately of the additional expenses incurred and follow project and or company procedures for budget variances.
- D. Do nothing- that's what reserves are for.
21. During the Plan Procurement Management phase, the make-or-
____analysis must be completed. This technique prompts the project team to determine the source of their item. ?
- A. lease
B. buy
C. find
D. ignore
22. Which of these precedence relationships is least commonly used in Precedence Diagramming Method? ?
- A. Start to Start
B. Finish to Finish
C. Finish to Start
D. Start to Finish
23. A RACI chart is an example of a _____ . ?
- A. Network
B. Flowchart
C. Responsibility assignment matrix
D. Hierarchical-type organization chart
24. If the project's current total earned value (EV) is \$100,000 and the actual amount spent (AC) is \$95,000, what is the cost variance of the project? ?
- A. The cost variance is 1.05
B. The cost variance is 5,000
C. The cost variance is 0.95
D. The cost variance is -5,000
25. Your company has temporarily assigned you to serve as a project manager at a company location outside your home country. While meeting with a vendor your first day on the job, you are presented with a gift. The corporate policy at the headquarters in your home country prohibits employees from accepting these types of gifts. However, as you are new to this location, you believe- but are not sure-that the local policy, as well as local custom may differ. How should you respond? ?
- A. Provide a gift of similar value to the vendor at your next meeting.
B. Accept the gift but do not tell anyone.
C. Respectfully tell the vendor you are not sure of corporate policy, and will need to ask your management before you can accept gifts

of any size.

- D. Accept the gift this time, but ask your manager about the local policy afterwards.

26. If you are writing a proposal for additional funding, which communication style should you choose? ?

- A. formal and horizontal
- B. formal and vertical
- C. informal and vertical
- D. informal and horizontal

27. If you want a group of experts to identify project risks, but also want unbiased data, what is an appropriate technique to use? ?

- A. Interviewing
- B. Delphi technique
- C. Assumption analysis
- D. Brainstorming

28. If you are working on a project with constantly changing scope, which contract type would work best when hiring an outside vendor to complete a portion of the work? ?

- A. Cost reimbursable
- B. Lump sum
- C. Time and material
- D. Fixed price

29. Which process of integrative project management documents the actions necessary to define, prepare, integrate, and coordinate all subsidiary plans into a project management plan? ?

- A. Direct and Manage Project Work
- B. Monitor and Control Project Work
- C. Develop Project Charter
- D. Develop Project Management Plan

30. Mary is currently focusing on controlling the key stakeholder engagement on her project. The project management plan is an essential input to this process. Which of the following components of the project management plan is least likely to be utilized during this process? ?

- A. Stakeholder communication needs and expectations
- B. Project management processes selected for the project
- C. Change management process
- D. Human resource requirements

31. A project manager scheduled a review at the end of a phase, with the ?

objective of obtaining authorization to close the current project phase and initiate the next phase. Which of the following is an incorrect way of describing this review?

- A. Phase gate
- B. Phase planning
- C. Kill point
- D. Stage gate

32. If you are measuring the quality of items in a sample on a pass/fail basis, what is that called? ?

- A. Attribute sampling
- B. Biased sampling
- C. Variable sampling
- D. Stratified sampling

33. The Requirements Traceability Matrix helps in tracing all of the following except: ?

- A. Requirements to project objectives
- B. Requirements to project scope
- C. Requirements to test strategy
- D. Requirements to project risk

34. Which of the following should you NOT use as an input into creating the WBS structure? ?

- A. Bill of Material (BOM)
- B. Project scope statement
- C. Organizational process assets
- D. Requirements documentation

35. You are on the vendor selection committee for a large IT project that you will be managing for your company. Your friend works for a company that is planning to bid on the project. During a social dinner, the friend tells his job is on the line if his company does not win the contract. What should you do? ?

- A. Notify the project stakeholders that you have social ties with one of the vendors, and excuse yourself from the selection committee.
- B. Tell the friend you will do what you can, but don't actually act on this.
- C. Don't mention your relationship to anyone involved with the project, but push for the friend's company during the selection process.
- D. This is simply networking. Let the project stakeholders know you have a social connection to the vendor and recommend they get the business.

36. Which term best describes the Identify Risks process? ?
- A. Finite
 - B. Redundant
 - C. Iterative
 - D. Inconsequential
37. During the Plan Risk Management process, assigning _____ will help you and the project team identify all important risks and work more effectively during the identification process. ?
- A. risk factors
 - B. blame
 - C. risk mitigation plans
 - D. risk categories
38. Which of these processes is NOT a project time management process? ?
- A. Create WBS
 - B. Develop Schedule
 - C. Define Activities
 - D. Sequence Activities
39. The technique most commonly used by project management software packages to construct a project schedule network diagram is: ?
- A. Activity-On-Node (AON)
 - B. Finish-to-Start (FS)
 - C. Activity-In-Node (AIN)
 - D. Node-On-Activity (NOA)
40. Which of the following defines the total scope of the project and represents the work specified in the current approved project scope statement? ?
- A. Work Breakdown Structure (WBS)
 - B. Bill of Material (BOM)
 - C. Project Charter
 - D. Requirements Breakdown Structure (RBS)
41. If you are creating a new WBS for your project, what should you consider to save time during the creation process? ?
- A. Delegate the WBS creation since it is not an important process
 - B. Skip the WBS process
 - C. Use a previous WBS from a similar project as a template
 - D. Create a less detailed WBS
42. Which of these precedence relationships is most commonly used in ?

Precedence Diagramming Method?

- A. Finish to Start
- B. Start to Finish
- C. Start to Start
- D. Finish to Finish

43. You are the project manager in your organization. You have very little authority over the projects you manage, and you are mainly engaged in project coordination activities. You are currently struggling with obtaining the required human resources for your project during the Acquire Project Team process. Who you need to negotiate with to obtain these resources? ?

- A. The functional managers
- B. The project sponsor
- C. The customer
- D. Your line manager

44. A good quality audit should be: ?

- A. structured and independent
- B. informal and independent
- C. informal and internal
- D. structured and internal

45. What is the traditional way to display a reporting structure among project team members? ?

- A. Text-oriented role description
- B. Flowchart
- C. Hierarchical-type charts
- D. Matrix based responsibility chart

46. The Project Charter formally authorizes a project. Who authorizes the project charter? ?

- A. The project manager
- B. A project sponsor or initiator internal to the project
- C. The user of the product
- D. A project sponsor or initiator external to the project

47. In an ongoing project, the project sponsor and a manager of the performing organization are having conflicts. What would be your comment on this situation? ?

- A. The project manager needs to step in and handle the stakeholders' expectations. The stakeholders may have different objectives and interests in the project.
- B. The project manager needs to step in and handle the stakeholders'

expectations. All stakeholders are supposed to have the same objectives and interests in a project.

- C. The project manager should resolve in favor of the project sponsor since he is providing the funds for the project.
- D. The project manager should resolve in favor of the manager of the performing organization since they are executing the project and need to be kept in good books.

48. Project risks should be identified by:

?

- A. Those invited to the risk identification process only
- B. Key project stakeholders only
- C. The project manager only
- D. All project personnel

49. A control chart should always contain:

?

- A. Upper and lower warning limits
- B. The moving average
- C. Upper and lower control limits
- D. Upper and lower specification limits

50. When would Rolling Wave Planning be useful in a project?

?

- A. You should use Rolling Wave Planning to help you achieve the appropriate level of detail in each work package at the right time.
- B. You should use Rolling Wave Planning to determine the correct sequencing for long term items.
- C. You should use Rolling Wave Planning to help you organize team member's activities within a large project group.
- D. You should use Rolling Wave Planning to help you determine which activities are more important and should be done first.

Answers

1. D - Since the project manager enjoys coercive powers, it seems likely that he has assigned a neutral facilitator to facilitate the team meetings. Facilitation is a management skill. A good facilitator should always remain neutral in a meeting and help facilitate consensus when required. [*PMBOK 5th edition*, Page 408] [Project Stakeholder Management]
2. A - All regulatory requirements must be met. Not doing anything or considering this a scope creep are not valid options for the project manager. The project manager would have to request for additional funds but first he needs to submit a change request for approval. Change request can be submitted as a part of the Direct and Manage Project Work process. [*PMBOK 5th edition*, Page 85] [Project Integration Management]
3. D - This organization would be called a composite organization. [*PMBOK 5th edition*, Page 25] [Project Framework]

4. A - The decomposition technique allows the project manager to create smaller and more manageable pieces of work from the larger work packages. [*PMBOK 5th edition*, Page 151] [Project Time Management]
5. C - The stakeholder register is developed during the Identify Stakeholders process. [*PMBOK 5th edition*, Page 392] [Project Stakeholder Management]
6. A - The Create WBS process identifies the deliverables at the lowest level in the WBS, the work package. Project work packages are typically decomposed into smaller components called activities that represent the work necessary to complete the work package. [*PMBOK 5th edition*, Page 126] [Project Time Management]
7. C - Contingency funds are used to handle cost uncertainty due to unknown purchases that may be needed during a project. These funds are generally used for items that are likely to occur, but not certain to occur. [*PMBOK 5th edition*, Page 206] [Project Cost Management]
8. C - Staffing is typically the highest during the execution phase of the project. The other three responses may not hold true. Projects can move forward into subsequent phases without the deliverables of the prior phase being completely approved - this is known as fast tracking. Changes during the initial phases of the project are the least expensive. The influence of the stakeholders is the highest during the start of the project and reduces as the project moves to completion. [*PMBOK 5th edition*, Page 40] [Project Framework]
9. D - Standardized stakeholder list is not a valid organizational asset used in the Plan Human Resource Management process. The others are valid assets. Other assets are: Historical information on org structures that have worked in previous projects and organizational processes and policies. [*PMBOK 5th edition*, Page 260] [Project Human Resource Management]
10. A - All of the given choices correctly define the project stakeholders. However, the key stakeholders are the subset of the project stakeholders that are in a decision making position. [*PMBOK 5th edition*, Page 396] [Project Stakeholder Management]
11. A - Change request is not a valid response. The configuration management activities included in the Perform Integrated Change Control process are Configuration Identification, Configuration Status Accounting, Configuration Verification and Auditing. [*PMBOK 5th edition*, Page 96, 97] [Project Integration Management]
12. D - A probability and impact matrix will help filter the high risk items and high impact items from the others so that you can focus your attention on these riskier items. [*PMBOK 5th edition*, Page 331] [Project Risk Management]
13. C - Control Costs is the process of managing the project's costs and the changes that threaten the bottom line. [*PMBOK 5th edition*, Page 215] [Project Cost Management]
14. A - The fixed price contract works best with a very well defined project scope. [*PMBOK 5th edition*, Page 362] [Project Procurement Management]
15. A - Resisting to change is not a valid interpersonal skill. The rest of the choices are examples of interpersonal skills. [*PMBOK 5th edition*, Page 407] [Project Stakeholder Management]
16. C - The logical sequence of the six scope management processes are Plan Scope Management, Collect Requirements, Define Scope, Create WBS, Validate Scope and Control Scope. [*PMBOK 5th edition*, Page 105] [Project Scope Management]

17. B - The work package is the lowest and most detailed level of the WBS and can be scheduled, cost estimated, monitored, and controlled. [*PMBOK 5th edition*, Page 126] [Project Scope Management]
18. D - The Risk Breakdown Structure (RBS) is a hierarchical presentation of the project risks sorted by risk categories. [*PMBOK 5th edition*, Page 560] [Project Risk Management]
19. A - Expert Judgment is a tool or technique used in the Monitor and Control Project Work process. [*PMBOK 5th edition*, Page 86] [Project Integration Management]
20. C - Notifying project stakeholders and following proper procedures for dealing with budget variances is the best response. Attempting to pass off or hide an unexpected expense in another budget or in expense reports rather than following proper procedures is dishonest and unprofessional. The PMI code of ethics requires project managers to be honest, take responsibility for errors, and to follow all organizational rules and policies. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
21. B - The make-or-buy analysis is a technique used by the project manager to determine whether a particular work can be best completed by the project team or should be procured from outside sources. [*PMBOK 5th edition*, Page 365] [Project Procurement Management]
22. D - Start to Finish relationships indicate that the next task is not able to be completed until the one preceding it has started. This is not commonly used. [*PMBOK 5th edition*, Page 157] [Project Time Management]
23. C - A RACI chart outlines, in matrix form, the project tasks and who is responsible, accountable, consultable, and informable for each task. [*PMBOK 5th edition*, Page 226] [Project Human Resource Management]
24. B - The cost variance (CV) equals the EV - AC. In this case, the CV = \$5,000. [*PMBOK 5th edition*, Page 224] [Project Cost Management]
25. C - While organizational and cultural differences can cause conflict, the project manager is bound by the code of ethics to practice honestly, respect, professionalism, and to follow policies, regulations, and laws pertaining. The best choice is to decline the gift, and confer with management about gift policies. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2,3] [Prof. Responsibility]
26. B - Since this will be an official project document, it should be formal in nature. Additionally, since you are requesting money from someone higher up in the organization, you are creating a vertical communication. [*PMBOK 5th edition*, Page 287] [Project Communications Management]
27. 27.) B - The Delphi technique involves anonymous questionnaires circulated to a group of experts and provides an unbiased assessment of the risks. [*PMBOK 5th edition*, Page 324] [Project Risk Management]
28. C - The Time and Material (T&M) contract will allow the contract to change as the project scope changes. [*PMBOK 5th edition*, Page 364] [Project Procurement Management]
29. D - This statement describes the Develop Project Management Plan process. [*PMBOK 5th edition*, Page 72] [Project Integration Management]
30. B - All of the given choices are the components of the project management plan that can be utilized during the Control Stakeholder Engagement process. However, the key project stakeholders are usually not interested in the minor

details of the project; rather they are more interested in the project's objectives, the current progress, and the current risks and issues. From the given choices, 'the selected project management processes for the project' is the weakest choice. [PMBOK 5th edition, Page 411] [Project Stakeholder Management]

31. B - Stage Gates, Phase Gates and Kill Points refer to the same term and refer to a phase end review with the objective of obtaining authorization to close the current phase and starting the next one. This is a retrospective review of the current phase. The phase planning, on the other hand, is carried out early during the planning phase of the project. [PMBOK 5th edition, Page 41] [Project Framework]
32. A - The attribute sampling measures the quality characteristic of items in a sample on a pass/fail basis; on the other hand, the variable sampling measures the quality characteristic on a continuous scale. [PMBOK 5th edition, Page 250] [Project Quality Management]
33. D - Requirements Traceability Matrix is an output of the Collect Requirements process. It is used for tracing requirements to project scope, objectives, and test strategy. Tracing requirements to project risk is not a valid use. [PMBOK 5th edition, Page 117, 118] [Project Scope Management]
34. A - The Bill of Material (BOM) is not used as an input in the Create WBS process. The other three are valid inputs. [PMBOK 5th edition, Page 125] [Project Scope Management]
35. A - During the procurement process, predefined criteria are used to select vendors to supply goods and services. Circumventing this process to benefit a friend is a conflict of interest and is unfair to other vendors competing in good faith. The project management code of ethics demands that practitioners adhere to its standards at all times. The best response is to notify the project stakeholders that you have a conflict of interest, and excuse yourself from the selection committee. [PMI Code of Ethics and Professional Conduct, Page 3,4] [Prof. Responsibility]
36. C - The Identify Risks process is an ongoing, iterative process as risks are often identified throughout the project's life cycle. [PMBOK 5th edition, Page 321] [Project Risk Management]
37. D - Risk categories provide a structure that ensures a comprehensive process of systematically identifying risks and contribute to the effectiveness and quality of the process. [PMBOK 5th edition, Page 317] [Project Risk Management]
38. A - Create WBS is a process in the Project Scope Management area, while the other options are all Project Time Management processes. [PMBOK 5th edition, Page 105, 141] [Project Time Management]
39. A - The method used by most project management software packages to construct a project schedule network diagram is Activity-On-Arrow (AOA). This uses boxes or rectangles, called nodes to represent activities and connects them with arrows showing the logical relationship between them. [PMBOK 5th edition, Page 156] [Project Time Management]
40. A - The WBS is a hierarchical decomposition of the work to be executed by the project team and defines the total scope of the project. It represents the work specified in the current approved project scope statement. [PMBOK 5th edition, Page 126] [Project Scope Management]
41. C - Creating the WBS is a very important process, but often a previous WBS can be used as a template to save time and the potential rework of forgetting something important. [PMBOK 5th edition, Page 127] [Project Scope Management]

42. A - Finish to Start relationships indicate that the next task is not able to start until the one preceding it is completed. This is the most commonly used type of activity relationship. [*PMBOK 5th edition*, Page 157] [Project Time Management]
43. A - Since you have little authority over the projects you manage, you are working for a weak matrix organization. In such organizations the functional managers have more authority. You need to use the 'Negotiation' tool and technique from the Acquire Project Team process in order to obtain the required resources from the functional managers. [*PMBOK 5th edition*, Page 270] [Project Human Resource Management]
44. A - A quality audit should be a structured process performed by an independent entity to provide the best results. [*PMBOK 5th edition*, Page 247] [Project Quality Management]
45. C - A hierarchical-type organization chart can clearly show roles and reporting relationships within a team. [*PMBOK 5th edition*, Page 165] [Project Human Resource Management]
46. D - A project initiator or sponsor external to the project, at a level that is appropriate to funding the project, authorizes the project charter. [*PMBOK 5th edition*, Page 68] [Project Integration Management]
47. A - The project manager needs to recognize that the stakeholders could have conflicting interests and objectives. It is the responsibility of the project manager to successfully manage the stakeholders' expectations. [*PMBOK 5th edition*, Page 404] [Project Stakeholder Management]
48. D - While it is not feasible to invite everyone to the risk identification meetings, everybody should be encouraged to identify risks as they encounter them. [*PMBOK 5th edition*, Page 321] [Project Risk Management]
49. C - Upper and lower control limits allow the control chart to serve its purpose of indicating when a process is in or out of control. [*PMBOK 5th edition*, Page 238] [Project Quality Management]
50. A - Rolling Wave Planning is a technique used to create a more detailed work plan while keeping the right level of detail for each activity - activities happening sooner have more detail than those further in the future. [*PMBOK 5th edition*, Page 152] [Project Time Management]

Framework Test Questions

1. Which of the following is an input to the Develop Project Team process? ?
 - A. Resource Requirements
 - B. Resource Conflicts
 - C. Resource Calendars
 - D. Resource Breakdown Structure

2. Successful conflict management results in: ?
 - A. Decreased productivity but positive working relationships.
 - B. Greater productivity and positive working relationships.
 - C. Greater productivity but negative working relationships.
 - D. Decreased productivity and negative working relationships.

3. The transition from one phase to another within a project's life cycle (e.g. design to manufacturing) is typically marked by: ?
 - A. Kill point
 - B. Monte Carlo
 - C. Constraint
 - D. Decision tree

4. Ongoing operations and a project both have Initiating Processes, but only a project has _____. ?
 - A. Planning Processes
 - B. Closing Processes.
 - C. Controlling Processes
 - D. Executing Processes

5. Which of the following is an enterprise environmental factor? ?
 - A. Configuration management knowledge base
 - B. Change control procedures
 - C. Historical information
 - D. Commercial databases

6. Estimating the type and quantities of material, people, equipment or supplies required to perform each activity is: ?
 - A. Estimate Activity Workload
 - B. Estimate Activity Input
 - C. Activity Resource Requirements
 - D. Estimate Activity Resources

7. Which of the following is a classic organizational structure? ?

- A. Functional
 - B. Projectized
 - C. Composite
 - D. Matrix
8. Fill in the blank: _____ means developing in steps and continuing by increments. ?
- A. Progressive management
 - B. Iterative elaboration
 - C. Waterfall development
 - D. Progressive elaboration
9. Defining a new project or a new phase of an existing project relates to: ?
- A. Initiating process
 - B. Planning process
 - C. Scope management process
 - D. Control process
10. Which of the following is not a project competing constraint? ?
- A. Budget
 - B. Procurement
 - C. Risk
 - D. Resource

Answers

1. C - Resource calendars are input of the Develop Project Team process. [*PMBOK 5th edition*, Page 273] [Project Human Resource Management]
2. B - Successful conflict management results in greater productivity and positive working relationships. [*PMBOK 5th edition*, Page 283] [Project Human Resource Management]
3. A - The transition from one phase to another within a project's lifecycle generally involves, and is usually defined by, some form of technical transfer or handoff. These are also called as kill points. [*PMBOK 5th edition*, Page 41] [Project Framework]
4. B - A project is a finite effort; the Initiating Process Group starts the cycle, and the closing Process Group ends the cycle. [*PMBOK 5th edition*, Page 3] [Project Framework]
5. D - The commercial databases are considered enterprise environmental factors. Rest of the choices are organizational process assets. [*PMBOK 5th edition*, 29] [Project Framework]
6. D - Estimate Activity Resources is the process of estimating the type and quantities of material, people, equipment or supplies required to perform each activity. [*PMBOK 5th edition*, Page 160] [Project Framework]
7. A - A functional organization is a classical organizational structure. [*PMBOK 5th*

edition, Page 22] [Project Framework]

- 8.** D - Progressive elaboration is a characteristic of projects that allows a project management team to manage it to a greater level as the project evolves. [*PMBOK 5th edition, Page 55] [Project Framework]*
- 9.** A - The Initiating process group consists of the processes performed to define a new project or a new phase of an existing project by obtaining authorization to start the project or phase. [*PMBOK 5th edition, Page 54] [Project Framework]*
- 10.** B - Six competing project constraints are scope, quality, schedule, budget, resources and risk. Procurement is not a project competing constraint. [*PMBOK 5th edition, Page 6] [Project Framework]*

Exam 2 Test Questions

1. 1.) You are managing a multi-million dollar project, and discover several critical pieces of data in the project information repository have been modified without authorization. What should you do? ?
 - A. A. Determine the extent of the data breach, and implement security procedures to prevent a recurrence.
 - B. Determine the extent of the data breach and notify the appropriate project and company staff of the incident.
 - C. Determine the extent of the data breach, and restore the modified data from a backup.
 - D. Determine the extent of the data breach, and setup auditing to track further unauthorized access.

2. If you are developing a Project Management Plan, how should you determine the level of detail to be included in the plan? ?
 - A. Always only provide a summary or high level plan
 - B. Include only the details your manager specifically requested
 - C. Always provide the maximum level of detail possible
 - D. Provide the level of detail based on the project complexity and application area

3. If you want to have multiple vendors bid on your contract, what is the best way to ensure that all vendors have the same information before bidding? ?
 - A. Issue a standard request for bid and do not allow any questions
 - B. Hold a bidder conference
 - C. Communicate only through email
 - D. Develop a qualified sellers list

4. Randy is managing a project and identifies that there are 8 stakeholders in the project. He is worried that he might end up with an unmanageable number of communication channels. In your view, how many communication channels does Randy have to plan for? ?
 - A. 64 channels
 - B. 56 channels
 - C. 8 channels
 - D. 28 channels

5. Julie is currently populating her project's stakeholder register with the names and details of the people identified during the Identify Stakeholders process. Some of these people are not supporting the project but they can directly influence the project. Julie is adding these people to her project's stakeholder register because? ?
 - A. These people are negative stakeholders and they have to be closely

managed.

- B. Although these people are not stakeholders, they have influence over the project.
 - C. Julie is adding them to the stakeholder register as they are potential project stakeholders.
 - D. Although these are not stakeholders, their names were identified during the Identify Stakeholders process.
6. You have been asked to establish a project charter for your new project. According to PMBOK, who normally has the responsibility to authorize the charter? ?
- A. Company president or CEO
 - B. Project initiator or sponsor
 - C. Key project stakeholders
 - D. Project manager
7. In general, Perform Qualitative Risk Analysis is: ?
- A. not often completed
 - B. complete and 100% accurate
 - C. in-depth and thorough
 - D. quick and cost-effective
8. As a project manager, you are performing various project performance measurements to assess the magnitude of variation. You then attempt to determine the cause and decide whether corrective action is required. This would be known as: ?
- A. Scope Analysis
 - B. Variance Analysis
 - C. Performance Reporting
 - D. Configuration Management
9. Two efficiency indicators that reflect the cost and schedule performance of a project are: ?
- A. Cost Projection Index (CPI) and Schedule Projection Index (SPI)
 - B. Cost Performance Index (CPI) and Schedule Performance Index (SPI)
 - C. Actual Cost (AC) and Planned Value (PV)
 - D. Cost Pricing Index (CPI) and Schedule Performance Index (SPI)
10. Sarah has just started the Identify Stakeholders process for her project. She is currently looking for a template for the stakeholder register so that she doesn't have to reinvent the wheel. Where can she find stakeholder register templates? ?
- A. Organizational process assets

- B. Project charter
- C. Project management plan
- D. Enterprise environmental factors

11. If you want to compress a project schedule, what are two of the recommended alternatives to consider? ?

- A. Fast Tracking and Schedule Network Analysis
- B. Crashing and Fast Tracking
- C. Resource Leveling and What-If Scenario Analysis
- D. Crashing and Schedule Network Analysis

12. A project manager wishes to expand an existing list of sellers. Which of the following techniques should she consider? ?

- A. Bidder conferences
- B. Make or buy analysis
- C. Analytical techniques
- D. Advertising

13. Which of these tools is NOT a part of the Seven Basic Tools of Quality? ?

- A. Control Chart
- B. Statistical Sampling
- C. Flowcharting
- D. Scatter Diagram

14. Which quality control technique or tool should be used when trying to determine the cause of a major defect? ?

- A. Pareto Chart
- B. Control Chart
- C. Histogram
- D. Fishbone diagram

15. During a project update meeting for the key stakeholders, the schedule of some project activities was challenged. The VP Operations challenged that some of the critical path activities cannot be executed as scheduled as they will disturb critical operations. The VP has requested rescheduling of these tasks so that they are carried out during the non-working times of the business. What should the project manager do first? ?

- A. Analyze the impact of change
- B. Record the issue in the issue log
- C. Send the change request to the change control board for the approval
- D. Produce a change request

16. Why is it important to have a staff release plan for people within the project ?

team?

- A. It helps people manage their time.
- B. The project protects itself from lawsuit.
- C. It is not important.
- D. The project saves money by releasing people from the project at the right time and morale is also improved.

17. Midway through a project, a project manager determined that the project was running way behind schedule. If the project manager needs to shorten the project schedule, without changing the project scope, which of the following schedule compression techniques could be applied? ?

- A. Crashing
- B. Reserve Analysis
- C. Forecasting
- D. Last Tracking

18. At the end of a project, what will your schedule variance be equal to? ?

- A. Zero
- B. Equal to the total PV
- C. One
- D. Equal to the total EV

19. Quantitative risk analysis should be performed: ?

- A. only on risks identified by the project manager
- B. only in extreme cases
- C. only on prioritized risks
- D. on all risks

20. While a co-worker is out on vacation for two weeks, you are standing in for her as the project manager of a process improvement project. During project meetings it becomes apparent that there is a great deal of conflict between stakeholders, and as you review the project documentation you discover that the vacationing project manager has made several critical project decisions without collecting inputs from the stakeholders. Some of these decisions resulted in changes to the project scope, and did not go through the formal change management process. What should you do? ?

- A. Do nothing as you are a temporary project manager.
- B. Notify the project stakeholders and sponsor that the project scope has changed without proper authorization.
- C. Update the requirements document to include the scope changes.
- D. Make a formal change request to incorporate all previously unauthorized changes made to the scope.

21. While analyzing a project, the project manager calculated the ratio of the ?

Earned Value (EV) to the Actual Costs (AC) and obtained a value of 1.2. The project manager decided that this was an unfavorable condition to the project and decided to take corrective action. What is your view?

- A. The project manager is correct. The ratio of EV to AC is called Cost Performance Index and a ratio greater than 1 is unfavorable to the project
- B. The project manager is not correct. The ratio of EV to AC is called Cost Variance and a ratio greater than 1 is favorable to the project.
- C. The project manager is not correct. The ratio of EV to AC is called Cost Performance Index and a ratio greater than 1 is favorable to the project
- D. The project manager is correct. The ratio of EV to AC is called Cost Variance and a ratio greater than 1 is unfavorable to the project

22. Which of these is not an approved Estimate Activity Durations technique? ?

- A. Three Point Estimating
- B. Parametric Estimating
- C. Analogous Estimating
- D. Critical Path Estimation

23. If you are working on a project where there is no definite project detailed scope, but similar projects have been completed in the past, what is the correct Estimate Activity Durations tool to use? ?

- A. Analogous Estimating
- B. Parametric Estimating
- C. Critical Path Estimation
- D. Three Point Estimating

24. As project manager, you would like to show the relationship between two variables to help your project team understand the quality impacts better. Which tool should be used? ?

- A. Scatter Diagram
- B. Run Chart
- C. Fishbone Diagram
- D. Pareto Chart

25. You have been called in to give an executive presentation on the status of your project. Just before you walk into the meeting, you are informed that a critical resource for the project is no longer available, and could result in a substantial delay to the project. However, you believe there may be an alternative resource that could be used. What do you tell the executive committee? ?

- A. Wait until you have all facts before you advise the executive team.
- B. Ask your deputy project manager to add this to the risk database,

but do not mention it to the executive team.

- C. Advise the executive team of the situation exactly as you know it to be at that moment.
- D. Do not mention it to the executive team because you know that you have enough reserve to support a 2 month delay.

26. In a cause and effect diagram, which of these is not a potential cause? ?

- A. Personnel
- B. Problem statement
- C. Time
- D. Material

27. Which of the following is inaccurately represented by the term Progressive elaboration? ?

- A. Changes to project scope
- B. Rolling wave planning
- C. Detailing out the product requirements which were developed during the initiation process.
- D. Production of fabrication and construction drawings from the design drawings for a chemical plant.

28. Which document describes the project's deliverables and the work required to create those deliverables? ?

- A. Project authorization document
- B. Project scope statement
- C. Project scope management plan
- D. Project charter

29. During a presentation to management, you want to display the project schedule with only the key deliverables displayed. What is the correct tool for this purpose? ?

- A. Project schedule network diagram
- B. Critical path network
- C. Milestone chart
- D. Critical chain diagram

30. Susan is about to review her project stakeholder management plan to make some necessary adjustments. She has got her project management plan, the recent issue log and the work performance data. Which of the following inputs is still missing for this process? ?

- A. Project charter
- B. Stakeholder management plan
- C. Project documents

D. Communication management plan

31. Which of these items are important to address when determining each person's role in the project team? ?
- A. Role, authority, responsibility, and competency
 - B. Role, responsibility, and competency
 - C. Role and responsibility
 - D. Role, authority, and competency
32. If you want to reduce the number of quality inspections and thus reduce the cost of quality control for your project, which technique should be used? ?
- A. Run Chart
 - B. Defect Repair Review
 - C. Statistical Sampling
 - D. Pareto Chart
33. When beginning a new outsourcing project, what is the best way to determine which companies you should request a bid from? ?
- A. Send your proposal to the company you last worked with
 - B. Have someone else manage this part of the process
 - C. Send your proposal to everyone
 - D. Consult the qualified sellers list
34. Which of the following is not a general management technique used to generate different approaches to execute and perform the project work? ?
- A. Lateral thinking
 - B. Analysis of alternatives
 - C. Map Out
 - D. Brainstorming
35. Your boss advises you that your final project schedule and budget must be ready to present to the executive steering committee at a meeting later this week. A draft schedule has been completed based on estimates provided by your team. However, they have not yet had a chance to review the schedule to be sure their estimates are appropriate and realistic. Timing constraints make it impossible to complete this review before the meeting. What is the best approach? ?
- A. Present the estimate to your boss first and explain the basis of estimate.
 - B. Declare the faulty estimate to the executive steering committee.
 - C. Present the estimate in the meeting as a rough order of magnitude (ROM) estimate with an accuracy range of plus/minus 5%
 - D. Deny the request to present the estimate to the executive steering

committee.

36. Where would you find a detailed list and description of specific project assumptions associated with the project? ?
- A. Project charter
 - B. Project scope statement
 - C. Project configuration document
 - D. Change management plan
37. The date through which the project has provided actual status and accomplishments is called: ?
- A. Data Date (DD)
 - B. Due Date (DD)
 - C. Project Date (PD)
 - D. Reporting Date (RD)
38. Which of these is NOT a risk diagramming technique? ?
- A. System or process flow charts
 - B. Cause and effect diagram
 - C. RACI chart
 - D. Influence diagrams
39. Which of the following is a tool or technique for the Develop Project Team process? ?
- A. Organizational charts
 - B. Colocation
 - C. Acquisition
 - D. Conflict management
40. A hierarchical structure of resources organized by resource type category and resource type used in resource leveling schedules is known as: ?
- A. Team structure
 - B. Resource Pool
 - C. Organization breakdown Structure
 - D. Resource Breakdown Structure
41. A Project Manager's primary professional responsibility is towards: ?
- A. The performing organization
 - B. The project sponsor
 - C. All stakeholders
 - D. Customers

42. What does a Cost Performance Index (CPI) of more than 1.0 indicate? ?
- A. The project is over budget.
 - B. The project is right on budget.
 - C. The project is under budget.
 - D. The project is ahead of schedule.
43. Which of the following statements is correct? ?
- A. A collection of unrelated programs can constitute a portfolio.
 - B. The scope of a portfolio is typically smaller than that of a program.
 - C. A program is a group of unrelated projects.
 - D. A program need not consist of projects.
44. A project team member finds that the color scheme of the webpage he is designing appears too gaudy and decides to change it to a mellowed down color scheme. The independent testing team flags this as a defect and there is a heated discussion between the team member and the testing team. What is your view? ?
- A. The testing team is incorrect in flagging this as a defect. This is an example of expert judgment, wherein historical expertise is being brought into the project.
 - B. The testing team is correct. Even though the new color scheme is more pleasing than the old one, the appropriate change management process has not been followed and the work product is not as per design.
 - C. The testing team is not right in flagging this down. The color scheme is a simple matter and the new colors are definitely more pleasing than the old ones.
 - D. The testing team is correct in flagging this down. The team member should have sent a note along with the work product indicating that the color scheme change had been made.
45. Which of the following items needs to be kept in mind when relying on risk identification checklists? ?
- A. They are biased.
 - B. They are not exhaustive.
 - C. They are often inaccurate.
 - D. They are easy to prepare.
46. As an external vendor, you are managing a complex software project that has been contracted on Time & Material (T&M). One of your team-members reports a break-through in automating some of the testing activities. This will potentially result in cost savings to the project as well as the project getting completed ahead of schedule by a month. Which of the following actions would you take? ?

- A. This is confidential information within your project team and need not be shared with the customer. The savings will be additional profits on the project.
- B. Communicate the current status and inform the customer that you will be incorporating some additional features to use up the savings in cost and time since it has been budgeted for.
- C. Communicate the current status to the customer and indicate the potential changes to cost and schedule.
- D. Communicate the savings in cost and time to the customer. At the end of the project, notify your billing department that they need to prepare an invoice for 50% of the cost being saved.

47. What is the advantage of preparing an estimate of costs by an outside professional estimator? ?

- A. To determine if a lump sum contract should be used
- B. To determine the project funding limits
- C. To hold vendors accountable to a certain price
- D. To serve as a comparison point for incoming estimates

48. Which of the following may help in ensuring that certain bidders in the procurement process do not receive preferential treatment that all prospective sellers have a clear and common understanding of the procurement? ?

- A. Use of weighted criteria
- B. Use of bidder conferences
- C. Use of screening techniques
- D. Use of expert judgment

49. If you have an unresolved issue while working on a project, what is the best way to communicate that issue? ?

- A. Assume that someone else is already working on it
- B. Write an email describing the issue
- C. Create an issue log
- D. Complain to a fellow colleague

50. Your manager has asked you to include the Human Resource Management Plan and the Schedule Management Plan in your Project Management Plan. Is this the appropriate place for these items? ?

- A. No, these are stand alone documents only.
- B. Yes, you should unquestioningly include anything your manager suggests.
- C. No, these documents should not be created until later in the project.
- D. Yes, include them in the Project Management Plan.

51. On obtaining the project charter, the Project Manager of a project ?

immediately starts acquiring the project team. Is this correct?

- A. Yes. Acquisition of the project team is primarily an Initiating Process Group activity.
- B. Yes. The project manager needs to get the team together as soon as the project starts.
- C. No. It is the responsibility of the project sponsor to provide the team for execution.
- D. No. Acquisition of the project team is primarily an Executing Process Group activity.

Answers

1. B - Notification of the appropriate staff of an information security breach, and providing detail to assist with an investigation is the appropriate response. The project manager is responsible for maintaining an accurate project information base and protecting the intellectual property of others, per the code of ethics. Failing to notify project or corporate staff that there has been unauthorized access to critical information violates the PMI code. [*Reference: PMI Code of Ethics and Professional Conduct, Page 2,3*] [Prof. Responsibility]
2. D - The level of detail required in a Project Management Plan would vary by project and would include only the details necessary for the project. [*PMBOK 5th edition, Page 78*] [Project Integration Management]
3. B - A bidder conference is a good way to ensure all bidders have the same information at the same time and to ensure fairness and equity within the bidding process. [*PMBOK 5th edition, Page 375*] [Project Procurement Management]
4. D - The correct response is 28. The formula to identify the number of communication channels is $n*(n-1)/2$, where n is the number of stakeholders. Hence in this case, it works out to $8*(8-1)/2 = 28$. [*PMBOK 5th edition, Page 292*] [Project Communications Management]
5. A - Projects have both positive and negative stakeholders. All of these stakeholders need to be carefully managed and their details must be recorded in the project stakeholder register. [*PMBOK 5th edition, Page 391*] [Project Stakeholder Management]
6. B - The project initiator or sponsor external to the project authorizes the project charter. However, a project manager should be involved in the process as early as possible. [*PMBOK 5th edition, Page 67*] [Project Integration Management]
7. D - Perform Qualitative Risk Analysis is quicker than Perform Quantitative Risk Analysis which is sometimes not required by the project. [*PMBOK 5th edition, Page 328, 333*] [Project Risk Management]
8. B - This is known as Variance Analysis. As project manager, you would then attempt to determine the cause of the Variance, relative to the scope baseline and then decide on whether corrective action is required. [*PMBOK 5th edition, Page 139*] [Project Scope Management]
9. B - The Cost Performance Index (CPI) and the Schedule Performance Index (SPI) are two efficiency indicators in the project to reflect the cost and schedule performance of the project. [*PMBOK 5th edition, Page 219*] [Project Cost Management]

10. A - Neither the project charter nor the project management plan contains any project document templates. Templates are organizational process assets. [PMBOK 5th edition, Page 395] [Project Stakeholder Management]
11. B - Crashing and fast tracking can compress the project's schedule when necessary, but might come at a higher cost and rework potential. [PMBOK 5th edition, Page 181] [Project Time Management]
12. D - Advertising is a good avenue to expand existing lists of sellers. Advertisements can be placed in general circulation publications in order to achieve this. [PMBOK 5th edition, Page 376] [Project Procurement Management]
13. B - The seven basic tools of quality are: cause and effect diagrams, control charts, flowcharting, histograms, Pareto charts, check sheets, and scatter diagrams. [PMBOK 5th edition, Page 239] [Project Quality Management]
14. D - A fishbone diagram, also called a cause-and-effect diagram, helps identify potential causes of an issue or problem. [PMBOK 5th edition, Page 236] [Project Quality Management]
15. B - All of the tasks in the choices need to be carried out. However, the question is asking for the task to be carried out first. The identified issue must be documented in the project's issue log first. This should be captured and recorded during the meeting. Rest of the tasks can be performed after the meeting. [PMBOK 5th edition, Page 408] [Project Stakeholder Management]
16. D - A staff release plan provides a clean break point for an individual and saves the project money in the process. [PMBOK 5th edition, Page 266] [Project Human Resource Management]
17. A - Crashing is the technique that can be applied to compress the project schedule without changing the project scope. The other technique is Fast tracking. [PMBOK 5th edition, Page 181] [Project Time Management]
18. A - The schedule variance is the earned value minus the planned value. At the end of the project, all of the planned values should be earned and the difference should be zero. [PMBOK 5th edition, Page 218] [Project Cost Management]
19. C - Since the quantitative risk analysis is a more in-depth process, it should only be performed on prioritized risks to minimize impact to the overall project schedule. [PMBOK 5th edition, Page 334] [Project Risk Management]
20. B - The best choice is to notify the stakeholders that the scope has changed without authorization. Intentionally not following project process and policies for any reason is unacceptable. Knowingly ignoring an error in scope, schedule, cost, or other project factor, and not adhering to policies is a violation of PMI's code of ethics. Further, project managers are bound by the code to report ethics violations to appropriate management. [Reference: PMI Code of Ethics and Professional Conduct, Page 2] [Prof. Responsibility]
21. C - The project manager is not correct. Cost Performance Index (CPI) is the ratio of EV to AC. A value greater than 1 is a favorable condition for the project. The project manager has incorrectly interpreted the situation. [PMBOK 5th edition, Page 219] [Project Cost Management]
22. D - Analogous, parametric, and three-point estimating techniques are all accepted practices for determining the correct amount of time required for a portion of the project. The Critical Path Analysis techniques evaluates the whole project schedule. [PMBOK 5th edition, Page 169, 170, 176] [Project Time Management]
23. A - Analogous estimation relies on comparing a project to previous such projects that were similar in nature. [PMBOK 5th edition, Page 169] [Project Time Management]

Management]

24. A - A scatter diagram plots several occurrences of two variables (one on each axis). A relationship can then often be determine between the two variables based on how closely they fit a geometric model. [*PMBOK 5th edition*, Page 238] [Project Quality Management]
25. C - Include the newly discovered information in your executive presentation. Failure to disclose a known risk until a mitigation plan is developed is a violation of the PMI code of ethics. It mandates that project managers are to be truthful in their communication and provide accurate and timely information. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 4,5] [Prof. Responsibility]
26. B - A cause-and-effect diagram helps determining the root cause behind a problem statement. The potential causes of a specific effect fall into these categories: time, machine, method, material, energy, measurement, personnel, and environment. [*PMBOK 5th edition*, Page 236] [Project Quality Management]
27. A - The distinction between Progressive elaboration and Scope Creep needs to be understood since the two terms are different. The changes to scope (especially in an uncontrolled manner) are called scope creep. In contrast, Progressive elaboration involves building on, or elaborating the output of a previous phase. [*PMBOK 5th edition*, Page 6] [Project Framework]
28. B - The project scope statement is the correct response. This document describes the project's deliverables in detail and the work that is required to create those deliverables. It also forms the baseline for evaluating whether requests for changes are within or outside the project's boundaries. [*PMBOK 5th edition*, Page 123] [Project Scope Management]
29. C - A milestone chart displays only the key deliverables and is simple and easy to understand. [*PMBOK 5th edition*, Page 182] [Project Time Management]
30. C - Since Susan is planning to adjust her project stakeholder management plan, this implies that she is about to start the Control Stakeholder Engagement process. The stakeholder management plan and the communication management plan are the components of the project management plan, hence these are already included. The project charter is not an input of the Control Stakeholder Engagement process. The missing input to the process is the project documents. [*PMBOK 5th edition*, Page 410] [Project Stakeholder Management]
31. A - All four of these are important to consider when considering someone for a position within the project team: role, authority, responsibility, and competency. [*PMBOK 5th edition*, Page 261] [Project Human Resource Management]
32. C - Statistical sampling will provide sufficient inspection to ensure a high likelihood of a quality product, while saving money for the project. [*PMBOK 5th edition*, Page 240] [Project Quality Management]
33. D - A qualified seller list is a list of sellers that have been pre-screened for their qualifications and past experience, so that procurements are directed only to likely sellers who can work on the project. [*PMBOK 5th edition*, Page 386] [Project Procurement Management]
34. C - Alternatives Identification concerns itself with identifying techniques to generate different approaches to execute and perform the work of the project. Map-Out is not a valid technique - the other three namely brainstorming, lateral thinking and analysis of alternatives are techniques used to generate ideas for different approaches. [*PMBOK 5th edition*, Page 123] [Project Scope Management]

35. A - You have a rough order of magnitude (ROM) estimate as you didn't have the chance to review your estimate and make it more accurate. However, declaring a rough order of magnitude estimate as an accurate estimate is unethical. ROM estimates usually have a range of -25% to +75% and are not necessarily faulty. Denying the request is not advisable. The best option is to present the estimate to your boss first and explain the basis of the estimate. He can then decide if he wishes to present this to the steering committee or if he would like to postpone the meeting. [*PMI Code of Ethics & Professional Conduct, Honesty*] [Prof. Responsibility]
36. B - The Project scope statement lists and describes the specific project assumptions associated with project scope and the potential impact of those assumptions if they prove to be false. The assumptions listed in the detailed project scope statement are typically more numerous and detailed than the project assumptions listed in the project charter. [*PMBOK 5th edition, Page 124*] [Project Scope Management]
37. A - The date through which the project has provided actual status and accomplishments is called the data date. It is also known as the as-of date or the status date [*PMBOK 5th edition, Page 184*] [Project Communications Management]
38. C - Risk diagramming techniques can include: cause-and-effect diagrams (also known as the fishbone diagrams), flowcharts, and influence diagrams. [*PMBOK 5th edition, Page 325*] [Project Risk Management]
39. B - Colocation is a tool and technique of the Develop Project Team process. The rest are the tools and techniques of the other three Human Resource Management processes. [*PMBOK 5th edition, Page 273*] [Project Human Resource Management]
40. D - The Resource Breakdown Structure (RBS) is a hierarchical structure of resources by resource category and resource type used in resource leveling schedules and to develop resource-limited schedules. This may also be used to identify and analyze project human resource assignments. [*PMBOK 5th edition, Page 261*] [Project Time Management]
41. C - A project manager's professional responsibilities are not limited to any one of the stakeholders. The other choices are correct but not complete by themselves. Expectations of every project stakeholder need to be managed. [*PMBOK 5th edition, Page 391*] [Prof. Responsibility]
42. C - The CPI is calculated as the earned value divided by the actual cost. An index of greater than one indicates that you have spent less than you forecasted to this point. [*PMBOK 5th edition, Page 219*] [Project Cost Management]
43. A - A portfolio refers to a collection of projects or programs that are grouped together to facilitate their effective management. The projects or programs need not be directly related or interdependent. [*PMBOK 5th edition, Page 9*] [Project Framework]
44. B - The testing team is correct in their findings. Even though the new color scheme might be a better choice than the old one, all changes need to follow the change management process and go through the appropriate change and approval process. [*PMBOK 5th edition, Page 94*] [Project Scope Management]
45. B - While the risk identification checklist is a useful tool, it should be used in combination with the other tools, since it is impossible to cover all scenarios on one checklist. [*PMBOK 5th edition, Page 325*] [Project Risk Management]

46. C - A project manager should always communicate an accurate statement of the project status. There could be subsequent actions to discuss how the savings could be best utilized, whether there can be any cost sharing etc. - but they would need to be done following the appropriate procedure. [*PMI Code of Ethics and Professional Responsibility*, Page 2, 3] [Project Framework]
47. D - An estimate of costs will serve as a benchmark on proposed responses. Any significant differences in cost estimates can be an indication that the procurement statement of work was deficient, ambiguous or the prospective sellers failed to understand the work. [*PMBOK 5th edition*, Page 376] [Project Procurement Management]
48. B - Bidder conferences allow prospective sellers and buyers to meet prior to submission of a bid. This ensures that all prospective sellers have a clear and common understanding of the procurement. This usually prevents any bidders from receiving preferential treatment. [*PMBOK 5th edition*, Page 375] [Project Procurement Management]
49. C - An issue log allows you to communicate, track, and resolve project issues. [*PMBOK 5th edition*, Page 305] [Project Communications Management]
50. D - These are subsidiary plans and should be included in the Project Management Plan. [*PMBOK* Page 78] [Project Integration Management]
51. D - No, the project team is not acquired immediately after signing of the project charter. Acquisition of a project team starts with HR management planning in the planning process group, followed by the Acquisition of the team in the execution phase. The other answers are wrong because the acquisition of the project team is mentioned in the wrong phase. [*PMBOK 5th edition*, Page 255] [Project Human Resource Management]

Integration Test Questions

1. What is a recommended method for controlling change within a project? ?
 - A. Have only the project manager able to initiate change
 - B. Have each change approved or rejected through a formal change control process
 - C. Allow each project member ultimate control of changes within their realm of the project without a review process
 - D. Freeze scope and allow absolutely no changes

2. The project manager of a project calls you in as a consultant to provide inputs on developing the Project Charter. According to the PMBOK, your contribution to the project could be best termed as: ?
 - A. Professional Consultant
 - B. Expert Judgment
 - C. Charter Consultant
 - D. Expert Consultancy

3. Which process is concerned with providing forecasts to update current cost information? ?
 - A. Monitor and Control Project Work
 - B. Project Management Information System
 - C. Close Project or Phase
 - D. Direct and Manage Project Work

4. Which of the following would not be considered as an Enterprise Environmental Factor during the Develop Project Charter process? ?
 - A. Scope Statement
 - B. Organizational infrastructure
 - C. Governmental standards
 - D. Marketplace conditions

5. The Close Project or Phase process is not applicable for? ?
 - A. Projects being cancelled
 - B. Projects being closed
 - C. Project phase being closed
 - D. Projects being reactivated

6. Which of these tools and techniques are common to all six Project Integration Management processes? ?
 - A. Project management Information System
 - B. Analytical techniques
 - C. Facilitation techniques

D. Expert Judgment

7. You are beginning a new project. When should you use the Perform Integrated Change Control process? ?
- A. Throughout the entire project
 - B. Only when closing out the project
 - C. Only after the project is completely funded
 - D. Only after the project scope is clearly defined
8. The project management team has determined that there are some changes to the Scope of the project. According to the PMBOK, who would be responsible for reviewing, evaluating and approving documented changes to the project? ?
- A. Change Control Board (CCB)
 - B. Change Configuration Board (CCB)
 - C. Scope Control Board (SCB)
 - D. Configuration Control Board (CCB)
9. What is the difference between the Monitor and Control Project Work and the Direct and Manage Project Work processes? ?
- A. The Monitor and Control Project Work and the Direct and Manage Project Work processes are the same.
 - B. The Monitor and Control Project Work process monitors the project performance while the Direct and Manage Project Work process is concerned with performing the activities to accomplish project requirements.
 - C. The Monitor and Control Project Work process is a sub-process of the Direct and Manage Project Work process.
 - D. There is no such thing as the Monitor and Control Project Work process.
10. Which of following is not an output of the Direct and Manage Project Work process? ?
- A. Deliverables
 - B. Work performance data
 - C. Project management plan
 - D. Change requests

Answers

1. B - The change control procedure varies from project to project. However, every change request must be processed through a formal change control process. [PMBOK 5th edition, Page 96] [Project Integration Management]
2. B - Expert judgment is the judgment provided, based upon the expertise in an

application area, knowledge area, discipline, industry etc. This is available from many sources including consultants. [*PMBOK 5th edition*, Page 71] [Project Integration Management]

3. A - The Monitor and Control Project Work process is responsible for keeping track of the project's measures, including cost. [*PMBOK 5th edition*, Page 86] [Project Integration Management]
4. A - The Scope statement is clearly not an enterprise environmental factor whereas the other three choices - Governmental standards, Organizational infrastructure, and Marketplace conditions are enterprise environmental factors. [*PMBOK 5th edition*, Page 29] [Project Integration Management]
5. D - The Close Project or Phase process allows the project manager to close or finish a specific phase of the project. [*PMBOK* Page 100] [Project Integration Management]
6. D - All six processes of Project. Integration Management use Expert judgment as a tool and technique. [*PMBOK 5th edition*, Page 65] [Project Integration Management]
7. A - Changes can occur in the project at any time, therefore the Perform Integrated Change Control process is valuable for managing and tracking those changes. [*PMBOK 5th edition*, Page 96] [Project Integration Management]
8. A - The Change Control Board is a group of formally constituted stakeholders responsible for reviewing, evaluating, approving, delaying or rejecting changes to the project. [*PMBOK 5th edition*, Page 96] [Project Integration Management]
9. B - The Monitor and Control Project Work process monitors the other project processes, including the Direct and Manage Project Work process, while the Direct and Manage Project Work process completes the project scope. [*PMBOK Page 79, 86*] [Project Integration Management]
10. C - The Direct and Manage Project Work has several outputs, including deliverables, work performance data, change requests, project management plan updates, and project document updates. The project management plan is an input to the process. [*PMBOK 5th edition*, Page 79] [Project Integration Management]

Exam 3 Test Questions

1. Your project schedule shows a 15 month finish, but your customer has just realized there is a regulatory requirement to complete the project by a certain date and insists this project must be finished in 12 months. Which of the following is the best approach? ?
 - A. Tell the customer it can be done, then cut your estimates by 20%.
 - B. Cut the scope by 20%, tell the customer the critical path has changed, and resubmit the schedule for review.
 - C. Stand your ground. Cutting scope or time will result in an inferior project outcome.
 - D. Inform the customer of the impacts, then crash the project.

2. What is the difference between a histogram and a Pareto chart? ?
 - A. A histogram is a less accurate version of a Pareto chart.
 - B. A histogram is a type of Pareto chart.
 - C. A Pareto chart is a type of histogram.
 - D. A histogram and a Pareto chart simply different terms for the same technique.

3. As a project manager, you are responsible for determining and delivering the required levels of both grade and quality. Select which of the following statements you disagree with. ?
 - A. Grade relates to the product's characteristics
 - B. Grade relates to the customer requirements
 - C. Quality relates to the customer requirements
 - D. Quality and grade of a product must be carefully managed

4. Which of the following processes produces a work breakdown structure as an output? ?
 - A. Create WBS
 - B. Define Scope
 - C. Develop Project Management Plan
 - D. Define Activities

5. Michael is managing a construction project. The project charter has been approved by the project sponsor. What should Michael do next? ?
 - A. Create the WBS
 - B. Develop the project scope statement
 - C. Analyze project risks
 - D. Identify the project stakeholders

6. Most project management software packages use a method of constructing ?

a project schedule network diagram known as:

- A. Activity Diagramming Method
 - B. Precedence Diagramming Method
 - C. Project Diagramming Method
 - D. Critical Diagramming Method
7. When a negative unidentified risk occurs in a project, a response to it would be called: ?
- A. Disaster recovery
 - B. Failure planning
 - C. A workaround
 - D. Backup planning
8. Martin is the project manager of a project that is in an early phase. He needs to estimate costs but finds that he has a limited amount of detailed information about the project. Which of the following estimation techniques would be least suited to his requirements? ?
- A. Top-down Estimating
 - B. Bottom-up Estimating
 - C. Analogous Estimating
 - D. Budgetary Estimating
9. If you had an experience with a particularly good or poor performing vendor, what is the correct way to document this experience for future projects? ?
- A. Create a seller performance evaluation
 - B. Call the vendor and talk to them about the experience
 - C. Tell all your friends about it
 - D. Vow to only work with that vendor from now on
10. John is managing a software development project for the first time. He is facing issues with scheduling meetings with the senior project managers at the company as they are extremely busy with their current assignments. John needs to understand what went right and wrong on previous similar projects so that he can manage his project better. In this situation, what should John do? ?
- A. Review the project's business case for details.
 - B. Request key stakeholders to help schedule these coaching meetings.
 - C. Review lessons learned from the past similar projects.
 - D. Review the project charter for details.
11. Which of these is not a tool or technique for the Control Procurements process? ?

- A. Contract change control system
- B. Recommended Corrective Action
- C. Claims administration
- D. Performance reporting

12. You are looking at various process improvement models. Which of the following is not a process improvement model? ?

- A. Malcolm-Baldrige
- B. Organizational Project Management Maturity Model (OPM3)®
- C. Capability Maturity Model Integrated (CMMI®)
- D. Shewhart-Deming

13. Which of these statement correctly links project and product life cycles? ?

- A. A product life cycle is generally contained within a project life cycle.
- B. A project life cycle is generally contained within a product life cycle.
- C. A product life cycle is the same as a project life cycle.
- D. The last life cycle for a project is generally the product's retirement.

14. Before closing a contract, the project manager should: ?

- A. consult a lawyer
- B. verify that all deliverables were acceptable
- C. re-read the contract
- D. contact everyone on the project team for approval

15. Carole is the project manager for a healthcare facility construction project. She is currently holding a board briefing and updating the project's current status to the board members. When Carole was presenting her project risks, the chairman suggested some preventive actions. What should Carole do first? ?

- A. Carole should politely deny the request
- B. Carole should write a change request
- C. Carole should directly update the project management plan as the request has come from the Chairman
- D. Carole should escalate the issue to the project sponsor

16. A management control point where scope, budget, actual cost and schedule are integrated and compared to earned value for performance measurement is called a: ?

- A. Code of accounts
- B. Control packages
- C. Control account

D. Account Plan

17. You are defining the schedule activities for your project and identifying deliverables at the lowest level in the Work Breakdown Structure (WBS). You find that there is insufficient definition of the project scope to decompose a branch of the WBS down to the work package level. You now look at using the last component in that branch of the WBS to develop a high-level project schedule for that component. Such a planning component is called: ?
- A. A planning packet
 - B. Control system
 - C. A planning package
 - D. Control element
18. Which of the following best describes the Validate Scope process? ?
- A. Validating that the project quality requirements have been met
 - B. Controlling changes to the scope of the project
 - C. Obtaining stakeholders' formal acceptance of the project deliverables
 - D. Validating that all of the project's objectives have been met
19. As a project manager of a project, you are analyzing the costs which have incurred. Which of the following costs cannot be classified under 'Cost of non-conformance'? ?
- A. Quality Assurance Costs
 - B. Warranty costs
 - C. Costs due to loss of reputation
 - D. Rework costs
20. You are a consulting project manager with over 15 years experience running software development projects. You have been engaged to manage a finance application project for a new customer. However on the first day onsite at the customer's headquarters you are told the project has been cancelled, but there is a need for a project manager to manage a major infrastructure project to deploy a large number of servers and storage devices. The customer asks if you would be interested in leading this project. You have never managed this type of project before but would be interested in the challenge. Which of the follow is the best response? ?
- A. Do not mention your lack of experience, but ask for more information about the project. After reviewing the information and see that you could probably wing the project, accept the project.
 - B. Accept the job with the caveat you can bring in any needed resources to work on the project, then hire a project manager you know that works in this area to handle the implementation details.
 - C. Decline the opportunity, citing your lack of experience and

knowledge in this area.

D. Do not mention your lack of experience and accept the job.

21. A Project manager estimates the work to be accomplished in the near term in detail, at a low level of the Work Breakdown structure (WBS); while he estimates work far in the future as WBS components, that are at a relatively high level of the WBS. What is this technique called? ?

- A. Decomposition
- B. Rolling wave planning
- C. Scope Creep
- D. Earned value planning

22. Negative risks can either be _____, transferred, or mitigated as a countermeasure. ?

- A. enhanced
- B. avoided
- C. exploited
- D. ignored

23. The WBS represents all product and project work. The total work at the lowest levels should roll up to the higher levels so that nothing is left out and no extra work is performed. This is also called as: ?

- A. 100% rule
- B. 80/20 rule
- C. Pareto's rule
- D. Ground rule

24. A technical team can begin editing of a large document 15 days after they begin writing it. What kind of a dependency would this be represented as? ?

- A. Start-to-start with a 15-day lead
- B. Finish-to-finish with a 15-day lead
- C. Start-to-start with a 15-day lag
- D. Finish-to-start with a 15-day lag

25. You are at work related social event and a colleague tells you another project manager has just hired her niece's engineering firm for a city public improvement project that you are managing. You know that this company's proposal did not meet the pre-defined selection criteria to be considered for award. What do you do? ?

- A. File a complaint with PMI.
- B. Escalate the issue to the appropriate management.
- C. Ask the project manager about what you have just heard. If your suspicions are confirmed, escalate the issue to the appropriate management.

D. Do nothing.

26. A project manager is just finishing a project that has not gone well. Apart from cost overruns and schedule overruns, there have been a lot of quality defects and the project required a lot of senior management intervention to finally reach completion. The project manager should now: ?

- A. Focus on closing the project and moving on to the next one. Lessons learned is not applicable to this project since it has done badly
- B. Focus on presenting the data in positive light while ensuring that the reasons for the delays and problems are appropriately documented.
- C. Mask bad data and only present good data since his performance appraisal will otherwise be impacted.
- D. Document lessons learned from the project and update the lessons learned knowledge database.

27. In a matrix organization, where the team members report to both, a functional manager as well as a project manager, generally, whose responsibility is it to manage the dual reporting relationship? ?

- A. Functional manager
- B. HR manager
- C. Team members
- D. Project Manager

28. A first-time project manager wants to know during what phases of the project, Perform Integrated Change Control will be performed. What would you respond? ?

- A. Perform Integrated Change Control is performed only in the execution phase.
- B. Perform Integrated Change Control is performed during the project closure phase.
- C. Perform Integrated Change Control is performed throughout the project from project inception through project completion.
- D. Perform Integrated Change Control is part of the Build phase and is typically found only in IT projects.

29. A Resource Breakdown Structure (RBS) would be used to breakdown the project by type of resources. The RBS is an example of a: ?

- A. Linear chart
- B. Matrix chart
- C. Flow chart
- D. Hierarchical chart

30. A pharmaceutical company has recently established a PMO in the company to centrally manage the corporate projects. This has resulted in the spread of the project management jargon in the company. Some of the employees ?

are now being called 'project managers' by the PMO. Most of the project managers are getting confused with this new project management jargon. One of the questions being repeatedly asked is the difference between the work performance data and the work performance information. Which of the following correctly differentiates these two?

- A. The work performance data is numerical while the work performance information is textual.
- B. The work performance data is internal, while the work performance information is external to the project.
- C. The work performance information is the processed form of the work performance data.
- D. The work performance data is captured by the project team, while the work performance information is prepared by the project sponsor.

31. While managing a project, you decide to prepare an email for the project stakeholders describing the current project status. This is best described as an example of: ?

- A. Vertical communication
- B. Nonverbal communication
- C. Informal communication
- D. Formal communication

32. Analogous Estimating is an estimation technique that use the values of parameters such as scope, cost, budget and duration from a previous similar activity as the basis of activity and is frequently used to estimate when there is a limited amount of information about the project. This is a form of: ?

- A. Gross value estimation
- B. Function point estimation
- C. Fixed point estimation
- D. Precision Estimation

33. During the execution of your project, you decide that you would like to have charts of your project status - cost and schedule, display certain key project data, and hold your project meetings in a specific conference room. Such a place would be called: ?

- A. Armageddon
- B. War room
- C. Battlefield
- D. Ground zero

34. The document that formally authorizes a project is the: ?

- A. Project SOW
- B. Project Plan

- C. Project Charter
- D. Project Scope Statement

35. You are managing a medium sized construction project, and are reviewing some invoices from the electrical contractor. You see that materials not required for your project have been included on the invoice. After making a few phone calls it becomes clear that one of your project resources asked one of the vendor's staff to add a few extra circuits to one part of the building. This change was never approved through the change management process. What do you do? ?
- A. Notify the manager of your project resource that he failed to follow proper processes.
 - B. Refuse to pay the charges.
 - C. Call a team meeting to determine how this will impact the project, then inform stakeholders of the impacts.
 - D. Immediately inform the project stakeholders of the unauthorized scope change. Then call a team meeting to determine the impact to the project.
36. You are presented with a situation in a project where you need to measure the performance of the project. Which of these techniques would suit your requirement? ?
- A. Learned Value Technique
 - B. Earned Value Technique
 - C. Analogous Estimating
 - D. Expert Judgment
37. A manager asks you to evaluate four new projects that he has suggested for next year. You review the projects and notice that one is not really a project, but more an operational task. Which of these is not a project? ?
- A. Change the product to enable increased consumer usage
 - B. Manage a set of people for the next year to deliver the desired productivity results
 - C. Respond to a customer request for different product packaging
 - D. Resolve a space constraint issue by building a new addition to the plant
38. Which of the following Project Scope Management processes documents a configuration management system? ?
- A. Control Scope
 - B. Define Scope
 - C. Verify Scope
 - D. Plan Scope Management

39. The stakeholders of a project typically have: ?

- A. Positive objectives
- B. Negative objectives
- C. Conflicting objectives
- D. Similar objectives

40. A project was estimated to cost \$ 200,000 with a timeline of 10 months. ?
Due to a shipment delay, the schedule was slightly delayed. This was however made up by receiving the first batch of materials for the project by air. The net result was that there was some additional cost in the project. At the end of the second month, the Project Manager reviews the project and finds that the project is 20% complete and Actual Costs are \$ 50,000. The Estimate to complete (ETC) for the project would now be:

- A. \$160,000
- B. \$210,000
- C. \$250,000
- D. \$200,000

41. You have a team of engineers working on your project. Two of the engineers have frequent disagreements. You ask them to resolve their differences through a discussion. However, that does not yield any results. Subsequently, you get involved and based on an analysis of the situation, suggest some changes in the way they work with each other. This still does not yield results and you find that the project schedule is beginning to suffer. What is your next course of action? ?

- A. Take Disciplinary action, if required, since the needs of the project are not being met.
- B. Don't do anything. Differences of opinion amongst the team members is a healthy situation
- C. Speak to the two team members and ask them to resolve their conflict amicably.
- D. Ensure that they work in different shifts so that they don't clash with each other.

42. As a project manager, where would you document the escalation process to resolve issues that cannot be resolved at a lower staff level? ?

- A. Scope management plan
- B. Stakeholder management plan
- C. Staffing management plan
- D. Communications Management Plan

43. While developing the project schedule, you find that the completion of a successor activity depends on the completion of its predecessor activity. What is this dependency called? ?

- A. Start-to-Finish
- B. Start-to-Start
- C. Finish-to-Start
- D. Finish-to-Finish

44. Which of the following is not a tool and technique of the Collect Requirements process? ?

- A. Group creativity techniques
- B. Interviews
- C. Questionnaires
- D. Traceability matrix

45. You are planning out the communications methods to use as part of stakeholder management. The most effective means for communicating and resolving issues with stakeholders is: ?

- A. Status reports.
- B. Electronic mail.
- C. Telephone calls.
- D. Face-to-face meetings

46. A project manager wishes to illustrate the connections between the work that needs to be done and the project team members. According to the PMBOK, the resulting document would be called: ?

- A. Responsibility Assignment Matrix (RAM)
- B. Resource Planning Chart (RPC)
- C. Task Assignment Model (TAM)
- D. Resource Assignment Chart (RAC)

47. Many project managers have seen a graph which shows "Influence of Stakeholders" starting out high and declining as the project progresses. Conversely, it shows the "Cost of Changes" starting out low and increasing as the project progresses. What is the key message a project manager should obtain from this graph? ?

- A. Stakeholder influence is not important at the end of the project.
- B. Changes should be made as early in the project as possible.
- C. Money should be set aside for expected changes at the end of the project.
- D. The project should be placed on hold until all changes are made.

48. Which of the following contains an extensive procurement changes approval process? ?

- A. Scope statement
- B. Test plan
- C. Requirements management plan

D. Contract change control system

49. A project manager found that some of the project work was not done at the right time and was done in an improper sequence. What do you think was the likely issue? ?

- A. This is a project communications breakdown. The project manager needs to re-develop the communication management plan
- B. The Project Scope document was not properly updated.
- C. The Work Authorization System was not properly established in the project.
- D. This is due to poor teamwork.

50. A contract change control system should include: ?

- A. Vendor contact information, tracking systems, and approval levels necessary for authorizing changes
- B. Paperwork, tracking systems, dispute resolution procedures, and approval levels necessary for authorizing changes
- C. Information database, dispute resolution procedures, and approval levels necessary for authorizing changes
- D. Tracking systems, legal ramifications for certain actions, and approval levels necessary for authorizing changes

Answers

1. D - Informing the customer of the impacts, then crashing cost and schedule is the best approach. Arbitrarily trimming estimates or scope without directly advising your customer is dishonest, while simply refusing to make a change is unprofessional. [*Reference: PMI Code of Ethics and Professional Conduct, Page 4,5*] [Prof. Responsibility]
2. C - A Pareto chart is a type of histogram where the causes are ordered by frequency. [*PMBOK 5th edition, Page 237*] [Project Quality Management]
3. B - The grade of a product relates to the technical characteristics of the product. [*PMBOK 5th edition, Page 228*] [Project Quality Management]
4. A - The Create WBS process produces the work breakdown structure of the project as an output. [*PMBOK 5th edition, Page 125*] [Project Scope Management]
5. D - Since the project charter has been approved, this marks the completion of the Develop Project Charter process. The second process from the initiating process group is the Identify Stakeholders process. [*PMBOK 5th edition, Page 393*] [Project Stakeholder Management]
6. B - PDM uses Nodes to represent Activities and connects the activities with Arrow to show dependencies. This is the most commonly used method by most project management software packages. [*PMBOK 5th edition, Page 156*] [Project Time Management]
7. C - A workaround is a response to a negative unplanned risk that has occurred. It differs from a contingency plan in that a workaround is not planned in advance of

the occurrence of the risk event. [*PMBOK 5th edition*, Page 567] [Project Risk Management]

8. B - Bottom-up estimating is a technique that can be applied only when there is a sufficient amount of detail available to the project manager. [*PMBOK 5th edition*, Page 205] [Project Cost Management]
9. A - A seller performance evaluation is created by the buyer and provides information about the seller's performance. [*PMBOK 5th edition*, Page 386] [Project Procurement Management]
10. C - The business case and the project charter do not have information regarding previous similar projects. The best available option for John at the moment is to review the lessons learned from the past similar projects. [*PMBOK 5th edition*, Page 395] [Project Stakeholder Management]
11. B - Recommended corrective action is not a tool or technique in the Control Procurements process. [*PMBOK 5th edition*, Page 379] [Project Procurement Management]
12. D - Shewhart and Deming were quality management experts. The rest of the choices are process improvement models. [*PMBOK 5th edition*, Page 229] [Project Quality Management]
13. B - The product life cycle usually consists of sequential, non-overlapping product phases. The project life cycle is generally contained within one or more product life cycles. [*PMBOK 5th edition*, Page 12, 13, 38] [Project Framework]
14. B - Closing a contract should be done promptly after all contract work and deliverables are achieved. A procurement audit must be conducted prior to the closure of a contract. [*PMBOK 5th edition*, Page 388] [Project Procurement Management]
15. B - Any change to the project management plan must go through the formal change control. The first step to initiate this process is to produce a change request. Once that's done, the change request is analyzed, and if approved, incorporated to the project management plan. [*PMBOK 5th edition*, Page 408] [Project Stakeholder Management]
16. C - This is a Control Account. Control Accounts are placed at selected management points of the Work Breakdown Structure WBS. Each control account may include one or more work packages, but each of the work packages must be associated with only one control account. [*PMBOK 5th edition*, Page 132] [Project Scope Management]
17. C - The correct response is Planning package. Control Accounts and Planning packages are two planning components used when there are insufficient details of the project scope. [*PMBOK 5th edition*, Page 132] [Project Time Management]
18. C - Scope Validation involves obtaining the stakeholders' formal acceptance of project deliverables. [*PMBOK 5th edition*, Page 133] [Project Scope Management]
19. A - The Quality Assurance Costs are part of the cost of conformance. The cost of non-conformance includes the failure costs. [*PMBOK 5th edition*, Page 229] [Project Quality Management]
20. C - The best response is to decline the project due to lack of experience or expertise in this area. The PMI code of ethics mandates that project managers only accept assignments that are consistent with their background, experience, skills, and qualifications. Failing to disclose lack of experience and knowingly

accepting a job for which you are not qualified is a violation of the code. While not presented as an option in this question, it would be acceptable to indicate your interest in the project following a full disclosure to the customer that you lack experience in this area. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]

21. B - In Rolling Wave Planning, the work to be accomplished in the near term is estimated in detail at a low level of the Work Breakdown structure (WBS), while the work far in the future is estimated as WBS components that are at a relatively high level of the WBS. The work to be performed within another one or two reporting periods in the near future is planned in detail during the current period. [PMBOK 5th edition, Page 152] [Project Time Management]
22. B - You can avoid a risk by revising the project plan to eliminate the risk entirely. [PMBOK 5th edition, Page 344] [Project Risk Management]
23. A - The WBS represents all product and project work. The total work at the lowest levels should roll up to the higher levels so that nothing is left out and no extra work is performed. This is also called as 100 percent rule. [PMBOK 5th edition, Page 131] [Project Scope Management]
24. C - The relationship between the two tasks would be represented as a start-to-start with a lag of 15 days. A lag directs a delay in the successor activity. [PMBOK 5th edition, Page 156] [Project Time Management]
25. C - Project managers must disclose any potential conflict of interest, and avoid both favoritism and discrimination in all situations. However, project managers may not make unfair accusations or file false or inaccurate complaints. You must first respectfully confront the project manager to ensure that you have accurate information about the situation. Doing nothing, or escalating the issue prematurely are behaviors that run counter to the code of ethics. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2,4,5] [Prof. Responsibility]
26. D - A project manager has a professional responsibility to conduct lessons learned sessions for all projects with key internal and external stakeholders, particularly if the project yielded less than desirable results. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2,4,5] [Prof. Responsibility]
27. D - In a matrix organization, where the team members are accountable to both, a functional manager as well as a project manager, the management of the project team can tend to be complicated. In matrix organizations, the role of the project manager varies from a coordinator's role to a directive project manager's role. Generally, it is considered the responsibility of the project manager to manage this dual reporting relationship and handle the coordination. [PMBOK 5th edition, Page 23] [Project Framework]
28. C - The Perform Integrated Change Control process is performed from project inception through project completion. This process is necessary for controlling factors that create changes, to make sure those changes are beneficial, determining whether a change has occurred, and managing the approved changes, including when they occur. [PMBOK 5th edition, Page 96] [Project Integration Management]
29. D - The Resource Breakdown Structure (RBS) is a hierarchical chart. It is used to break down the chart by type of resources. For example, an RBS can depict all of the welders and welding equipment being used in different areas of a ship even though they may be scattered among different branches of the Organizational Breakdown Structure and RBS. [PMBOK 5th edition, Page 165] [Project Human

Resource Management]

30. C - The work performance data is the project performance measurements collected by the project team. This data are analyzed, integrated and transformed into the work performance information. The work performance information is then distributed to the project stakeholders. [*PMBOK 5th edition*, Page 413] [Project Stakeholder Management]
31. C - The correct response is that an email is an example of an informal communication. Another example is an ad-hoc conversation. Reports, briefings are considered as formal communication. [*PMBOK 5th edition*, Page 287] [Project Communications Management]
32. A - Analogous estimating is gross value estimating technique. It is most reliable when the previous activities are similar in fact and not just in appearance, and the project team members preparing the estimates have the needed expertise. [*PMBOK 5th edition*, Page 169] [Project Time Management]
33. B - According to the PMBOK, a team meeting room is also called a war room. [*PMBOK 5th edition*, Page 277] [Project Human Resource Management]
34. C - The document that formally authorizes a project is the Project Charter. It provides the project manager with formal authority to apply organizational resources to a project. [*PMBOK 5th edition*, Page 67] [Project Integration Management]
35. D - Immediately inform the stakeholders of the unauthorized scope change, then call team meeting to determine the impact. The code of ethics requires project managers to provide accurate and timely information about their projects, and to report the errors and omissions made by others when they are discovered. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
36. B - The Earned Value Technique measures performance of the project as it moves from initiation to closure. [*PMBOK 5th edition*, Page 217] [Project Integration Management]
37. B - Managing an operating team does not meet the project definition because it is not temporary or unique. [*PMBOK 5th edition*, Page 3] [Project Framework]
38. D - Configuration management activities are documented as part of the requirements management plan which is an output of the Plan Scope Management process. [*PMBOK 5th edition*, Page 110] [Project Scope Management]
39. C - Stakeholder expectation management is a key responsibility of a project manager as they often have conflicting objectives. [*PMBOK 5th edition*, Page 391] [Project Stakeholder Management]
40. A - The Budget at completion (BAC) = \$ 200,000 (given). The Actual Cost (AC) = \$ 50,000 (given). The Earned value (EV) = $(2/10) * 200,000$ since 20% of the project is complete i.e. 2 months out of 10. Hence, Earned Value (EV) = \$ 40,000. This is an instance of an atypical situation in the project. Late arrival of materials does not mean that all subsequent material will arrive late. Hence, the calculation used for ETC is: $ETC = BAC - EV = \$200,000 - \$40,000 = \$160,000$. [*PMBOK 5th edition*, Page 220] [Project Cost Management]
41. A - After the project manager has tried intervening, it is time to go in for more formal conflict resolution mechanisms, such as disciplinary action. [*PMBOK 5th edition*, Page 283] [Project Human Resource Management]
42. D - The correct response is the Communications Management plan. The Communications Management Plan documents the escalation process. [*PMBOK*

- 5th edition, Page 296*] [Project Communications Management]
43. D - In a Finish-to-Finish dependency, the completion of the successor activity depends upon the completion of its predecessor activity. [*PMBOK 5th edition, Page 156*] [Project Time Management]
 44. D - The requirements traceability matrix is an output of the Collect Requirements process and not one of its tools and techniques. [*PMBOK 5th edition, Page 111*] [Project Scope Management]
 45. D - Face to face meetings are interactive, and hence are the most effective means for communicating and resolving issues with stakeholders. [*PMBOK 5th edition, Page 295*] [Project Communications Management]
 46. A - The correct response is Responsibility Assignment Matrix (RAM). This illustrates the connections between the work that needs to be done and the various team members. On larger projects, the RAMs can be developed at various levels. [*PMBOK 5th edition, Page 262*] [Project Human Resource Management]
 47. B - Changes should be made as early as possible in the process to avoid additional cost and delays. The influence of stakeholders is high at the start of the project and low towards the end. Vice-versa, the cost of making changes in a project is low at the start of a project and high towards the end of the project. [*PMBOK 5th edition, Page 40*] [Project Framework]
 48. D - The procurement change process is a part of the Contract Change Control System. [*PMBOK 5th edition, Page 383*] [Project Procurement Management]
 49. C - The Work Authorization System is a subsystem of the overall project management system. It is a collection of formal documented procedures that defines how work will be authorized to ensure that work is done by the identified organization at the right time and in the right sequence. It includes the steps, documents, tracking systems and defined approval levels to issue work authorizations. The other responses could be contributory factors, but the most likely reason is that the work authorization procedure was either not properly established, or not properly followed. [*PMBOK 5th edition, Page 567*] [Project Integration Management]
 50. B - Having a contract change control system will allow you to establish the procedures and process should you need to modify a contract. It contains paperwork, tracking systems, dispute resolution procedures, and approval levels necessary for authorizing changes [*PMBOK 5th edition, Page 383*] [Project Procurement Management]

Scope Test Questions

1. Which of the following is not a Group Creativity Technique used in the Collect Requirements process? ?
 - A. Nominal group technique
 - B. Pareto chart
 - C. Mind mapping
 - D. Affinity diagram

2. Linda is a project manager in charge of an online banking project. The project has completed phase 1 and is moving into the next phase of the project. Which of the following processes must be carried out first for the phase 2? ?
 - A. Define Scope
 - B. Identify Stakeholders
 - C. Develop Project Charter
 - D. Develop Project Management Plan

3. Which of the following processes is not a part of the Project Scope Management? ?
 - A. Create WBS
 - B. Control Quality
 - C. Control Scope
 - D. Collect Requirements

4. The WBS is finalized by establishing control accounts for the work packages and a unique identifier from a code of accounts. This provides a structure for hierarchical summation of: ?
 - A. Schedule and requirements information
 - B. Cost and requirements information
 - C. Cost and resource information
 - D. Cost, schedule and resource information

5. Uncontrolled project scope changes are often referred to as _____. ?
 - A. Scope creep
 - B. Scope verification
 - C. Value Added Scope
 - D. Scope control

6. While managing a project, you have included the product acceptance criteria in the Quality Management Plan. When reviewing your plan, a senior manager asks you look at this closely. You then realize that what you have done is incorrect. Where should you actually place the product ?

acceptance criteria?

- A. Project Charter
- B. Change control process
- C. Project Scope Statement
- D. Scope Verification Plan

7. The Project Scope Management is primarily concerned with:

?

- A. Defining the scope of work that is included in the project.
- B. Defining and controlling what is and what is not included in the project.
- C. The scope of work that is required during the initiation phase.
- D. Defining the specifications and functionality of the work product

8. A project manager approaches you to understand the Work Breakdown Structure (WBS) in better detail. You tell her that:

?

- A. The WBS is a detailed project plan and includes the effort, resources and dates on which the tasks for the project are completed.
- B. The WBS is a task oriented decomposition of work that identifies each task and the resource required to accomplish the task.
- C. The WBS is a deliverable oriented hierarchical decomposition of the work to be accomplished by the project team to accomplish project objectives.
- D. The WBS is a Gantt chart which contains details about the project deliverables required to be done by the project team.

9. Why must the Validate Scope be completed in a project?

?

- A. To obtain scope documents from recent similar projects for benchmarking
- B. To determine if the scope is assigned the correct complexity level
- C. To obtain formal acceptance of deliverables by the customer or sponsor
- D. To ensure the project team is all aware of the scope

10. A project manager wants to use a group decision making technique to generate, classify and prioritize requirements. Which of these is not a valid group decision making technique?

?

- A. Dictatorship
- B. Singularity
- C. Majority
- D. Unanimity

Answers

1. B - The Pareto chart is not a Group Creativity Technique. The others are valid techniques. Additional techniques are Brainstorming and the Delphi Technique. [PMBOK 5th edition, Page 115] [Project Scope Management]
2. B - Linda needs to initiate the second phase of her project. There is no need to revisit the Develop Project Charter process. However, she needs to revisit the Identify Stakeholders process to determine any change in the stakeholders for the second phase of the project. Stakeholder identification is a continuous process. [PMBOK 5th edition, Page 31] [Project Stakeholder Management]
3. B - Control Quality is not a part of the Project Scope management process. [PMBOK 5th edition, Page 105] [Project Scope Management]
4. D - The WBS is finalized by establishing control accounts for the work packages and a unique identifier from a code of accounts. This provides a structure for hierarchical summation of costs, schedule and resource information. [PMBOK 5th edition, Page 132] [Project Scope Management]
5. A - Scope creep is often viewed negatively, but can be managed using a change control process. [PMBOK 5th edition, Page 137] [Project Scope Management]
6. C - The project scope statement documents and addresses the characteristics and boundaries of the project and its associated products and services, as well as product acceptance criteria and scope control. [PMBOK 5th edition, Page 123] [Project Scope Management]
7. B - Project Scope Management includes the processes required to ensure that the project includes all the work required and only the work required to complete the project successfully. It is primarily concerned with defining and controlling what is included and what is not included in the project. [PMBOK 5th edition, Page 105] [Project Scope Management]
8. C - The WBS is a deliverable oriented hierarchical decomposition of the work to be accomplished by the project team to accomplish project objectives. [PMBOK 5th edition, Page 132] [Project Scope Management]
9. C - Validate Scope is the process of formalizing acceptance of the completed project deliverables by the customer or sponsor of the project. [PMBOK 5th edition, Page 133] [Project Scope Management]
10. B - Singularity is not a valid method to reach a group decision. The other choices are valid methods to reach a group decision. [PMBOK 5th edition, Page 115] [Project Scope Management]

Exam 4 Test Questions

1. Your project is slightly behind schedule, and you have not yet made a full impact assessment to make associated project changes to accommodate it. The weekly project status meeting is this afternoon, and because of your conference call schedule this morning you will not be able to complete the assessment to report to in the meeting. However, this is only a minor delay and you do not want anyone to worry unnecessarily. What is the best response?

A. Use contingency reserves to compensate for the delay and report that progress is as planned.

B. Report the actual status of the project in the meeting, and assure the project team that additional updates will be coming soon.

C. Inform the project team the progress is slightly behind schedule, and use the contingency reserves to cover the delay.

D. Say nothing about the delay at this time, and report that there are no major issues.

2. You are involved as project manager in a fairly large-sized project. You are in the process of making a procurement decision and plan to go with a simple purchase order. However, you are doubtful whether this is the correct thing to do and decide to find out more details about the process to be followed. Based on your findings, which of the following would be correct?

A. A simple purchase order is not appropriate for project. The project manager should always use the Request for Proposal (RFP) route.

B. Organizational process assets are guidelines available to the project. As project manager you have the final decision making authority and can decide whether to go in for a simple purchase order or not.

C. The value of the project is immaterial. As project manager, you have the final decision making authority to go in for a simple purchase order as long as you are contracting with an approved vendor

D. You would need to verify the policy constraints that form part of the Organizational process assets. Many organizations have policies that constrain procurement decisions and require use of a longer form of contract for projects above a certain value.

3. Which of the following is an output of the Define Activity process?

A. Milestone list

B. Project schedule activity diagrams

C. Resource calendar

D. Activity duration estimates

4. A control chart is used to determine whether or not a process is stable or has predictable performance. When a process is within acceptable limits,

the process need not be adjusted. What are the upper and lower control limits usually set as?

- A. +/- 3 sigma
- B. +/- 6 sigma
- C. +/- 2 sigma
- D. +/- 1 sigma

5. Robert is currently identifying his project stakeholders. Which of the following is the key input to this process? ?

- A. Project charter
- B. Cost management plan
- C. Scope management plan
- D. Stakeholder register

6. As part of a new project that you have just started on as project manager, you are putting together your team and find that one of the critical pieces of work requires a specialist from one of the functional departments. However, you are aware that the functional manager may not be very happy giving the resource to your project since your project is not a very high-profile one. Which of the following techniques will you need to apply: ?

- A. Acquisition
- B. Coercion
- C. Politics
- D. Negotiation

7. The Cost Management Plan is an output of the Plan Cost Management process. This plan is then integrated with other project plans in which of these processes? ?

- A. Develop Project Management Plan
- B. Monitor and Control Project Work
- C. Perform Integrated Change Control
- D. Direct and Manage Project Work

8. The three categories into which contracts can be broadly classified are: ?

- A. Cost-Reimbursable, Time and Material, Cost plus fixed fee
- B. Fixed Price, Cost-Reimbursable and Lump Sum
- C. Fixed Price, Cost-Reimbursable, Time and material.
- D. Fixed Price, Time and Material, Lump Sum

9. The Plan-Do-Check-Act (PDCA) cycle as the basis for Quality Improvement is generally attributed to: ?

- A. Deming
- B. Crosby

- C. Juran
- D. Pareto

10. For any complex project, once the project stakeholders are identified, the next step is to classify these stakeholders based on their current and desired engagement levels. What is the benefit of classifying the project stakeholders? ?

- A. To help identify the project scope
- B. To help populate the stakeholder register
- C. To help define an approach strategy
- D. It is a mandatory step in stakeholder analysis

11. A _____ is a collection of projects or programs grouped together for strategic business needs. ?

- A. Portfolio
- B. Management System
- C. Enterprise
- D. Array

12. In a Finish to Start relationship between predecessor and successor activities, a project manager decides to schedule a successor activity 5 days before its predecessor is complete. This is accomplished by providing 5 days of: ?

- A. Lag
- B. Load
- C. Fast-tracking
- D. Lead

13. While managing a project, you decide to contract to an external enterprise. You enter into a contract where you pay the external enterprise a set amount (as defined by the contract), irrespective of the seller's costs. What would best describe this type of contract? ?

- A. FP-EPA
- B. FFP
- C. FPIF
- D. CPFF

14. Which of the following inaccurately describes a prototype? ?

- A. A prototype is tangible and allows stakeholders to fine-tune their expectations.
- B. Requirements from a prototype are usually insufficient to move to the design phase.
- C. Prototypes support the concept of progressive elaboration.

- D. A prototype is a working model of the expected product.
15. Susan is the project manager for a dam construction project. All project communications are recorded and documented for future reference. It has been decided that the project team will maintain last three months of project communication records at any given point in time. It has also been decided that the older communication records will be archived on a monthly basis. Where these records must be archived? ?
- A. Change log
 - B. Organizational process assets
 - C. Enterprise environmental factors
 - D. Issue log
16. The Develop Project Management Plan process does not include? ?
- A. How changes will be monitored and controlled
 - B. The need for communication among the stakeholders
 - C. The level of implementation of each selected process
 - D. List of changes to the project baselines
17. Which of these is not an information gathering technique used in the Identify Risks process? ?
- A. Interviewing
 - B. Root cause analysis
 - C. Brainstorming
 - D. Delta technique
18. Which of the following is accurate regarding Project Integration Management? ?
- A. Project deliverables are not part of Integration Management
 - B. It involves the integration of process groups and not individual processes
 - C. The need for it becomes evident in situations where individual processes interact
 - D. It involves disregarding trade-offs and focuses on clearly articulating how accomplish all requirements by the deadline
19. Which of the following is NOT a tool or technique of the Acquire Project Team process? ?
- A. Negotiation
 - B. Multi-criteria decision analysis
 - C. Pre-assignment
 - D. Conflict management
20. A company you worked for several years ago is bidding on a project your ?

new company will be starting in approximately 6 months. You have been selected to manage the project, and will be participating in the vendor selection processes. What should you do?

- A. Notify the stakeholders of your status and excuse yourself from the vendor selection process.
 - B. Provide the vendor selection committee with as much detail as you can remember about your former company so that the best decision can be reached.
 - C. Notify the project stakeholders of your status as a former employee of the bidding company, and comply with their preferences for how you participate in the vendor selection process.
 - D. Do nothing.
- 21.** While the five process groups are typically completed in order, they often overlap with each other throughout the project. Which two process groups do not overlap unless a project is canceled? ?
- A. Initiating and Closing
 - B. Initiating and Executing
 - C. Initiating and Monitoring and Control
 - D. Planning and Closing
- 22.** Which of the following is the correct logical sequence of the five process groups? ?
- A. Planning, Monitoring and Controlling, Initiating, Executing, Closing
 - B. Planning, Initiating, Executing, Monitoring and Controlling, Closing
 - C. Initiating, Monitoring and Controlling, Planning, Executing, Closing
 - D. Initiating, Planning, Executing, Monitoring and Controlling, Closing
- 23.** What are the outputs of the Plan Procurement Management process? ?
- A. Procurement management plan, Procurement statements of Work, Qualified sellers lists.
 - B. Procurement management plan, Qualified sellers lists, Selected sellers
 - C. Procurement management plan, Procurement statements of Work, Make-or-buy decisions
 - D. Procurement management plan, Qualified sellers lists, Resource calendars
- 24.** You have met with your project sponsor and have been told that the project **MUST** be completed by the end of the year, no exceptions. This should be included in the project scope statement as a: ?
- A. Project Constraint
 - B. Project Boundary
 - C. Project Acceptance Criteria

D. Project Assumption

25. Your company has just announced a 10% cut in all project budgets company wide. Which of the following is the best response? ?
- A. Immediately notify the project stakeholders of the impact on your project.
 - B. Do nothing, as your contingency reserves will cover the cuts.
 - C. Crash the project
 - D. Fast track the project.
26. The change requests created as an output of the Monitor and Control Project Work process may be attributed to all of the following except: ?
- A. Preventive Action
 - B. Defect Repair
 - C. Project status update
 - D. Corrective Action
27. Lee is the project manager of a project and is planning responses to a set of risks. As a direct response of implementing this risk response, he anticipates certain other risks to arise. These would be termed as: ?
- A. Secondary risks
 - B. Primary risks
 - C. Planned risks
 - D. Workaround
28. You have been identified as the project manager for constructing a large shopping mall in your city. Which of the following are not necessarily stakeholders in your project? ?
- A. The suppliers of the project
 - B. The tenants of the shopping mall
 - C. A senior project manager in your organization who just completed a similar project.
 - D. The chief financial officer of your company who controls the project finances.
29. A tool that provides a visual representation of human resource allocation to a project, number of working hours and availability on the project is a: ?
- A. Resource Histogram
 - B. Staff release plan
 - C. Resource Breakdown Structure (RBS)
 - D. Organization Breakdown Structure (OBS)
30. A project team is currently inspecting the recent project deliverables. The team is recording the number and the nature of defects found in these ?

deliverables. The defect details list in this case is an example of?

- A. Quality control checklist
- B. Work performance data
- C. Change request
- D. Work performance information

31. Three strategies that typically deal with negative risks or threats are: ?

- A. Enhance, Share and Accept
- B. Transfer, Exploit and Accept
- C. Avoid, Transfer and Exploit
- D. Avoid, Transfer and Mitigate

32. Which of the following is least likely to be a project? ?

- A. Regular updates of the company website
- B. Responding to a contract solicitation
- C. Running a campaign for a political office
- D. An endeavor that lasts for ten years.

33. Which of the Project Time Management processes involves identifying and documenting dependencies between schedule activities? ?

- A. Sequence Activities
- B. Define Activities
- C. Develop Schedule
- D. Control Schedule

34. What does it mean if the Earned Value is equal to Actual Cost? ?

- A. Schedule Variance Index is 1
- B. Project is on budget and on schedule
- C. There is no cost variance
- D. There is no schedule variance

35. Your project sponsor has asked you to add 30% contingency to your project budget as a hedge against any unforeseen costs that could exceed the currently forecasted expenses, but has not provided any additional detail about why this is required. What do you do? ?

- A. Add 30% to the management reserves.
- B. Ask the sponsor to elaborate the risks that are behind the request.
- C. Rebaseline the project budget.
- D. Add 30% to the total budget.

36. Steve is the project manager of a global project. He finds that of late, there has been a deterioration in the quality of communication between various ?

team members across the globe. What would you term this?

- A. Noise
- B. Encoding
- C. Medium
- D. Message

37. You are the project manager managing a project to design a print head for dot matrix printers. In order to determine ideal settings for print quality, the quality manager of the company suggests trying out various scenarios for printing by varying certain parameters on the print head. Identifying such variables which influence the product or process under development is called: ?

- A. Benchmarking
- B. Design of Experiments
- C. Statistical Sampling
- D. Brainstorming

38. You have recently started working at a company as a senior project manager. The company has no employee training programs in place for junior project managers. Some junior project managers have been asking you for assistance in dealing with some work related issues. You feel that they could benefit from some guidance. Which courses of action would NOT fulfill your responsibility? ?

- A. Do nothing; it was not in your job description to mentor other employees.
- B. Suggest that you and other senior project managers develop a mentoring program.
- C. Develop a training program for junior project managers.
- D. Offer to conduct periodic coaching sessions for the employees seeking assistance.

39. Which of the following statements best describes Time & Material (T&M) contracts? ?

- A. T&M contracts are hybrid type of contractual agreements that could contain aspects of both cost-reimbursable and fixed-price type arrangements
- B. T&M contracts are the best form of contracts when the scope of work and the number of hours of work for a specific resource category is clearly known.
- C. T&M contracts are the same as Fixed Price contracts except that the total value is calculated using Fixed rates and the effort data is available to the purchaser as well as the seller. Once this is agreed upon, it becomes the same as a Fixed Price project.
- D. T&M contracts are very risky since the value of the project is not known. It is best to go in for a fixed price (FP) contract.

40. Cause and Effect diagrams are used to illustrate how various factors might be linked to potential problems or effects. They are also called: ?
- A. Taguchi diagrams
 - B. Pareto diagrams
 - C. Ishikawa diagrams
 - D. Process diagrams
41. When does the Close Project or Phase process need to be performed in case of multi-phased projects? ?
- A. The Close Project or Phase process needs to be done at the end of each phase of the project; however, it is left to the project manager's discretion on whether he/she wants to perform this process in between phases. It necessarily needs to be done at the end of the project.
 - B. The Close Project or Phase process is done at the end of the project in case the work is contracted out to external performing organizations.
 - C. The Close Project or Phase process needs to be performed at the end of the project and involves closing out the entire project scope.
 - D. The Close Project or Phase process needs to be performed at the end of each phase of the project and involves closing out the portion of project scope applicable to that phase.
42. A project manager is about to start on a new project. Where would he find details about his authority level in the project? ?
- A. Organizational Process Assets
 - B. The Project Charter
 - C. The PMBOK
 - D. The Scope statement
43. Which of the following is not true about the WBS? ?
- A. The project team must be involved in developing the WBS
 - B. The WBS must represent all product and project work.
 - C. WBS should focus on activities rather than deliverables
 - D. WBS is usually represented in a hierarchical fashion
44. Which of the following is accurate regarding the Estimate Activity Resources process? ?
- A. It produces project resource calendars as the output
 - B. It determines dependencies that may require a lead or lag to define the relationship
 - C. This process is coordinated independent of the Estimate Cost process

- D. It involves determining what and how many resources will be used
45. In a project, Activity A has a duration of 4 days and begins on the morning of Monday the 4th. The successor Activity, B, has a Finish-to-Start (FS) relationship with A. The Finish-to-Start relationship has 2 days of lag, and Activity B has a duration of 3 days. If Saturday and Sunday are non working days, which of the following statements is true? ?
- A. Total elapsed days (completing both activities) is 7 days
 - B. Activity B will be completed by the end of day on Thursday, 14th
 - C. Activity B will be completed by the end of day on Friday, 15th.
 - D. Activity B will be completed by the end of day on Tuesday, 12th
46. Analogous Cost Estimating is which of the following? ?
- A. Uses statistical relationship between historical data and other variables
 - B. Generally less accurate
 - C. Bottom-up estimating
 - D. Generally accurate
47. What is the BEST way to make an accurate forecasting of ETC? ?
- A. $EAC - AC$
 - B. $BAC - EV$
 - C. Manual forecasting of cost of the remaining work.
 - D. $(BAC - EV)/CPI$
48. Which of the following is not a valid instance of Risk Transference? ?
- A. Use of a Cost Reimbursable contract
 - B. Warranties
 - C. Fixed Price contracts
 - D. Performance bonds
49. Under which of the following scenarios would you not use a Decision tree? ?
- A. When some future scenarios are unknown.
 - B. When you need to look at the implications of not choosing certain alternatives.
 - C. When the future scenarios are known.
 - D. When the outcomes of some of the actions are uncertain.
50. You have been assigned as a project manager of a new project to be executed out of New York. However, you determine that the project requires a Global Positioning Systems Expert who is not available within the company in New York. On doing a little checking, you determine that the company has an expert based in London, who is suitable for the project. However, the London based employee is not willing to relocate to New

York for the project. In such a case:

- A. Write to the manager of the London based employee and inform him that the employee needs to be convinced to relocate to New York due to project requirements.
- B. You would look at the option of moving ahead with the project by using a virtual team.
- C. Manage the project without the key resource and flag this as a risk.
- D. Co-location of resources is a key factor for the success of projects. As per PMI guidelines, you will not be able to proceed with the project since the resources is not available in New York.

Answers

1. B - Report on the actual status of the project, inform the team that the impact assessment will be made shortly, and update the team at that time. The project manager is required by the code of ethics to provide honest and accurate information about the project at all times. Providing inaccurate or misleading information, regardless of the reason, is dishonest and unprofessional. [*Reference: PMI Code of Ethics and Professional Conduct, Page 5,6*] [Prof. Responsibility]
2. D - Organizational process assets provide the existing formal and informal procurement-related policies, procedures, guidelines and management systems that are considered in developing the procurement management plan and selecting the type of contracts to be used. Organizational policies frequently constrain procurement decisions. They may limit use of simple purchase orders and may require all purchases above a particular value to use a longer form of contract. [*PMBOK 5th edition, Page 362*] [Project Procurement Management]
3. A - A milestone list is a valid output of the Define Activity process. [*PMBOK 5th edition, Page 149*] [Project Time Management]
4. A - The upper / lower control limits are normally set at ± 3 sigma. [*PMBOK 5th edition, Page 238*] [Project Quality Management]
5. A - The stakeholder register is the output of the Identify Stakeholders process. Both the scope and cost management plans are developed during the planning phase of the project. The correct answer is the project charter as it is one of the inputs to the Identify Stakeholders process. [*PMBOK 5th edition, Page 393*] [Project Stakeholder Management]
6. D - The correct response is Negotiation. This is typically done on many projects. The project management team may need to negotiate with functional managers to ensure that the team receives appropriately competent staff in the required timeframe. They may also need to negotiate with other project management teams. [*PMBOK 5th edition, Page 270*] [Project Human Resource Management]
7. A - The cost management plan is a component of the project management plan. Once the cost management plan is developed, it is integrated to the project management plan during the Develop Project Management Plan process. [*PMBOK 5th edition, Page 198*] [Project Cost Management]
8. C - Broadly speaking, contracts can be classified as: 1. Fixed price (Firm Fixed Price, Fixed Price Incentive) 2. Cost reimbursable (Cost Plus Fixed Fee, Cost plus Incentive Fee, Cost Plus Award Fee) 3. Time and Material (T&M) [*PMBOK 5th*

- edition*, Page 362, 363, 364] [Project Procurement Management]
9. A - The PDCA (plan-do-check-act) was defined by Shewhart and later modified by Deming. [*PMBOK 5th edition*, Page 229] [Project Quality Management]
 10. C - Stakeholder classification is not mandatory. For simpler projects with few stakeholders, stakeholder classification might not be necessary. Stakeholder classification is done when the number of stakeholders is high. This helps in defining the stakeholder management strategy. [*PMBOK 5th edition*, Page 396] [Project Stakeholder Management]
 11. A - A portfolio is the collection of projects or programs and helps facilitate efficient management. [*PMBOK 5th Edition*, Page 9] [Project Framework]
 12. D - A lead allows an early start of the successor activity. [*PMBOK 5th edition*, Page 158] [Project Time Management]
 13. B - This is an example of a Firm-Fixed Price (FFP) contract. [*PMBOK 5th edition*, Page 363] [Project Procurement Management]
 14. B - Prototypes usually go through multiple feedback cycles after which the requirements obtained from the prototype are sufficiently complete to move to a design or build phase. [*PMBOK 5th edition*, Page 116] [Project Scope Management]
 15. B - The change log and the issue log contain current project changes and issues respectively. They don't archive historic communication records. The historic communication records must be updated to the project file in the organizational process assets library. [*PMBOK 5th edition*, Page 409] [Project Stakeholder Management]
 16. D - The list of changes to the project baselines is called a Change Log. The change log is not a part of the project management plan. [*PMBOK 5th edition*, Page 78] [Project Integration Management]
 17. D - Delta technique is not a valid example of an Information Gathering Technique. [*PMBOK 5th edition*, Page 324, 325] [Project Risk Management]
 18. C - Project Integration Management is needed more where individual processes interact. [*PMBOK 5th edition*, Page 63, 64] [Project Integration Management]
 19. D - Conflict management is not a tool and technique of the Acquire Project Team process. The rest of the choices are valid tools and techniques of this process. [*PMBOK 5th edition*, Page 267] [Project Human Resource Management]
 20. C - Notify the project stakeholders of your potential conflict of interest and follow their directives as to how to proceed, whether it is to excuse yourself or to fully participate. The code of ethics requires project managers to fully disclose to all project stakeholders any conflicts of interest or situations where you may unfairly influence a decision. Regardless of the project stakeholders' decision, you are still bound to respect the intellectual property of your former employer. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
 21. A - Throughout the project, the different process groups often are conducted at the same time except for the initiating and closing, which are separated by the other three groups. [*PMBOK 5th edition*, Page 51] [Project Framework]
 22. D - These logical sequence of the five process groups is: Initiating, Planning, Executing, Monitoring and Controlling, and Closing. [*PMBOK Page 51*] [Project Framework]
 23. C - Procurement management plan, Procurement statements of Work, and Make-or-buy decisions are three for the seven outputs of the Plan Procurements process.

- [*PMBOK 5th edition*, Page 358] [Project Procurement Management]
24. A - An imposed deadline or milestone is an example of a constraint. [*PMBOK 5th edition*, Page 124] [Project Scope Management]
 25. A - Immediately notify the project stakeholders of the impact of this cut. It is the project manager's responsibility to act in the best interest of the project; simply accepting this constraint and determining how to cut costs without stakeholder knowledge runs counter to the code of Professional Conduct. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 3] [Prof. Responsibility]
 26. C - Project status updates do not require change requests. The other three choices Corrective Action, Preventive Action and Defect Repair are valid reasons for change requests in the Monitor and Control Project Work process. [*PMBOK 5th edition*, Page 93] [Project Integration Management]
 27. A - Secondary risks are those that arise as a direct response of implementing a risk response. [*PMBOK 5th edition*, Page 348] [Project Risk Management]
 28. C - Project stakeholders are individuals and organizations that are actively involved in the project, or whose interests may be affected as a result of project execution or project completion. A senior project manager who worked on a similar project may not necessarily be a stakeholder. The other three choices are valid since they have an interest in the project. [*PMBOK 5th edition*, Page 30 - 33] [Project Stakeholder Management]
 29. A - The correct response is Resource Histogram. This bar chart illustrates the number of hours that a project, department or entire project team will be needed each week or month over the course of the project. The chart can include a horizontal line that represents the maximum number of hours available for a particular resource. Bars that extend beyond the maximum available hours indicate the need for a resource leveling strategy. [*PMBOK 5th edition*, Page 265] [Project Human Resource Management]
 30. B - Project measurements collected by the project team are the work performance data. Work performance information is the processed form of the work performance data. A detailed inspection report based on the team's findings with the recommended corrective and preventive actions would have been an example of the work performance information. The defect details list is neither a change request nor a quality control checklist. [*PMBOK 5th edition*, Page 411] [Project Stakeholder Management]
 31. D - Four negative risk management strategies are: Avoid, Transfer, Mitigate and Accept. [*PMBOK 5th edition*, Page 344, 345] [Project Risk Management]
 32. A - Regular updates of the company website is an operational activity and is clearly not a project. 'Responding to a contract solicitation' and 'Running a campaign' are clearly projects. The endeavor lasting for ten years cannot be ruled out as a project just because of the duration. Projects can last from a few weeks to many years. [*PMBOK 5th edition*, Page 3] [Project Framework]
 33. A - Sequence Activities is the process of identifying and documenting dependencies between schedule activities. [*PMBOK 5th edition*, Page 157, 158] [Project Time Management]
 34. C - $CV = EV - AC$. If the EV is equal to the AC then there is no cost variance on the project. [*PMBOK 5th edition*, Page 218] [Project Cost Management]
 35. B - You should ask the sponsor to explain the risks that are driving this request before proceeding. The PMI code of ethics and Professional Conduct mandates that the project manager always provide accurate information. It is the project

- manager's job to appropriately document all project changes; intentionally omitting the information behind this change is a violation of the code. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 4,5] [Prof. Responsibility]
36. A - Anything that interferes with the transmission and understanding of a message is termed as noise. Distance would be such an example, as in the case of global teams. [*PMBOK 5th edition*, Page 293] [Project Communications Management]
 37. B - The correct response is Design of Experiments. [*PMBOK 5th edition*, Page 239] [Project Quality Management]
 38. A - PMI expects Project Management Professionals to share their knowledge with other professionals. Doing nothing to assist the employees because it does not strictly fall within your job description would not fulfill your responsibility to transfer knowledge to others. Even if the project managers job description does not include helping to transfer knowledge to others it is your responsibility as a project manager to do so. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
 39. A - T&M contracts are hybrid type of contractual agreements that contain aspects of both cost-reimbursable and fixed-price type arrangements. They resemble cost-reimbursable contracts in that they are open ended, but resemble fixed price type contracts where the unit rates can be preset and agreed upon between buyer and seller for a specific resource category. [*PMBOK 5th edition*, Page 364] [Project Procurement Management]
 40. C - Cause and Effect diagrams are also called Ishikawa diagrams. [*PMBOK 5th edition*, Page 325] [Project Quality Management]
 41. D - In multi-phase projects, the Close Project or Phase process is done at the end of each phase and closes out the portion of project scope and associated activities for a particular phase. [*PMBOK 5th edition*, Page 101] [Project Integration Management]
 42. B - The project charter contains details of the assigned project manager and authority level. It provides the project manager the authority to apply organizational resources to project activities. [*PMBOK 5th edition*, Page 71] [Project Integration Management]
 43. C - The WBS puts a greater focus on the deliverables than on actual activities. [*PMBOK 5th edition*, Page 132] [Project Scope Management]
 44. D - The Estimate Activity Resources process determines what and how many resources will be used. The resource calendars are inputs to this process and this process is closely coordinated with the Estimate Costs process. Activity leads and lags are not determined during this process. [*PMBOK 5th edition*, Page 160] [Project Time Management]
 45. B - Activity A has a duration of 4 days and completes by end of the day on Thursday, 7th. There is a 2 day lag and since Saturday and Sunday are non-working, Activity B can begin only on Tuesday, 12th. Activity B has a duration of 3 days and completes by end of the day on Thursday, 14th. [*PMBOK 5th edition*, Page 156] [Project Time Management]
 46. B - Analogous cost estimating is generally deemed less accurate than other methods of estimation. [*PMBOK 5th edition*, Page 204] [Project Cost Management]
 47. C - Manual forecasting of costs for remaining work is generally the best means of generating an accurate forecast. [*PMBOK 5th edition*, Page 220] [Project Cost Management]

- 48.** A - A Cost reimbursable contract does not transfer risk to the seller, rather, the risk is with the buyer. Risk Transference involves shifting the negative impact of a risk, along with the ownership of the response, to a third party. Risk transference nearly always involves payment of a premium to the party taking on the risk. Examples are use of performance bonds, warranties, fixed price contracts. [*PMBOK 5th edition*, Page 344] [Project Risk Management]
- 49.** C - You would use a Decision Tree when uncertainty and unknowns exist regarding future scenarios and their outcomes; not when future scenarios are known. [*PMBOK 5th edition*, Page 339] [Project Risk Management]
- 50.** B - The use of Virtual teams has created possibilities of having teams located in different global locations working towards a common goal. The availability of email, video conferencing has made such teams possible. Virtual teams do present additional challenges, but these can be managed in most cases. The other choices are not valid. [*PMBOK 5th edition*, Page 271] [Project Human Resource Management]

Time Management Test Questions

1. While planning the schedule for your project, you frequently refer to the project calendar. The project calendar is: ?
 - A. A calendar containing the days on which various meetings are scheduled within the project team.
 - B. A calendar of working days or shifts that establishes those dates on which schedule activities are worked.
 - C. A calendar containing the list of days on which the project team members will be on leave or take an "off".
 - D. A calendar that establishes the dates on which project deliverables are sent to the customer.

2. As a project manager, you are in the process of preparing the project schedule for the project. Which of the following accurately depicts the sequence of your activities before you begin preparing the project schedule? ?
 - A. Sequence Activities, Estimate Activity Resources, Estimate Activity Durations
 - B. Sequence Activities, Estimate Activity Durations, Estimate Activity Resources
 - C. Estimate Activity Durations, Sequence Activities, Estimate Activity Resources
 - D. Estimate Activity Resources, Estimate Activity Durations, Sequence Activities

3. After one year of construction, an office building is scheduled to be completed on 30th January. The landscaping work needs to start 15 days prior to completion of the building. Which of the following relationships most likely represents the relationship of the start of landscaping work to the completion of the office building? ?
 - A. Finish-to-start with a 15 day lead
 - B. Start-to-finish with a 15 day lead
 - C. Finish-to-start with a 15 day lag
 - D. Start-to-finish with a 15 day lag

4. You are the project manager of a project. As part of the planning process, you utilize a planning technique to subdivide the project scope and deliverables into smaller, more manageable components. What is this technique called? ?
 - A. Unit task analysis
 - B. Decomposition
 - C. Rolling wave planning
 - D. Arrow Diagramming Method

5. The accuracy of Activity Duration estimates can be improved by ?

considering the amount of risk in the original estimate. The three types of estimates on which three-point estimates are based are:

- A. Budgetary, ballpark, and Order of Magnitude.
 - B. Best case scenario, expected scenario and current scenario.
 - C. Most likely, likely and unlikely
 - D. Most likely, optimistic, and pessimistic
6. You have decided to apply Resource Leveling to a project due to a critical required resource being available only at certain times. Which of the following will likely be true? ?
- A. Resource Leveling can often cause the original critical path to change.
 - B. Resource Leveling will over allocate resources to schedule the project before the deadline.
 - C. Resource Leveling will require additional resources to complete the project.
 - D. Resource Leveling will never alter the original critical path
7. Bar charts, with bars representing activities, show activity start dates as well as end dates and expected activity durations. For control and management communication, the broader, more comprehensive summary activity that is used between milestones is referred to as: ?
- A. Activity bridge
 - B. Milestone chart
 - C. Hammock activity
 - D. Gantt chart
8. A technique that iterates the project schedule many times, to calculate a distribution of possible project completion dates is called: ?
- A. Monte Carlo Analysis
 - B. Monteford analysis
 - C. Pareto Cost chart
 - D. Deming Analysis
9. The critical path method (CPM) calculates the theoretical early start and finish dates; and late start and finish dates. The difference between the late and early start of a task is called: ?
- A. Free float
 - B. Feeding buffer
 - C. Danger zone
 - D. Total float
10. You are managing a project that involves work on a film shoot. The editing activity can happen only after the film has been shot. The logical ?

relationship between the editing and shooting of the film can best be described as:

- A. Finish-to-Finish (FF)
- B. Start-to-Start (SS)
- C. Start-to-Finish (SF)
- D. Finish-to-Start (FS)

Answers

1. B - A project calendar is a calendar of working days or shifts that establishes those dates on which schedule activities are worked. It also establishes non-working days that determine dates on which schedule activities are idle, such as holidays, week-ends and non-shift hours. [*PMBOK 5th edition*, Page 184] [Project Time Management]
2. A - The correct sequence of processes in the Time Management Knowledge Area is: Plan Schedule Management, Define Activities, Sequence Activities, Estimate Activity Resources, Estimate Activity Durations, Develop Schedule and Control Schedule. [*PMBOK 5th edition*, Page 141] [Project Time Management]
3. A - The landscaping work needs to start on completion of the office building, so it is a finish-to-start relationship. Since it needs to start 15 days before completion of the building, it requires a lead of 15 days. Hence the answer is finish-to-start with a 15 day lead. [*PMBOK 5th edition*, Page 156] [Project Time Management]
4. B - Decomposition is the correct response. [*PMBOK 5th edition*, Page 151] [Project Time Management]
5. D - The accuracy of Activity Duration estimates can be improved by considering the amount of risk in the original estimate. The three types of estimates on which three-point estimates are based are: Most likely, Optimistic, and Pessimistic. An Activity Duration can be created using a value derived from these three estimated durations. [*PMBOK 5th edition*, Page 170] [Project Time Management]
6. A - Resource Leveling can often cause the original critical path to change. [*PMBOK 5th edition*, Page 179] [Project Time Management]
7. C - The correct response is the Hammock activity. The comprehensive summary activity that is displayed in bar chart reports for control and management communication is called Hammock activity. [*PMBOK 5th edition*, Page 182] [Project Time Management]
8. A - Monte Carlo Analysis is a technique that computes, or iterates, the project cost, or the project schedule many times using input values selected at random from probability distributions of possible costs or durations, to calculate a distribution of possible total project costs or completion dates. [*PMBOK 5th edition*, Page 180, 340] [Project Time Management]
9. D - The difference between the early and late finish of a task is called the total float for that task. Total float is the amount of time that a schedule activity can be delayed from its early start date without delaying the project finish date. [*PMBOK 5th edition*, Page 177] [Project Time Management]
10. D - This is a situation where the Editing activity can happen ONLY after the film shooting has been completed. Hence the logical relationship between the two tasks is Finish to Start (FS). [*PMBOK 5th edition*, Page 156] [Project Time

Management]

Exam 5 Test Questions

1. You are managing a project to manufacture widgets for a customer. The customer has come to the factory to examine the product, and determines that while the product itself meets its requirements, the manner in which about half the widgets have been packaged does not meet requirements and is insisting they be repackaged. This re-work will require considerable time, resources, and cost to complete. The investigation into how and why the packaging was problematic, revealed that no process was developed to govern how the widget was to be placed in the packaging. The result is that the assembly line workers developed their own processes for packaging. What do you do? ?
 - A. Notify the project stakeholders immediately and accept responsibility for the failure to develop and implement a packaging process.
 - B. Pursue formal disciplinary action against the assembly line manager and the quality manager.
 - C. Contact the legal department.
 - D. Crash the project.

2. When writing the roles and responsibilities for team members, you should document the role, authority, responsibility and competency for each team member. Where must this information be documented? ?
 - A. Human resource management plan
 - B. RACI chart
 - C. Resource calendar
 - D. Resource Breakdown Structure (RBS)

3. A project's financial management reserve is identified in which process: ?
 - A. Estimate Costs
 - B. Determine Budget
 - C. Control Costs
 - D. Estimate Activity Resources

4. Which of these is not a component of the scope baseline that is contained in the project management plan? ?
 - A. Work Breakdown Structure (WBS)
 - B. Requirements documentation
 - C. WBS Dictionary
 - D. Project Scope Statement

5. John has been assigned to design a new car model for a well-known car manufacturer. The project has a small number of key stakeholders and John ?

is planning to meet all of them in person in order to understand their requirements and expectations. Which of the following is not a project key stakeholder?

- A. Project sponsor
- B. Project manager
- C. Customer
- D. Competitor

6. Project stakeholders are individuals and organizations that are actively involved in the project or have an interest in it. Which of the following is not a stakeholder? ?

- A. Customer
- B. Project Sponsor
- C. Competitor
- D. Project Manager

7. You have landed your dream job, as project manager working in an exotic sports car factory. Your project involves coming up with a smoother ride for the car. You have tasked the engineers to determine which type of suspension and what type of tires will provide the best ride and the most reasonable cost. This relates to which of the following processes? ?

- A. Control Risks
- B. Perform Quality Assurance
- C. Control Quality
- D. Plan Quality Management

8. The Manage Communications process requires which of the following inputs to determine which project management information system is available to manage project communications? ?

- A. Communications Management Plan
- B. Enterprise Environmental Factors
- C. Organizational Process Assets
- D. Work Performance Reports

9. You are about to contract out a project to a service provider. However, at the time of awarding the contract, you are not sure of the total effort involved. Since the scope of work cannot be accurately estimated, you want to agree the per unit rates for difference services. Which of the following would best suit your purpose? ?

- A. Cost-Plus-Fixed-Fee (CPFF)
- B. Time & Material (T&M)
- C. Fixed Price (FP)
- D. Cost-Plus-Incentive-Fee (CPIF)

10. The Identify Stakeholders process has four inputs. Three of them are project charter, enterprise environmental factors and organizational process assets. What is the fourth one?
- A. Procurement documents
 - B. Stakeholder register
 - C. Stakeholder engagement matrix
 - D. Stakeholder management plan
11. As an experienced PMP, you have found that running a WBS meeting is tricky because you need to find a balance between decomposition and excessive decomposition. When items are excessively decomposed it leads all of the following, EXCEPT:
- A. It breaks the 100% rule.
 - B. Inefficient use of resources
 - C. Non productive management effort
 - D. Decreased efficiency when performing work
12. You are the sponsor of a project that is designed to record phone calls for quality control purposes. You are in the process of writing the charter, what is NOT an input into this document?
- A. Organizational standard processes
 - B. Marketplace conditions
 - C. Government or industry standards
 - D. Project Scope Statement
13. John, a project manager, for Code Crashers Inc. has been assigned a project where he must lead a group of inexperienced programmers in developing a software package that creates Material Safety Data Sheets (MSDS) for a chemical company. This is very similar to a project that his colleague, Peter, worked on in 2006, with some junior programmers. If John needs to come up with a rough order of magnitude estimate, what tool or technique should he use?
- A. Parametric Estimating
 - B. Bottom Up Estimating
 - C. Three-point estimate
 - D. Analogous Estimating
14. You are an expatriate working in a foreign country and have been asked to offer a cash payment gift to the procurement manager at a company you are bidding on work for. How BEST should you interpret this request?
- A. Agree to provide the cash payment because the procurement manager controls whether your bid is accepted.
 - B. Inform the procurement manager that offering such a payment would violate your professional standards.

- C. Base your interpretation of the request on an understanding of the norms of the country you are in.
 - D. Express your anger at the request and inform the procurement manager that this would never happen in your home country.
- 15.** Jonathan is managing a computer network deployment project at a university campus. Jonathan wants to involve the key project stakeholders in the scheduling of the major work packages. He sends out a meeting invitation to all key stakeholders for this brainstorming session. Which of the following types of communication methods has Jonathan selected for the brainstorming? ?
- A. Push communication
 - B. Interactive communication
 - C. Pull communication
 - D. One-sided communication
- 16.** The Project Managers have maximum authority in which type of organization? ?
- A. Weak Matrix
 - B. Strong Matrix
 - C. Functional
 - D. Balanced Matrix
- 17.** As the Project Manager on the construction of a new hotel you have developed a project management plan that you believe is realistic and will be formally approved. The organizational assets that influenced the development of the plan may include all of the following except: ?
- A. Project management plan templates
 - B. Risk register from a past project
 - C. Change control procedures
 - D. Business case for the project
- 18.** As part of your staffing management plan, you have developed a chart indicating the # of hours (Y axis) a senior programmer will be working over the months (X axis) of the project. This is an example of what? ?
- A. Pareto Chart
 - B. Ishikawa Diagram
 - C. Resource Histogram
 - D. Staff Acquisition Chart
- 19.** Which of the following is a control tool that helps the project management team quantify and categorize defects according to sources? ?
- A. Scatter chart
 - B. Pareto diagram

- C. Control chart
- D. Cause and effect diagram

20. While performing an audit on a project run by another project manager, a certified PMP, you find that project processes have not been followed, and that company procurement policies have been repeatedly violated. What do you do? ?

- A. Develop a plan to deal with the associated problems.
- B. Ask the project manager to explain why these things have happened.
- C. Notify the appropriate management immediately.
- D. File a complaint with PMI

21. You have successfully passed your PMP exam and are leading a project to replace the storage devices in a data center. In the following week, you and your team of experts will be meeting with a storage device vendor to discuss the status of their deliverables that are due at week's end. What management process do these activities reflect? ?

- A. Plan Procurement Management
- B. Control Procurements
- C. Conduct Procurements
- D. Close Procurements

22. Alan is the project manager of a project with 6 stakeholders. If the number of stakeholders goes up to 8, how many additional channels does he have to manage? ?

- A. 2
- B. 14
- C. 13
- D. 28

23. The project management plan can best be described as: ?

- A. A list of tasks, activities, durations and resources in a software program (e.g., Microsoft Project)
- B. Coordinating changes across the entire project
- C. Integrating and coordinating all project plans to create a consistent, coherent document
- D. Integrating and coordinating all project documents and stakeholder expectations

24. Which of the following is not an example of a procurement document? ?

- A. Tender Notice
- B. Risk Register
- C. Request for Proposal (RFP)

D. Invitation for Negotiation

25. Your company will receive a large bonus payment for completing a customer's project by a certain date. However, as the project manager, you know the project will complete approximately 2 weeks after that date as it is currently scheduled. Your manager is insisting that you do whatever it takes to finish the project by that date, even if it means "cutting corners here and there." What do you do? ?
- A. Make a formal scope change request.
 - B. Fast track the project.
 - C. Explain to both your manager and the project stakeholders the impact that this schedule change could have on the project.
 - D. Compress the schedule
26. An organization wishes to ensure that the opportunity arising from a risk with positive impact is realized. This organization should: ?
- A. Exploit the risk
 - B. Mitigate the risk
 - C. Accept the risk
 - D. Avoid the risk
27. Your Vice President has asked you what the Estimate at Completion is going to be for a small project you are working on. You were given a budget of \$30,000, and to date you have spent \$20,000 but only completed \$10,000 worth of work. You are sure that the future work will be accomplished at the planned rate. ?
- A. \$40,000
 - B. \$30,000
 - C. \$60,000
 - D. \$10,000
28. You have just sat through an exhausting change control meeting discussing a change in scope to the project you have been working on for the last 7 months. After lengthy discussion the change in scope was approved. As the Project Manager you should now update all of the following documentation, EXCEPT: ?
- A. Scope Baseline
 - B. Requirements documentation
 - C. WBS Dictionary
 - D. Project charter
29. You work at a software company that authors Material Safety Data Sheets (MSDS) for chemical companies. Prior to releasing the MSDS to the company you have created a list of items to be reviewed to see that they appear on the document such as: chemical name, CAS#, protection ?

required, what to do an emergency, etc. This is an example of what type of tool?

- A. Checklist
- B. Process Improvement Plan
- C. Quality Management Plan
- D. Quality Metrics

30. A project team is required to prepare a monthly project update report for the project key stakeholders. This report must contain the current status of the deliverables, information related to the recently approved change requests, project's health and the forecasted estimates. This report is an example of? ?

- A. Milestone
- B. Expert judgment
- C. Work performance information
- D. Work performance data

31. You are the Project Manager for a large petroleum company and are in the process of writing the project charter for your sponsor. You have used the following as inputs except: ?

- A. Business case for the project
- B. Project statement of work
- C. Work breakdown structure (WBS)
- D. Project contract

32. Which of these statements is accurate regarding quality management? ?

- A. Modern quality management complements project management
- B. Overworking the team to meet requirements is not likely to increase attrition and rework
- C. Quality and grade are essentially the same
- D. Project requirements are turned into customer needs, wants, and expectations

33. Which of the following processes produces a Risk Register? ?

- A. Perform Quantitative Risk Analysis
- B. Plan Risk Management
- C. Perform Qualitative Risk Analysis
- D. Identify Risks

34. The Risk Register contains details of all identified risks and current status. It is a document containing the results of: ?

- A. Plan Risk Responses
- B. Identify Risks
- C. Control Risks

D. Perform Qualitative Risk Analysis, Perform Quantitative Risk Analysis and Plan Risk Responses

35. A co-worker mentions that another project manager regularly takes certain project resources to expensive dinners and expenses it to the company. However, this project manager does not recognize or reward the contributions of any other project resources. What should you do? ?
- A. Do nothing.
 - B. Confront the project manager.
 - C. Implement a formal reward and recognition program on your own project.
 - D. Report this to the appropriate management.
36. You the project manager responsible for building a 100,000 sq. ft. data center. One of the schedule activities in your plan is to install the Computer Room Air Conditioning (CRAC) units, however in order to start the installation of the units the raised floor in the data center must be completely installed first, so the units have something to be bolted on to. This is an example of what type of dependency? ?
- A. External
 - B. Optional
 - C. Discretionary
 - D. Mandatory
37. Robert wants to assign a risk owner for every project risk for which a risk response action has been planned. Where must he update this information? ?
- A. Human resource management plan
 - B. Risk register
 - C. Stakeholder register
 - D. Project charter
38. You are analyzing the risk in a project and decide to do sensitivity analysis to determine which risks have the most potential impact on the project. You look at a tool to help compare the relative importance of variables that have a high degree of uncertainty to those that are more stable. One such tool is: ?
- A. Beta Distribution
 - B. S-Curve
 - C. Control Chart
 - D. Tornado Diagram
39. Which of these is accurate regarding the Develop Schedule process? ?
- A. Schedules are optimized such that all non-critical activities have a zero total float.
 - B. The critical path method is a schedule network analysis technique

that is performed using the schedule model

- C. Schedule compression shortens the project schedule while changing the project scope
 - D. Schedule network analysis is a technique that is carried out once the schedule is approved.
- 40.** A new CEO has come into your company and has promptly shut down your project because it no longer met the business needs of the company. While not pleased with the decision, you document the level and completeness of the project to date. What activity or process is this part of? **?**
- A. Close Project or Phase
 - B. Close Procurements
 - C. Control Scope
 - D. Validate Scope
- 41.** When a project is performed under contract, the contractual provisions will generally be considered as _____ for the project. **?**
- A. Constraints
 - B. Exclusions
 - C. Deliverables
 - D. Provisions
- 42.** You are the project manager responsible for building a 100,000 sq. ft. data center. One of the schedule activities in your plan is to install the Computer Room Air Conditioning (CRAC) units, however in order to start the installation of the units the raised floor in the data center must be completely installed first. This is an example of what type of precedence relationship? **?**
- A. Finish to Finish
 - B. Start to Finish
 - C. Start to Start
 - D. Finish to Start
- 43.** The Manage Project Team process is part of what process group? **?**
- A. Planning
 - B. Executing
 - C. Monitoring and Controlling
 - D. Closing
- 44.** You have been assigned a project where you are responsible for building a condo complex in a resort town. The project is expected to take 2 years to complete. During your work breakdown structure meeting you have decomposed many deliverables into work packages and schedule activities, however there are some work packages that will be occurring a year from now, so you have elected not to decompose those deliverables and work **?**

packages at this time. This is an example of what tool and/or technique?

- A. Scope Creep
- B. Poor Planning
- C. Rolling Wave Planning
- D. Time Delayed Decomposition

45. A Probability and Impact Matrix contains risks prioritized according to their potential implications for meeting the project's objectives. The typical approach is: ?

- A. To use a look-up table or Probability and Impact Matrix with specific combinations of Probability and impact that lead to a risk being rated as "high", "moderate" or "low" importance. The importance for planning responses to the risk are usually set by the organization.
- B. To create a Risk Breakdown Structure with the probabilities and Impacts listed on the individual boxes. The higher the risk, the closer it is towards the Start Node.
- C. To use a look-up table or Probability and Impact Matrix with specific combinations of Probability and impact that lead to a risk being rated as "high", "moderate" or "low" importance. The importance for planning responses to the risk are usually set by the project manager.
- D. To create a matrix with the Cost, Time, Scope and Quality on one axis and probability of occurrence on the other.

46. You are attempting to estimate the resources required to put the server racks together in the new data center you are building. It has occurred to you that you may be able to compress the schedule if you look at using power tools vs. hand tools to build the racks and use individuals who have worked on this brand of rack in the past. This is an example of what type of resource estimating tool? ?

- A. Top Down Estimating
- B. Bottom Up Estimating
- C. Alternative Analysis
- D. Published Estimating Data

47. A project is contracted as a Time & Material (T&M) type of contract. The service provider initially estimates that the total effort involved would be about 1000 hours of effort. The project is contracted at a rate of US\$ 75 per hour of effort. If the project ended up with 1200 hours of effort, what would the contract payout be. ?

- A. US\$ 75,000
- B. US\$ 90,000
- C. US\$ 82,500
- D. US\$ 120,000

48. A project is contracted as a Cost-Plus-Incentive-Fee (CPIF) type of contract. The project is negotiated such that if the final costs are less than expected costs, the sharing formula for cost savings is 75:25. The targeted cost is US\$ 100,000 with an 8% incentive fee on the targeted cost. If the project comes in at US\$ 80,000, what would be the cost of the total contract? ?
- A. US\$ 108,000
 - B. US\$ 93,000
 - C. US\$ 112,000
 - D. US\$ 91,400
49. Organizations strongly influence the project framework. The PMBOK Guide recognizes which of the following types of organizations? ?
- A. Projectized, Functional
 - B. Strong Matrix, Organic
 - C. Weak Matrix, Pre-existing
 - D. Functional, Transactional
50. During a work breakdown structure meeting you have decomposed the deliverables into work packages and created your WBS dictionary. However, you now want to decompose the work packages to assist you in estimating, executing and control the project. These decomposed work packages are called? ?
- A. Work Packages can't be decomposed into smaller units
 - B. Activities
 - C. Milestones
 - D. Control Accounts

Answers

1. A - Notify the project stakeholders of the situation immediately and accept all responsibility for the problem. Once the stakeholders have been notified, a path forward can be established. The code of Professional Conduct requires that project managers accept responsibility for their mistakes; ensuring that all customer requirements are met is ultimately the responsibility of the project manager. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 4,5] [Prof. Responsibility]
2. A - Information regarding team roles, responsibilities, authorities and competencies are documented in the Human Resource Management Plan. [PMBOK 5th edition, Page 264] [Project Human Resource Management]
3. B - The Management Contingency Reserve is identified in the Determine Budget process. [PMBOK 5th edition, Page 213] [Project Cost Management]
4. B - Project requirements documentation is used as an input to define the project's scope baseline. However, the requirements documentation is not a part of the scope baseline. [PMBOK 5th edition, Page 131, 132] [Project Scope]

Management]

5. D - Project stakeholders are people or organizations who are affected by the outcome of the project. Key stakeholders are the project stakeholders that are actively involved in the project and are in a decision-making role. Although it can be debated that a competitor is a project stakeholder, a competitor is never considered a key stakeholder. [*PMBOK 5th edition*, Page 394] [Project Stakeholder Management]
6. C - The competitors are affected by the project but are not actively involved in the project. Competitors are not project stakeholders. [*PMBOK 5th edition*, Page 30] [Project Framework]
7. D - Design of Experiments is a statistical method that helps identify which factors may influence specific variables of a product or process under development or in production. It is a tool in the quality planning process. [*PMBOK 5th edition*, Page 239] [Project Quality Management]
8. B - The Project Management Information System is an enterprise environmental factor. [*PMBOK 5th edition*, Page 299] [Project Communications Management]
9. B - This type of a project situation calls for a Time & Material type of contract. The contract will be open ended since the effort is not completely known. However, the unit rates will be negotiated and agreed upon for a particular resource category. [*PMBOK 5th edition*, Page 364] [Project Procurement Management]
10. A - The Identify Stakeholders process has four inputs: project charter, procurement documents, enterprise environmental factors and organizational process assets. [*PMBOK 5th edition*, Page 393] [Project Stakeholder Management]
11. A - Excessive decomposition can lead to: inefficient use of resources, decreased efficiency and non productive management efforts. [*PMBOK 5th edition*, Page 131] [Project Scope Management]
12. D - The project charter is an input to the project scope statement. All the other choices are inputs into the project charter. All the other choices are enterprise environmental factors or organizational process assets. [*PMBOK 5th edition*, Page 70] [Project Integration Management]
13. D - Analogous estimating is the correct choice. This technique relies on parameters from a similar previous project and is a gross value estimating approach. It is also generally less accurate. [*PMBOK 5th edition*, Page 204] [Project Cost Management]
14. C - It is important to understand the local customs and standards in the area where your project is taking place. This knowledge will ensure your decisions are considered ethical. Project Managers have a responsibility to not accept or offer inappropriate payments. In some cultures it would be considered inappropriate to offer a cash payment to a company accepting bids, however, in the scenario presented it may be a lawful and accepted practice of the foreign country you are working in. In such a scenario, offering cash payment would not be an inappropriate payment. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 3] [Prof. Responsibility]
15. B - Meetings are examples of interactive communication. They are neither push nor pull. Further if any meeting is one-sided communication, it is more of a lecture than a meeting. [*PMBOK 5th edition*, Page 295, 407] [Project Stakeholder Management]

16. B - A Strong Matrix organization provides Project Managers with the most authority. [*PMBOK 5th edition*, Page 22] [Project Framework]
17. D - The business case for the project is used to develop the project charter and may not play a role in the development of the project management plan. The rest of the choices are some of the organizational process assets that are used during the Develop Project Management Plan process. [*PMBOK 5th edition*, Page 75] [Project Integration Management]
18. C - A chart representing hours and the time the position, department, company will be working on the project is an example of a resource histogram. [*PMBOK 5th edition*, Page 265, 266] [Project Human Resource Management]
19. B - A Pareto Diagram helps the management team quantify and categorize defects. [*PMBOK 5th edition*, Page 237] [Project Quality Management]
20. C - The other project manager has failed to follow proper policies and processes. You must report the findings to the appropriate management immediately. Project managers are required by the code of ethics to report errors and omissions to the appropriate management, whether they have been made by themselves or by someone else. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
21. B - The Control Procurements is the process of monitoring the contract performance. [*PMBOK 5th edition*, Page 379] [Project Procurement Management]
22. C - The formula to calculate the number of channels is $n*(n-1)/2$ where n is the number of stakeholders. In the original situation, with 6 stakeholders, the no. of channels is $6 * (6 - 1) / 2 = 30 / 2 = 15$ In the new situation, with 8 stakeholders, the no. of channels is $8 * (8 - 1) / 2 = 56 / 2 = 28$. Hence the additional number channels to manage is $= 28-15 = 13$. [*PMBOK 5th edition*, Page 292] [Project Communications Management]
23. C - The Project Management Plan is the combination of all the other management plans such as: scope management plan, risk management plan, cost management plan, etc. [*PMBOK 5th edition*, Page 76] [Project Integration Management]
24. B - The risk register is not a procurement document. Procurement documents are used to seek proposals from prospective sellers. Examples are: Invitation for bid, Request for proposal, Request for Quotation, tender notice, Invitation for Negotiation and contractor initial response. [*PMBOK 5th edition*, Page 368] [Project Procurement Management]
25. C - Explain the potential impacts of this deadline change to your manager and the project stakeholders. Once they know how the project could be impacted, the team can explore options for going forward with the change. The PMI code of ethics and Professional Conduct mandates that the project manager always provide accurate information. It is the project manager's job to appropriately document all project changes; intentionally omitting the information behind this change is a violation of the code. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 4,5] [Prof. Responsibility]
26. A - Four strategies to deal with risks with potentially positive impacts on project objectives are to exploit, share, enhance and accept the opportunity. An exploit strategy ensures that the opportunity is realized. [*PMBOK 5th edition*, Page 345, 346] [Project Risk Management]
27. A - If the future work will be accomplished at the planned rate, then then Estimate at Completion (EAC) will be $AC+BAC-EV$. Budget at Completion (BAC) is

- \$30,000, Earned Value (EV) is \$10,000 and Actual Cost (AC) is \$20,000. Hence the EAC is \$40,000. [*PMBOK 5th edition*, Page 224] [Project Cost Management]
28. D - It is the project scope statement and not the project charter that should be updated. The project charter only contains the high-level requirements and high-level project description. All of the other documents listed in the question should also be updated. [*PMBOK 5th edition*, Page. 100] [Project Scope Management]
 29. A - The scenario describes a checklist that someone would use to review the document prior to it being released. Creating checklists is a tool in the Plan Quality Management process. [*PMBOK 5th edition*, Page 242] [Project Quality Management]
 30. C - Producing a monthly report by the project team is neither expert judgment nor a milestone. The report being discussed is an information pack for the key stakeholders detailing the project's health. This report is an example of work performance information produced by transforming the work performance data collected by the project team. [*PMBOK 5th edition*, Page 413] [Project Stakeholder Management]
 31. C - The WBS is not an input to the creation of the project charter. [*PMBOK 5th edition*, Page 66] [Project Integration Management]
 32. A - As the correct item states, modern quality management complements project management. [*PMBOK 5th edition*, Page 227, 228, 229] [Project Quality Management]
 33. D - The Risk Register is an output of the Identify Risks process. [*PMBOK 5th edition*, Page 312] [Project Risk Management]
 34. D - The Risk Register contains the results of the Perform Qualitative Risk Analysis, Perform Quantitative Risk Analysis, and Plan Risk Responses. It details all identified risks, including description, category, cause, probability of occurring, impact(s) on objectives, proposed responses, owners, and current status. [*PMBOK 5th edition*, Page 333, 341, 347] [Project Risk Management]
 35. D - The rules of the organization must be applied without favoritism or discrimination. Rewarding only certain project resources and ignoring others is unfair and unprofessional. The code of ethics and professional behavior not only prohibit this behavior, but it also requires that project managers report violations by other project managers to the appropriate management. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
 36. D - This is an example of a mandatory dependency, since the units will be bolted to the raised floor. [*PMBOK 5th edition*, Page 157] [Project Time Management]
 37. B - The assigned risk owners are documented in the risk register. [*PMBOK 5th edition*, Page 343] [Project Risk Management]
 38. D - A tornado diagram is useful for comparing the relative importance of variables that have a high degree of uncertainty to those that are more stable. [*PMBOK 5th edition*, Page 338] [Project Risk Management]
 39. B - The accurate statement regarding the Develop Schedule process is that the critical path method is a schedule network analysis technique that is performed using the schedule model. The rest of the statements are not accurate. [*PMBOK 5th edition*, Page 173] [Project Time Management]
 40. A - Documenting the completeness of the project to date in case of premature termination of a project is an activity under the Close Project or Phase process. [*PMBOK 5th edition*, Page 101] [Project Integration Management]

41. A - When a project is performed under contract, the contractual provisions are generally considered as constraints for the project as they are the limiting factors. [PMBOK 5th edition, Page 124] [Project Scope Management]
42. D - The successor activity, in this case the installation of the CRAC units, can't be started until the raised floor in the data center is finished (i.e., the units need to sit on the floor), therefore this is an example of a finish to start relationship. [PMBOK 5th edition, Page 156] [Project Time Management]
43. B - The Manage Project Team process is part of the Executing process group. [PMBOK 5th edition, Page 61] [Project Human Resource Management]
44. C - The correct answer is rolling wave planning. Rolling wave planning is a form of progressive elaboration and is used when the project management team does not have enough information for a phase or deliverable that will occur quite a long way into the future. [PMBOK 5th edition, Page 131] [Project Scope Management]
45. A - A look-up table or Probability and Impact Matrix with specific combinations of Probability and impact that lead to a risk being rated as "high", "moderate" or "low" importance is used. The importance for planning responses to the risk are usually set by the organization. The project manager can tailor this to the specific project during the Plan Risk Management process. [PMBOK 5th edition, Page 318] [Project Risk Management]
46. C - In this scenario you are looking for alternative ways to compress the schedule by using experienced resources and power tools instead of hand tools. This is an example of alternative analysis. [PMBOK 5th edition, Page 164] [Project Time Management]
47. B - The correct answer is US\$ 90,000. Since this is a T&M contract, the contract is open-ended in value. Hence the contract value is the actual effort multiplied by the agreed rate = $US\$ 75 \times 1200 = US\$ 90,000$. [PMBOK 5th edition, Page 364] [Project Procurement Management]
48. B - The correct answer is US\$ 93,000. The calculation is as follows: Incentive fee based on budgeted costs = 8% of 100,000 = 8,000 Actual costs = 80,000 Share of cost savings = 25% of 20,000 = 5,000 (since the cost savings is 100,000 - 80,000) Hence the payout = 80,000 + 8,000 + 5,000 = US\$ 93,000. [PMBOK 5th edition, Page 364] [Project Procurement Management]
49. A - Both projectized and functional organizations are formally recognized terms for organizations in the PMBOK guide. [PMBOK 5th edition, Page 22, 25] [Project Framework]
50. B - Activities represent the effort needed to complete a work package and are an output of the Define Activities process. During this process, the work packages are further decomposed into project activities. [PMBOK 5th edition, Page 152] [Project Time Management]

Exam 6 Test Questions

1. While having lunch with another project manager, he tells you that he underestimated the number of staff resources needed for his project by nearly 50%, but says he has plenty of reserves to cover the costs. During the next staff meeting, the same project manager says he has nothing new to report for his project and that all is progressing according to schedule. What do you do? ?
 - A. Double check your own resource estimates.
 - B. File a complaint with PMI.
 - C. Do nothing.
 - D. Report this to the appropriate management.

2. Accepted deliverables are an input to the Close Project or Phase process. These deliverables would have been accepted through which of the following processes? ?
 - A. Validate Scope
 - B. Control Quality
 - C. Control Scope
 - D. Perform Quality Assurance

3. Which of the following is not accurate about the initial phase of a project? ?
 - A. The highest uncertainty is at this stage of the project
 - B. The cost associated at the beginning of the project is highest
 - C. Stakeholders have maximum influence during this phase
 - D. Staffing levels are the highest at this stage

4. As part of the Define Scope process, a project manager documented the specific project assumptions associated with the project scope in the project scope statement. While reviewing this document, an experienced project manager pointed out that the project manager should also document: ?
 - A. The date on which the assumption becomes invalid.
 - B. The assigned responsibility for each of the assumptions.
 - C. The potential impact of the assumptions if they proved to be false.
 - D. An Assumption Management Plan.

5. Nancy has recently taken over a website development project. The project is already in execution and half of the project work has been completed. Nancy finds out that the stakeholder register does not contain any information about key stakeholders from the buyer of the product. What is the potential root cause of this issue? ?
 - A. Project stakeholders change over time.

- B. The previous project manager was not competent.
 - C. This is an unknown risk that has just occurred.
 - D. The Identify Stakeholders process was not properly carried out in the past.
6. Which process group corresponds to the "do" part of the plan-do-check-act cycle? ?
- A. Closing
 - B. Monitoring and Controlling
 - C. Planning
 - D. Executing
7. The Control Procurements process ensures that the seller's performance meets contractual requirements and that the buyer performs according to the terms of the contract. This process is part of which process group? ?
- A. Executing
 - B. Closure
 - C. Planning
 - D. Monitoring & Controlling
8. You are currently leading a project and performing the work defined in the project management plan. This activity relates to which of the following processes? ?
- A. Direct and Manage Project Work
 - B. Validate Scope
 - C. Control Scope
 - D. Monitor and Control Project Work
9. One of the configuration management activities in the project involved capturing, storing and reporting configuration information needed to manage products and product information. This is known as: ?
- A. Configuration status accounting
 - B. Configuration auditing
 - C. Configuration verification
 - D. Configuration identification
10. Sharon has recently been asked to manage the deployment of an enterprise resource planning system for her organization. Sharon has sent her project sponsor a meeting request to discuss her project's stakeholder management plan. The sponsor believes that the stakeholder management planning is not relevant for such internal projects. The sponsor believes that only the scope, schedule and cost management plans are sufficient for such projects. The sponsor has asked Sharon to describe the objective of the meeting. Which of the following is the best response to this question? ?

- A. The objective of the meeting is to develop the project stakeholder register.
- B. The objective of the meeting is to develop strategies to effectively keep the project stakeholder engaged and committed to the project.
- C. The objective of the meeting is to conform to the PMBOK standards.
- D. The objective of the meeting is to identify and classify project stakeholders.

11. The paint on the exotic cars that are manufactured in your plant is bubbling after about a year of application. What would be the BEST tool for your team to use to find potential causes of the peeling paint? ?

- A. Defect Repair Review
- B. Ishikawa Diagram
- C. Control Chart
- D. Inspection

12. You are meeting with your team, early in the project, and would like to address all the strengths, weakness, opportunities and threats the project is facing. What tool should be used? ?

- A. SWOT Analysis
- B. Interviewing
- C. Delphi Technique
- D. Brainstorming

13. You are assigned to prepare the Procurement Management Plan for a project that involves setting up an org-wide supply chain management system. You are looking for a guideline on what type of contracts you can use and what type of contract forms are to be used for this project. Which source will help you obtain this? ?

- A. Each project is unique so you will need to prepare the necessary documentation for this.
- B. Department process repository
- C. Organizational Process Assets
- D. Integrated project Plan

14. You are in charge of constructing the Ferris wheel in each town a carnival visits. However, this is something you have never done before and you are getting different opinions from others on how long it takes. Joe, is new and has given you what you believe to be an optimistic estimate of 3 hours, Bill says it will take 10 hours, which seems too long to you and quite pessimistic. Lastly, Margie, who is the most experienced at this task is telling you it will take 8 hours. You are not sure who to believe, so you decide to do a PERT estimation, based on this you have determined it will take how many hours to assemble the Ferris wheel. ?

- A. 7.5 hours
- B. 8 hours
- C. 21 hours
- D. 7 hours

15. Rosemary is the project manager at a pharmaceutical company. She begins her day by analyzing her team's work requirements. She then assigns daily tasks to her team members over a centralized project management information system that then generates automatic task assignment notifications for the team members. Which of the following types of communication methods has been selected by Rosemary? ?

- A. Formal, push communication
- B. Informal, pull communication
- C. Formal, pull communication
- D. Informal, push communication

16. A project manager colleague of yours is currently working under contract on a short term project. He has expressed some concerns about finding work after the project ends. The project he is working on is currently ahead of schedule and he expects they will finish a month sooner than initially expected. What advice would be appropriate to provide him? ?

- A. Slow down work on the project to have it finish on schedule.
- B. Continue the work within the project's scope and possibly finish ahead of schedule.
- C. Exaggerate his experience to the sponsor to try to get a project manager position for him on other upcoming projects.
- D. Inform the client the project is behind schedule and it will have to be extended.

17. You have just returned from the weekly change control board meeting where you presented the requested changes to the employee move project. You had five change requests approved, however one rejected request. These are outputs of what process? ?

- A. Control Quality
- B. Control Scope
- C. Control Risks
- D. Perform Integrated Change Control

18. There are two activities on your schedule, which are: 1) Install server in lab 2) Move server into the data center. However, the second task can't start until the server has run in the lab for 5 days without failure. This is an example of what? ?

- A. Fast Track
- B. Lead
- C. Crashing

D. Lag

19. You just found out that a major subcontractor for your project consistently provides deliverables late. The subcontractor approaches you and asks you to continue accepting late deliverables in exchange for a decrease in project costs. This offer is an example of: ?
- A. Forcing
 - B. Smoothing
 - C. Confronting
 - D. Compromise
20. You have just been assigned a project with an unrealistic deadline. What do you do? ?
- A. Do the best you can to deliver the project on time.
 - B. Ask for more resources
 - C. Insist that the deadlines for the project be changed.
 - D. Ask for a larger budget.
21. During your weekly status reports you are reporting the earned value for the project. This information is important for you and the stakeholders to gauge the progress of the project. What process group are the cost and schedule control part of? ?
- A. Closing
 - B. Planning
 - C. Executing
 - D. Monitoring and Controlling
22. You have your project team members record the time they spend on different activities during the day such as: programming, electrical, HVAC, etc. This is an example of a tool and technique in what process? ?
- A. Manage Communications
 - B. Direct and Manage Project Work
 - C. Monitor and Control Project Work
 - D. Manage Project Team
23. You are working with your team and are looking at the cost risks in the project. You and your team are currently creating a tornado diagram for the project risks. This is done as a part of which of the following processes? ?
- A. Qualitative Risk Analysis
 - B. Risk Response Planning
 - C. Quantitative Risk Analysis
 - D. Control Risks
24. Body language plays an important role in effective communications. This ?

relates to which of the following communications dimensions?

- A. Nonverbal
- B. Informal
- C. Verbal
- D. Formal

25. You have taken over the management of a project from another project manager, who is a certified PMP. This project has been completed and is in the process of closing. You discover that there is no project schedule. What do you do? ?

- A. Add this issue to the lessons learned database.
- B. Do nothing.
- C. Notify the appropriate management immediately.
- D. Create a schedule.

26. You are in the execution stage of your project and you have been informed that "corporate" will be sending in a team of consultants to review whether your project activities comply with company's and PMI's policies, standards and procedures. This is an example of? ?

- A. Quality Audit
- B. Organizational Process Assets
- C. Process Analysis
- D. Recommended Corrective Actions

27. You are in the initiation phase of your project and believe the project can be completed for \$100,000. However, you are an experienced project manager and know that many things can happen between the initiation phase and the closure of the project. You have provided an estimate in the project charter of \$75,000 - \$175,000. This is an example of? ?

- A. Narrow Estimate
- B. Absolute Estimate
- C. Rough Order of Magnitude Estimate
- D. True Estimate

28. PMBOK recognizes five process groups typical of almost all projects. Which of the following is not one of them? ?

- A. Executing
- B. Monitoring and Controlling
- C. Planning
- D. Pre-Inception

29. A technique that calculates multiple project durations with different sets of activity assumptions and variables is called: ?

- A. Process analysis
- B. Theoretical Analysis
- C. Simulation
- D. Effect Analysis

30. A project team is currently assessing the project stakeholder management plan for its validity. The project documents are essential inputs to this process. Which of the following project documents must be used by the project team during this process? ?

- A. All project documents prepared during the project so far.
- B. Project documents prepared during the project planning.
- C. Project documents prepared during the project execution.
- D. Project documents prepared during the project initiation.

31. A process that states how formal validation and acceptance of the completed project deliverables will be obtained is documented in the: ?

- A. Scope Management plan
- B. Procurement Management plan
- C. Risk Management Plan
- D. Communications Management Plan

32. The WBS is a deliverable-oriented hierarchical decomposition of the work to be executed by the project team, to accomplish the project objectives. This is created as part of: ?

- A. Project Integration Management
- B. Project Scope Management
- C. Project Procurement Management
- D. Project Time Management

33. Which of the following Perform Quality Assurance techniques relates to root cause analysis and is used to identify a problem, discover the underlying causes, and develop preventive actions? ?

- A. Sensitivity Analysis
- B. Expected monetary value analysis
- C. Earned Value Analysis
- D. Process Analysis

34. The process of auditing the quality requirements and the results from quality control measurements to ensure appropriate quality standards and operational definitions are used is the definition of: ?

- A. Quality assurance
- B. Quality planning
- C. Quality control

D. Scope validation

35. Several of your resources report to another manager. You need them to participate in a series of project meetings over the next two weeks. How should you handle this? ?
- A. Send meeting invitations to the project resources.
 - B. Provide a copy of the project charter to the other manager, showing that the resources on his team have been assigned to you for your project.
 - C. Request in advance resource participation from the other manager and the resources and communicate information about the timing and duration of the project meetings.
 - D. Shortly before each meeting, inform the other manager that his staff is required for your project meeting.
36. A buyer has just received a final set of deliverables from the seller and finds that they do not conform to the specifications that were originally planned for. Ideally, where would the buyer expect to find documentation on how to handle non-conforming deliverables? ?
- A. Communication Plan
 - B. The contract
 - C. Quality Plan
 - D. Scope Statement
37. A change request that is issued to bring the performance of the project back in line with the project management plan is related to: ?
- A. Corrective action
 - B. Defect repair
 - C. Proactive action
 - D. Preventive action
38. Two of your team members played the Mega Millions lottery and won! As much as they like working on your team, they have decided to retire. What plan should be updated? ?
- A. Retirement Plan
 - B. Resource Availability Document
 - C. Communications Plan
 - D. Staffing Management Plan
39. You are running one week behind on a project due to the late delivery by a vendor. You are forced to compress your project schedule due to a government mandated end date that constrains your project. After meeting with your team, the decision is to work several tasks in parallel that were scheduled to be run consecutively. This is an example of? ?

- A. Risk Acceptance
- B. Crashing
- C. Resource Leveling
- D. Fast Tracking

40. When developing your project schedule, you have asked everyone to provide a list of planned vacations over the next 3 months and you have applied this into the tasks that each person is responsible for. This is an example of what tool? ?

- A. Resource Calendars
- B. Adjusting Leads
- C. Schedule Variances
- D. Adjusting Lags

41. A project has gone out of control and the project manager is trying to bring it back under control. There have been a number of changes to the project scope and some of the changes resulted in further changes such that the project cost spiraled and the project went out of schedule. This is known as: ?

- A. Scope creep
- B. Scope jump
- C. Project creep
- D. Scope control

42. You are working on a data center migration project and will be moving a mainframe system to another data center. However, you can't have any downtime when performing the move. The subject matter experts have various ideas regarding how this daunting task can be done, but the group is not coming to a consensus. You have decided that you will send out a questionnaire to the subject matter experts to get their views and risks on the project. You will then summarize the risks and approaches, and recirculate it to the subject matter experts. You are hoping to reach consensus after several rounds of this. What type of tool is being used? ?

- A. Interviewing
- B. Brainstorming
- C. SWOT Analysis
- D. Delphi Technique

43. You are managing a software development project. The project will involve working with a remote team. One of the requirements is to set up a secure communication link. The lead-time to setup the link is 45 days. Since the initial phase of the project involves requirements gathering, you feel that the link is required only after 3 months and are planning accordingly. You would typically do this planning activity in: ?

- A. The Conduct Procurements process
- B. The Define Activities process

- C. The Plan Procurement Management process
- D. The Control Procurements process

44. Which of the following statements is incorrect? ?

- A. Developing project team is the responsibility of the project manager.
- B. A project manager must not acquire resources needed to develop effective project teams.
- C. High team performance can be achieved using open and effective communications.
- D. Teamwork is a critical success factor for a project.

45. You are an experienced project manager and have managed several data center migration projects. You are currently conducting training on the databases, spreadsheets and management plans you will be using during the lifecycle of the project. This training is a tool and technique in what process? ?

- A. Manage Project Team
- B. Acquire Project Team
- C. Develop Project Team
- D. Control Quality

46. You are managing an oil drilling project. With oil at \$143 per barrel this could be a very lucrative project. However, there is a chance that the price of oil will drop below \$105 per barrel, thus eliminating the profit in the project. This is an example of: ?

- A. Requirement
- B. Assumption
- C. Risk
- D. Constraint

47. During the weekly change control board meeting, you invited the facilities manager to speak about the change request to increase the BTU's to the air conditioning system in the new data center. This is an example of what type of tool and technique in the Perform Integrated Change Control process? ?

- A. Variance Analysis
- B. Expert Judgment
- C. Project Management Methodology
- D. Project Management Information System

48. You are managing a project that has a task to translate several pages of a document into Spanish. This is very similar to a project done last year where a document was translated into German. You are not sure how long it will take to translate into Spanish so you look at the project plan from the German translation and use the activity duration for your current project. ?

What type of estimating is this an example of?

- A. Hypothesis
- B. Parametric Estimating
- C. Analogous Estimating
- D. What if Scenario Analysis

49. To control the schedule, a project manager is re-analyzing the project to predict project duration. This is done by analyzing the sequence of activities with the least amount of flexibility. What technique is being used? ?

- A. Leads and lags
- B. Work Breakdown Structure
- C. Flowchart
- D. Critical Path Method

50. A project manager creates a component-specific tool to verify that a set of required steps have been performed. This tool is called a: ?

- A. Risk Register
- B. Assumptions log
- C. Checklist
- D. Plan-Do-Act-Check

51. A change request has just been formally documented and approved by the Change Control Board. The project manager now needs to communicate this to a project team member. Which of the following activities must the project manager necessarily do? ?

- A. Telephone the team member and inform him/her about the changes.
- B. Plan for a meeting over lunch and detail the changes.
- C. Issue a formal communication document informing the team member about the changes.
- D. Write an informal memo communicating the changes

Answers

1. D - You must report this to the appropriate management. The other project manager has failed to follow proper project processes in failing to report this estimation error. Project managers are required to report errors and omission made by themselves or others, as per the PMI Code of Ethics and Professional Conduct. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
2. A - Accepted Deliverables are those that have been accepted through the Validate Scope process. [PMBOK 5th edition, page 101] [Project Integration Management]
3. B - At the initial stage of a project, the cost is typically not at its highest. [PMBOK 5th edition, Page 40] [Project Framework]
4. C - It is important to list out the potential impact of assumptions if they prove to

be false. The assumptions listed out in project scope are typically more numerous and detailed than the assumptions listed in the project charter. [*PMBOK 5th edition*, Page 124] [Project Scope Management]

5. D - Identifying key stakeholders is a very crucial process that is carried out during the project initiation. Since the stakeholder register does not have any information about the key stakeholders from the buying organization, this clearly implies that the Identify Stakeholders process was not properly carried out in the past. Nothing can be said about the competence of the previous project manager as there is no guarantee that a competent project manager can never do a lousy job. Project stakeholders do change over time, but this cannot be accepted as an excuse that none of the key stakeholders from the buying organization were listed in the stakeholder register. It is not even acceptable that this was an unknown risk that has just happened. [*PMBOK 5th edition*, Page 394] [Project Stakeholder Management]
6. D - The "Executing" process group corresponds with the "do" portion of the PDCA cycle. [*PMBOK 5th edition*, Page 231] [Project Quality Management]
7. D - Control Procurements is part of the Monitoring and Controlling Process Group and is necessary for managing the contract and relationship between the buyer and seller. [*PMBOK 5th edition*, Page 61] [Project Procurement Management]
8. A - Leading a project and performing the work defined in the project management plan relates to the Direct and Manage Project Work process. [*PMBOK 5th edition*, Page 79] [Project Integration Management]
9. A - The correct response is configuration status accounting. [*PMBOK 5th edition*, Page 97] [Project Integration Management]
10. B - The objective of stakeholder management planning is to develop effective stakeholder engagement strategies. Although this cannot be done until the stakeholders are identified and classified; the objective is to keep the project stakeholders satisfied and engaged to the project. [*PMBOK 5th edition*, Page 399] [Project Stakeholder Management]
11. B - All the choices are tools/techniques in quality control, however the BEST choice would be the Ishikawa or Cause and Effect diagram. [*PMBOK 5th edition*, Page 236] [Project Quality Management]
12. A - A SWOT Analysis chart would be the best choice. SWOT is an acronym for strengths, weakness, opportunities and threats. [*PMBOK 5th edition*, Page 326] [Project Risk Management]
13. C - Organizational process assets provide existing formal and informal procurement-related policies, procedures, guidelines, and management systems that are considered in developing the procurement management plan and selecting the contract type to be used. [*PMBOK 5th edition*, Page 362] [Project Procurement Management]
14. A - The PERT formula is $\text{Estimate} = (\text{Optimistic} + (\text{Most Likely} * 4) + \text{Pessimistic}) / 6$. [*PMBOK 5th edition*, Page 171] [Project Time Management]
15. D - According to the PMBOK guide, emails and memos are informal communication. These are created by the author and then pushed on to the readers. [*PMBOK 5th edition*, Page 287, 407] [Project Stakeholder Management]
16. B - It would be appropriate to advise him to continue the work within the project's scope as scheduled. Project Managers have a responsibility to act in a truthful and complete manner. Continuing the scheduled work with no hidden slow downs

fulfills the responsibility of the project manager to the profession and their client. It is unfortunate that this action will result in your colleague being without a job a month earlier than anticipated but their reputation and the reputation of other project management professionals will be upheld. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 4, 5] [Prof. Responsibility]

17. D - Approved and rejected change requests are outputs of the Perform Integrated Change Control process. [*PMBOK 5th edition*, Page 94] [Project Integration Management]
18. D - A Lag is a modification of a logical relationship that directs a delay in a successor activity. In this case, there is a 5 day delay before the server can be moved into the data center. [*PMBOK 5th edition*, Page 158] [Project Time Management]
19. D - In this scenario both parties are giving up something, this is an example of compromise. [*PMBOK 5th edition*, Page 283] [Project Procurement Management]
20. C - It is the project manager's responsibility to push back against any unrealistic project deadlines. The PMI Code of Ethics and Professional Conduct requires project managers to stand up for the project and adhere to all project processes. Failure to do so runs counter to PMI code. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
21. D - The Control Scope and the Control Costs processes belong to the Monitoring & Controlling process group. [*PMBOK 5th edition*, Page 61] [Project Scope Management]
22. C - The Monitor and Control Project Work process tracks and reviews the project's progress. [*PMBOK 5th edition*, Page 86] [Project Integration Management]
23. C - A tornado diagram is a sensitivity analysis tool. This technique is used during the Perform Quantitative Risk Analysis process. [*PMBOK 5th edition*, Page 338] [Project Risk Management]
24. A - The body language relates to the nonverbal dimension of communications. [*PMBOK 5th edition*, Page 287] [Project Communications Management]
25. C - Notify the appropriate management immediately. PMI's code of ethics requires project managers to notify all stakeholders if any discrepancy is found in the project. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
26. A - Any activity that is a structured and independent review to examine the project is an example of a Quality Audit. A quality audit is a quality assurance tool. [*PMBOK 5th edition*, Page 247] [Project Quality Management]
27. C - A ROM estimate is given in the beginning of a project and is defined as -25% to +75% of the estimated cost. [*PMBOK 5th edition*, Page 201] [Project Cost Management]
28. D - Pre-Inception is not a PMBOK process group. [*PMBOK 5th edition*, Page 49] [Project Framework]
29. C - This is known as simulation. Project simulations use computer models and estimates of risk, usually expressed as a probability distribution of possible costs or durations at a detailed work level, and are typically performed using Monte Carlo Analysis. [*PMBOK 5th edition*, Page 180] [Project Time Management]
30. A - Since the project team is reviewing the project stakeholder management plan for potential adjustments, this relates to the Control Stakeholder Engagement

process. Multiple project documents from all phases of the project are considered during this process. [*PMBOK 5th edition*, Page 411] [Project Stakeholder Management]

31. A - The correct response is the Scope Management Plan. This plan provides guidance on how project scope will be defined, documented, validated, managed and controlled by the project management team. [*PMBOK 5th edition*, Page 109] [Project Scope Management]
32. B - Creating the WBS is an important process in a project and it is done as a part of the Project Scope Management. [*PMBOK 5th edition*, Page 125] [Project Scope Management]
33. D - Process Analysis is a Perform Quality Assurance technique that relates to root cause analysis and is used to identify a problem, discover the underlying causes, and develop preventive actions. The rest of the choices are not the tools and techniques of the Perform Quality Assurance process. [*PMBOK 5th edition*, Page 247] [Project Quality Management]
34. A - This is the definition of quality assurance. [*PMBOK 5th edition*, Page 242] [Project Quality Management]
35. C - Provide advance notice and information about the time and effort required for your project meetings to both the manager and the resources. This encourages mutual cooperation between your team and the other manager, by allowing both of you to plan resource usage in advance. The PMI Code requires that project managers show respect and encourage an attitude of mutual cooperation with others. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 3 [Prof. Responsibility]]
36. B - The requirements for formal deliverable acceptance and how to address non-conforming deliverables are usually defined in the contract. [*PMBOK 5th edition*, Page 377, 378] [Project Procurement Management]
37. A - A change request that is issued to bring the performance of a project back in line with the project management plan relates to a required corrective action. [*PMBOK 5th edition*, Page 81] [Project Integration Management]
38. D - Any time a team member joins or leaves the team, for any reason, the Staffing Management Plan should be updated. [*PMBOK 5th edition*, Page 265] [Project Human Resource Management]
39. D - The example provided is the definition of fast tracking. Crashing the schedule would be if you decide to double the amount of resources so the task(s) could be done in half the amount of time. [*PMBOK 5th edition*, Page 181] [Project Time Management]
40. A - Resource calendars indicate when resources can work on the project. [*PMBOK 5th edition*, Page 265] [Project Time Management]
41. A - Scope creep is the term used to refer to uncontrolled changes in a project's scope and can be a project manager's nightmare if not properly managed. [*PMBOK 5th edition*, Page 137] [Project Scope Management]
42. D - The exercise described is the Delphi Technique. It is a series of questions that are circulated to experts to reach consensus. [*PMBOK 5th edition*, Page 324] [Project Risk Management]
43. C - Determining what, when and how to purchase or acquire is done during the Plan Procurement Management process. [*PMBOK 5th edition*, Page 358] [Project Procurement Management]

44. B - Although, project team development is the responsibility of the project manager, the project manager may acquire experts needed to develop effective project teams. [*PMBOK 5th edition*, Page 274] [Project Human Resource Management]
45. C - Any type of training that is conducted, whether it be formal, on the job, computer based, etc. is a tool and technique in Develop Project Team. PMBOK Pg. 232 [*Project Human Resource Management*]
46. C - The uncertainty of the oil price is a project risk and this can positively or negatively affect the project. The rest of the choices are incorrect. [*PMBOK 5th edition*, Page 310] [Project Risk Management]
47. B - The facilities manager would be considered an expert in the A/C system, thus this is an example of Expert Judgment. [*PMBOK 5th edition*, Page 98] [Project Integration Management]
48. C - This is an example of analogous estimating because you went back to an old schedule of a similar project to get the estimate. Parametric estimating would be correct if you used the number of words translated (e.g. 1000 words takes 1hr.). [*PMBOK 5th edition*, Page 169] [Project Time Management]
49. D - The critical path of a project is the series of activities that have the least amount of float (flexibility). [*PMBOK 5th edition*, Page 176] [Project Time Management]
50. C - Checklists are structured tools used to verify that a set of required steps has been performed. They can be either simple or complex. Many organizations have standardized checklists to ensure consistency in frequently performed tasks. [*PMBOK 5th edition*, Page 242] [Project Quality Management]
51. C - The correct response is to issue a formal communication document. Telephoning the team member or planning for an informal lunch meeting may be additional options in the communication process, but a formal document has to be issued indicating the changes. [*PMBOK 5th edition*, Page 287] [Project Communications Management]

Knowledge Area Quiz Project Cost Management Practice Questions— Answer Key and Explanations

Cost Management Test Questions

1. The Cost Performance Baseline is a time-phased budget and is used as a basis to measure, monitor, and control overall cost performance of the project. It is usually displayed in the form of: ?
 - A. An S-curve
 - B. An inverted S curve.
 - C. Pie-chart
 - D. A Z curve

2. Contingency Reserves are estimated costs to be used at the discretion of the project manager to deal with: ?
 - A. Scope creep
 - B. Anticipated but not certain events.
 - C. Unanticipated events
 - D. Anticipated and certain events

3. A project is estimated to cost \$ 50,000 with a timeline of 50 days. After 25 days, the project manager finds that 50% of the project is complete and Actual costs are \$ 50,000. What is the Cost Performance Index (CPI) ? ?
 - A. The CPI is 1
 - B. The CPI is 1.5
 - C. The CPI is 2
 - D. The CPI is 0.5

4. Your project is mid-way through a delivery schedule. As the project manager, you want to determine how much work is still left. Which is the most accurate way to determine the remaining work to be carried out by the project team? ?
 - A. Rolling wave method
 - B. Earned Value Technique
 - C. A Manual forecast
 - D. Future analysis

5. An estimating technique that uses a statistical relationship between historical data and other variables (for example, square footage in construction, lines of code in software development) is known as: ?
 - A. Parametric Estimating
 - B. Analogous Estimating
 - C. Bottom-up Estimating

D. Historical Analysis

6. Lucy is currently preparing a high-level cost estimate for her project in the initiation phase. Given the limited detail available to her, what would you expect the range of her estimate to be and what would you call such an estimate? ?
- A. -25 to +25 %, Rough Order of Magnitude
 - B. -5 to +10 %, Narrow
 - C. -1 to +1 %, Definitive
 - D. -25 to +75 %, Rough Order of Magnitude
7. Funding requirements for a project are usually in incremental amounts that are not continuous, and these appear as a step function in the graph depicting Cash flow, Cost baseline and Funding. Any gap at the end of the project, between the funds allocated and the cost baseline represents: ?
- A. Management reserves
 - B. Contingency reserves
 - C. Cost variance
 - D. Charting error
8. As a project manager, you periodically do project performance reviews to compare cost performance over time, schedule activities or work packages over-running and under-running budget, milestones due, and milestones met. Which of the following is not a valid analytical technique? ?
- A. Trend Analysis
 - B. Earned Value Performance
 - C. Variance Analysis
 - D. Interpersonal skills
9. A variance threshold for costs or other indicators to indicate the agreed amount of variation allowed is called: ?
- A. Upper specification limit
 - B. Control thresholds
 - C. Upper control limits
 - D. Cost overrun
10. Which of these are not inputs to the Determine Budget process? ?
- A. Cost baseline, requirements traceability matrix
 - B. Project schedule, agreements
 - C. Basis of estimates, activity cost estimates
 - D. Project schedule, resource calendars

Answers

1. A - The correct response is 'S' curve. The Cost Performance Baseline is a time-phased budget and is used as a basis to measure, monitor, and control overall cost performance of the project. It is usually displayed in the form of: an S curve and is developed by summing estimated costs by period. [*PMBOK 5th edition*, Page 213] [Project Cost Management]
2. B - Contingency Reserves are estimated costs to be used at the discretion of the project manager to deal with anticipated, but not certain events. These are also called as "Known unknowns". [*PMBOK 5th edition*, Page 206] [Project Cost Management]
3. D - The correct answer is 0.5. The Cost performance Index (CPI) is given by the formula $CPI = EV/AC$ where EV is the Earned Value and AC is the Actual Cost. Earned Value = 50% of \$ 50,000 = \$ 25,000 since 50% of the project is complete. Hence $CPI = 25,000 / 50,000 = 0.5$. [*PMBOK 5th edition*, Page 219] [Project Cost Management]
4. C - Although the Earned value technique of determining the balance work in the project is quick and automatic, it is not as valuable or accurate as the manual forecasting of the remaining work by the project team. This however is more time-consuming. [*PMBOK 5th edition*, Page 220] [Project Cost Management]
5. A - This technique is known as Parametric Estimating and can produce higher levels of accuracy depending on the sophistication, as well as the underlying resource quantity and cost data built into the model. [*PMBOK 5th edition*, Page 205] [Project Cost Management]
6. D - During the initial stages of the project, the level of information available will be limited. Hence the Rough Order of Magnitude (ROM) estimate is usually prepared and has an accuracy range of -25% to +75%. [*PMBOK 5th edition*, Page 201] [Project Cost Management]
7. A - Management reserves are included in the project's total funds but they are not included in the project's cost performance baseline. [*PMBOK 5th edition*, Page 214] [Project Cost Management]
8. D - Interpersonal skills is not a valid choice. The other three choices, namely Variance Analysis, Trend Analysis and Earned Value Performance, are analytical techniques. [*PMBOK 5th edition*, Page 91, 92] [Project Integration Management]
9. B - Control thresholds are variance thresholds for costs or other indicators such as person days and indicate the agreed amount of variation allowed. [*PMBOK 5th edition*, Page 148] [Project Time Management]
10. A - The cost baseline and the requirements traceability matrix are not inputs to the Determine Budget process. The rest are valid inputs. [*PMBOK 5th edition*, Page 208] [Project Cost Management]

Exam 7 Test Questions

1. Your company has just completed an unexpected round of layoffs. Morale is low, and resources are tighter than ever. Your project is now behind schedule because of the loss of resources. Overtime work will be required of everyone for the next several weeks in order to close the gap. One of the critical resources on your project has an upcoming vacation that was approved and scheduled months ago. However, without this resource you will be unable to get back on schedule. What do you do? ?
 - A. Notify the project stakeholders of the situation immediately.
 - B. Cancel all vacations.
 - C. Find another resource.
 - D. Compress the schedule further.

2. You are negotiating a contract with a seller. You want to go in for a Fixed price type of contract. The seller uses a different terminology for the fixed price type of contract. He is most probably referring to it as a: ?
 - A. Cost-Plus-Fixed-Fee contract
 - B. A Time and material contract
 - C. Lump sum contract
 - D. Cost-Plus-Fee contract

3. A construction project requires that governmental environmental hearings be held prior to site preparation. What kind of a dependency is this? ?
 - A. Optional dependency
 - B. Discretionary dependency
 - C. Soft logic
 - D. External dependency

4. A manager asked to see a list of milestones in the project. This would be available as an output from the: ?
 - A. Sequence Activities phase
 - B. Define Scope phase
 - C. Estimate Activity Durations
 - D. Define Activities phase

5. Which of the following is the correct statement regarding the Identify Stakeholders process? ?
 - A. It is a discrete process.
 - B. It is an optional process.
 - C. It is an iterative process.
 - D. It is a planning process.

6. A project manager of a project that was contracted on a Time and Material basis finds that some of the tasks have been taking lesser time than planned. On average each team member has required only 30 hours to accomplish work which was planned for 40 hours during the week. The project manager should: ?
- A. Report the accurate status to your manager and send a separate report stating that each team member was busy for 40 hours
 - B. Report this accurately on the status report and ensure that activities are re-planned as necessary, to keep the team completely occupied.
 - C. Report on the status report that each team member was busy for 40 hours, and use the time saved for other activities not related to the project.
 - D. Avoid mentioning these kinds of savings on status reports.
7. There are a number of risks that have been identified in your project. The team has elected not to change the project plan to deal with the risk, but they have established a contingency reserve of money in the event some of these risks are triggered. This is an example of what type of risk mitigation technique? ?
- A. Contingent Response Strategy
 - B. Active acceptance
 - C. Passive acceptance
 - D. Avoidance
8. Large variations in the periodic expenditure of funds are undesirable for organizational operations. Therefore the expenditure of funds is frequently reconciled with the disbursement of funds for the project. According to the PMBOK, this is known as: ?
- A. Disbursement reconciliation
 - B. Expenditure Reconciliation
 - C. Budget Reconciliation
 - D. Funding Limit Reconciliation
9. The Earned Value Management methodology can be used as a means to: ?
- A. Forecast future performance based on past performance
 - B. Calculate the number of days left in the project
 - C. Calculate the value provided to the customer
 - D. Calculate the profitability of the project
10. A project team is participating in a brainstorming meeting for a project. The project is in the planning phase. The team is trying to determine the current and preferred project stakeholder engagement levels and analyzing the gaps between these two states. They are also discussing different approaches and strategies that can be adopted to close these gaps. This relates to which of ?

the following processes?

- A. Develop project charter
- B. Control stakeholder engagement
- C. Identify stakeholders
- D. Plan stakeholder management

11. A Work Breakdown Structure (WBS) dictionary supports the WBS and is a companion document to the WBS. Which of the following is not included in the WBS dictionary? ?

- A. List of schedule milestones
- B. Resource assigned
- C. Agreement Information
- D. Code of Account Identifier

12. The State of New York has contracted your company to provide a claims payment system for Medicaid benefits. In the contract there is a clause that indicates that the State of New York can review your work processes and deliverables. This is an example of? ?

- A. Performance Report
- B. Record Management System
- C. Deliverables Checklist
- D. Inspections and Audits

13. Control Schedule is part of which Project Management process group? ?

- A. Monitoring and controlling
- B. Planning
- C. Executing
- D. Initiating

14. Mandatory dependencies are those that are inherent in the nature of the work being done. They often involve physical limitations, such as on a construction project where it is impossible to erect the superstructure until the foundation has been built. According to the PMBOK, this type of dependency is also called: ?

- A. Soft logic
- B. Unilateral dependency
- C. Fixed logic
- D. Hard logic

15. Jim's project is in execution. The cost management plan and the project budget were approved by all key stakeholders during the planning phase of the project. Recently, the finance manager of the company has notified Jim that his project funding might suffer as another higher priority project has been initiated by the company. Jim is surprised as his project was also a ?

high priority project for the company. What should Jim immediately do?

- A. Immediately terminate the project in the best interest of the organization
- B. Put the project work on hold until the funds become available
- C. Negotiate for funds with the finance manager and the project sponsor
- D. Release the project team members

16. The termination clause and alternative dispute resolution (ADR) mechanism for each procurement in a project is documented in:

?

- A. Scope Statement
- B. Agreement
- C. Resource Calendars
- D. Source Selection Criteria

17. Jack is the project manager of a project that is halfway through the execution. Jack is currently looking at the schedule of work. He adjusts a few of the schedule milestones and imposes date constraints for some of the work packages. This relates to which of the following processes?

?

- A. Control Quality
- B. Develop Schedule
- C. Control Scope
- D. Control Schedule

18. As a project manager, you are concerned with both Prevention and Inspection of errors in a work product. The difference between Prevention and Inspection is:

?

- A. Inspection is work done by the Quality Control (QC) team whereas Prevention is work done by the Quality Assurance (QA) team
- B. Inspection refers to keeping errors out of the process whereas prevention refers to keeping errors out of the hands of the customer.
- C. Prevention refers to keeping errors out of the process whereas inspection refers to keeping errors out of the hands of the customer.
- D. Inspection and Prevention refer to the same activity depending on what stage of the project the activity is done.

19. Which of these statements is true?

?

- A. The cost of correcting mistakes through an inspection is much lesser than the cost of preventing them.
- B. The cost of preventing mistakes is generally much lesser than the cost of correcting them as revealed by inspection.
- C. It does not matter where a defect is captured as long as the finished work product does not have a defect.
- D. The cost of correcting mistakes through an inspection is more or

less same as the cost of preventing them since the same effort goes into both activities.

20. A storm has damaged the manufacturing facility that is being constructed as part of your project. You have just discovered that, although the project risk management plan mandated that the facility be insured against damage and loss, this policy was never acquired and the losses now have to be covered by the project budget. Who is at fault ?
- A. The risk manager
 - B. The project manager
 - C. The facilities manager
 - D. The construction crew.
21. You have a schedule activity that can be delayed without delaying the early start date of any subsequent activities. This is an example of? ?
- A. Free Float
 - B. Lead Float
 - C. Total Float
 - D. Lag Float
22. As the project manager of a project, you have needed to estimate certain activity durations before all project team members were acquired. On acquisition of the project team, you find that the actual competency levels of the acquired team members are much lower than what you had anticipated. In such a case, you will: ?
- A. Make no changes to the schedule.
 - B. Ask the project team members to meet the original schedule by putting in overtime if required.
 - C. Make changes to activity duration and schedule incorporating the changed competency levels.
 - D. Inform the customer that the project is behind schedule.
23. The Executive VP of Finance has informed you that you will be the Project Manager for an energy audit the company is performing in order to save expenses. He has tasked you to identify the stakeholders and to start documenting the high-level assumptions and constraints. Your project is in what stage? ?
- A. Initiating
 - B. Planning
 - C. Monitoring & Controlling
 - D. Executing
24. On a control chart, if six consecutive plot points are above the mean, then what can be established about the process? ?

- A. The process is out of control
 - B. The process will be out of control after plotting the seventh point.
 - C. The process is in control
 - D. Nothing can be established
- 25.** A software vendor on your project is hoping to be awarded a contract providing software for another project at your company. You are not the manager of the other project. However, the vendor offers you tickets to an upcoming professional sports event if you will "put in a good word" for his company to vendor selection team of the other project. What do you do? ?
- A. Fire the vendor.
 - B. Decline the tickets, but provide a recommendation for the vendor.
 - C. Decline the tickets and notify appropriate management of the situation.
 - D. Accept the tickets if company policy allows it, and provide a recommendation for that vendor to the other project team.
- 26.** A point in time that a project or project phase is authorized to its completion is called: ?
- A. Project scope
 - B. Control limit
 - C. Project threshold
 - D. Project boundary
- 27.** A project manager is managing a project where there are teams located in remote locations in order to obtain cost savings. This is in line with organizational guidelines which require that at least 25% of work should be done from a remote location. This is an example of: ?
- A. A constraint
 - B. A necessity
 - C. A choice
 - D. An assumption
- 28.** The Project Manager controls the interfacing and overlapping areas of the organization's procurement processes, and the project schedule with processes from this area: ?
- A. Project Human Resource Management
 - B. Project Scope Management
 - C. Project Risk Management
 - D. Project Integration Management
- 29.** Throughout various project meetings you have documented differences in opinion, situations to be investigated and emerging or unanticipated responsibilities. These are all inputs to what document? ?

- A. RACI Chart
- B. Issue Log
- C. Risk Register
- D. Project Performance Appraisals

30. Juliana is managing a complex multimillion dollar project. The number of the project stakeholders is high and most of the project stakeholders are heavily interested in the project. Providing daily project updates to the project stakeholders is becoming difficult for Juliana because of the effort required to prepare and distribute this information. In this situation, which of the following can help Juliana prepare and distribute the project information? **?**

- A. Configuration management system
- B. Information management system
- C. Change control system
- D. Quality management system

31. You are working on an upgrade to a call distribution system for a call center, however you are finding it extremely difficult to get the proper resources assigned and tasks completed because the Call Center Manager is in control of the budget. You have just realized that you work in what type of an organization? **?**

- A. Balanced Matrix
- B. Functional
- C. Strong Matrix
- D. Projectized

32. You have completed a milestone in your software development project and you are now verifying that the product meets the specifications outlined in the project management plan. What process group is this process in? **?**

- A. Quality Control
- B. Monitor and Controlling
- C. Executing
- D. Planning

33. Project performance appraisals are different from team performance assessment in that project performance appraisals focus on? **?**

- A. Reducing staff turnover
- B. A Team building effort
- C. How each team member is performing on the project
- D. An evaluation of the project team's effectiveness

34. You are working on a project where a negative risk has occurred. However, you have no contingency plan for this risk. You call a meeting and a solution is devised to change the workflow until a permanent solution can **?**

be implemented. This is an example of?

- A. Work Item
- B. Workaround
- C. Work Package
- D. Reserve plan

35. You have been asked to fill in for another project manager while he is on vacation. During the next project status meeting, you ask for a risk report. The project team says they have never reported on that before, and are unsure if there is a master project risk log. What do you do? ?

- A. Do nothing.
- B. Develop a list of risks yourself, based on experiences you have had managing similar projects.
- C. Ask the team to brainstorm the risks they think may impact the project.
- D. Notify the project stakeholders.

36. Which of the following process groups involves people and resources coordination, stakeholder management, as well as integrating and performing the activities of the project in accordance with the project management plan? ?

- A. Executing Process Group
- B. Monitoring & Controlling Process Group
- C. Initiating Process Group
- D. Planning Process Group

37. Megawatt is estimating the overall expected cost of a new ERP system deployment project using the actual costs of an earlier similar ERP system deployment project as the basis for the cost. This is what type of estimating? ?

- A. Analogous
- B. Bottom-up
- C. Expert Judgment
- D. Parametric

38. Costs incurred in one area of a project can offset costs in another area of the same project. However, it is not the best practice to consider only the costs of project execution when making project decisions. What must also be considered? ?

- A. Costs of non-conformance
- B. Planning costs
- C. Operating costs
- D. Initiating costs

39. Your company is way behind schedule in the deployment of a government mandated change to a health care processing system that must be in production by the end of the year. You and your team have met and decided to hire an additional 50 programmers to work with the existing staff on the activities in order to meet the due date. This is an example of what? ?
- A. Resource Leveling
 - B. Fast Tracking
 - C. Crashing
 - D. Risk Transference
40. The key difference between Validate Scope and Control Quality is: ?
- A. Validate Scope is concerned with meeting the quality standards specified.
 - B. Validate Scope is concerned with the acceptance of deliverables.
 - C. Validate Scope does not apply in projects that have been cancelled.
 - D. Validate Scope can never be performed in parallel with quality control.
41. You are managing a fund raising golf tournament that has a hole-in-one contest. However, your company can't afford to pay the \$1,000,000 award if someone does get a hole in one, so they have elected to take out an insurance policy in the event that someone does get lucky. This is an example of? ?
- A. Sharing
 - B. Mitigation
 - C. Transference
 - D. Avoidance
42. The Make-or-Buy analysis is a technique that is used as part of the Plan Procurement Management process. It is used to determine whether a particular product or service can be produced by the project team or should it be purchased. The analysis to arrive at a decision should include: ?
- A. Indirect costs only
 - B. Direct as well as Indirect costs
 - C. Direct costs only
 - D. Staffing costs only
43. Fill in the blank: _____ includes the processes required to ensure that the project includes all the work required, and only the work required, to complete the project successfully. ?
- A. Statement of Work
 - B. Project Time Management
 - C. Project Scope Management

D. Work breakdown structure

44. Breaking down project activities into smaller components in order to obtain a more accurate cost estimate is called: ?

- A. Work breakdown structure
- B. Analogous estimating
- C. Decomposition
- D. Bottom-up estimating

45. All of the following are characteristics of a project, EXCEPT: ?

- A. Has a definite beginning and end
- B. Temporary
- C. Progressively elaborated
- D. Ongoing Effort

46. Projects are often started as a result of an external factor such as market demand for a new product, a new legislative or regulatory mandate, or a change in technology. This results in the creation of _____ by an entity or organization external to the project. ?

- A. the project charter
- B. the WBS
- C. the project budget.
- D. the RACI chart

47. Bottom-up Cost estimating is typically motivated by the size and complexity of: ?

- A. The project management software
- B. The statistical relationship between historical data and other variables
- C. The project budget.
- D. The individual schedule activity or work package

48. The Quality Policy is the intended direction of a performing organization with regard to quality. As a project manager in a performing organization, you find that the organization lacks a formal quality policy. What should be done in such a case? ?

- A. The project management team need not develop a quality policy since the performing organization does not have one.
- B. The project management team needs to obtain the quality policy from the customer.
- C. A quality policy is a 'nice-to-have' and is not required for every project.
- D. The project management team will need to develop a quality policy

for the project.

49. For your weekly project status review meetings, you set some time aside on the agenda to review the risk register and review the project risks. You ensure that the response plans are still appropriate and add or delete risks as necessary. This is an example of? **?**
- A. Technical Performance Measurement
 - B. Trend Analysis
 - C. Risk Reassessment
 - D. Risk Audit
50. The cost estimates for a project are in the range of +/- 5 %. What phase is the project likely to be in? **?**
- A. Closing phase
 - B. Preliminary phase
 - C. Initial phase
 - D. Intermediate phase
51. You are setting up your project team and you are looking at a chart that shows that the programming will be performed by Systems Development, the infrastructure will be implemented by Infrastructure Systems, the customer communication will be handled by the Call Center. This is an example of what type of chart? **?**
- A. RACI
 - B. Organizational Breakdown Structure (OBS)
 - C. Work Breakdown Structure
 - D. Resource Breakdown Structure (RBS)

Answers

1. A - An unexpected loss of project resources due to company downsizing that results in a schedule slip must be communicated to project stakeholders immediately. It would be unfair to penalize the resource by cancelling his vacation simply because it is the easiest way to get back on schedule. The PMI code requires project managers to communicate accurate and timely information about the project, as well as treat team members fairly and with respect. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2, 3] [Prof. Responsibility]
2. C - A fixed price contract is synonymous with a lump sum contract. This type of contract involves a fixed total price or a lump sum for a well-defined product. [PMBOK 5th edition, Page 362] [Project Procurement Management]
3. D - This is called an external dependency. It involves a relationship between project and non-project activities (for example: governmental environmental hearings). [PMBOK 5th edition, Page 158] [Project Time Management]
4. D - The list of milestones is available as an output from the Define Activities

- process. [*PMBOK 5th edition*, Page 149] [Project Time Management]
5. C - Identify Stakeholders is a very crucial initiating process for any project. It sets the foundation for the project and is never considered optional. However, since the project stakeholders and their interests change over time, this stakeholder register needs to be updated regularly. [*PMBOK 5th edition*, Page 394] [Project Stakeholder Management]
 6. B - You would need to report the status accurately to the customer even if it means losing some revenue. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
 7. B - Recognizing the risk and not changing the plan, but making some contingencies in the event the risk is triggered is an example of active acceptance. Passive acceptance would be if no contingencies were put in place and avoidance would be correct if the project plan were modified. [*PMBOK 5th edition*, Page 345] [Project Risk Management]
 8. D - This is known as Funding Limit reconciliation. This will necessitate the scheduling of work to be adjusted to smooth or regulate those expenditures. [*PMBOK 5th edition*, Page 212] [Project Cost Management]
 9. A - The Earned Value Management methodology can be used as a means to forecast future performance based on past performance. [*PMBOK 5th edition*, Page 217] [Project Cost Management]
 10. D - The Develop Project Charter and the Identify Stakeholders options can easily be eliminated as these are initiating processes. Since the project is in the planning phase, this team meeting relates to the Plan Stakeholder Management process. [*PMBOK 5th edition*, Page 402] [Project Stakeholder Management]
 11. B - Resource assignments are not part of the WBS dictionary. [*PMBOK 5th edition*, Page 132] [Project Scope Management]
 12. D - When a buyer puts in a contract that they can review work and deliverables it is an example of an inspection and audit. [*PMBOK 5th edition*, Page 383] [Project Procurement Management]
 13. A - Control Schedule is part of the monitoring and controlling process group. [*PMBOK 5th edition*, Page 61] [Project Framework]
 14. D - Mandatory dependencies are also referred to as hard logic. [*PMBOK 5th edition*, Page 157] [Project Time Management]
 15. C - Jim needs to discuss the issue in detail with the project sponsor and the finance manager. The first goal is to negotiate the funds as the project is also a high priority project for the company. If the negotiations fail, terminating the project, putting the project work on hold, or releasing the team members are some of the actions that can be taken. [*PMBOK 5th edition*, Page 408] [Project Stakeholder Management]
 16. B - The termination clause and alternative dispute resolution (ADR) mechanism for each procurement in a project is documented in the respective procurement agreement. [*PMBOK 5th edition*, Page 378] [Project Procurement Management]
 17. D - The project is halfway through the execution. Since the project manager is adjusting the project plans, this needs to be a process from the monitoring and controlling process group. Jack is currently performing the Control Schedule process as he is adjusting the project schedule. [*PMBOK 5th edition*, Page 185] [Project Time Management]
 18. C - Prevention refers to keeping errors out of the process whereas inspection

refers to keeping errors out of the hands of the customer. [*PMBOK 5th edition*, Page 250] [Project Quality Management]

19. B - This is one of the basic tenets of project and quality management. The cost of preventing mistakes is generally much lesser than the cost of correcting them as revealed by inspection. [*PMBOK 5th edition*, Page 229] [Project Quality Management]
20. B - The project manager is at fault. It is the project manager's ultimate responsibility to ensure that all project work, policies, and processes are conducted properly. PMI requires that the project manager take ownership for his or her actions or inactions, and the consequences that arise from them. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
21. A - The question given is the definition of free float. [*PMBOK 5th edition*, Page 177] [Project Time Management]
22. C - The appropriate action is to make changes to the project schedule and activity durations depending on the actual competency of the team. Asking the project team members to put in overtime or informing the customer that the project is late are too drastic in nature given the stage of the project. [*PMBOK 5th edition*, Page 185] [Project Time Management]
23. A - Identifying stakeholders, high-level assumptions and constraints are all part of developing the project charter, which is a part of the Initiating Process Group. [*PMBOK 5th edition*, Page 61] [Project Integration Management]
24. D - Nothing can be established. The process is out of control if seven consecutive points are either above or below the mean, or any single point is outside of the control limits. [*PMBOK 5th edition*, Page 238] [Project Quality Management]
25. C - Do not accept the tickets that are offered and notify the appropriate management of the situation. By offering an incentive to you to help the vendor win more business from your company, the vendor has effectively offered a bribe. PMI's Code of Ethics prohibits project managers from accepting bribes, and further requires project managers notify the appropriate management of any unethical conduct. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 4] [Prof. Responsibility]
26. D - A point in time that a project or project phase is authorized to its completion is called project boundary. [*PMBOK 5th edition*, Page 54] [Project Framework]
27. A - This is an example of a constraint. Constraints are factors that can limit the project management team's options. An organizational mandate requiring that a certain part of the team operate from a different location to obtain cost savings is a constraint that the project management team needs to incorporate into their planning. [*PMBOK 5th edition*, Page 124] [Project Human Resource Management]
28. D - Project Integration Management includes the processes and activities needed to identify, define, combine, unify, and coordinate the various processes and project management activities within the project management process groups. [*PMBOK 5th edition*, Page 63] [Project Integration Management]
29. B - These are all inputs to an issue log. The issue log is a written document and helps address obstacles that can prevent the team from achieving its goals. [*PMBOK 5th edition*, Page 305] [Project Communications Management]
30. B - The change control and the quality management systems are not utilized for the timely distribution of the project information. The configuration management

system is used to manage the configuration of the product of the project. A good information management system can help Juliana prepare and distribute the project information to the stakeholders. [*PMBOK 5th edition*, Page 412] [Project Stakeholder Management]

31. B - The functional manager, in this case, the Call Center Manager, controls the budget in Functional and Weak Matrix organizations. [*PMBOK 5th edition*, Page 22] [Project Framework]
32. B - Verifying a product meets specifications relates to the Validate Scope process, which belongs to the monitoring and controlling process group. [*PMBOK 5th edition*, Page 133] [Project Scope Management]
33. C - Project performance appraisals deal with how each team member is performing work, rather than how well the team is working together. [*PMBOK 5th edition*, Page 278, 282] [Project Human Resource Management]
34. B - A response to a negative unplanned risk is called a workaround. [*PMBOK 5th edition*, Page 567] [Project Risk Management]
35. D - Report the lack of risk tracking and communication to the project stakeholders. Risk reporting is one of the most critical elements to report in any project status meeting. PMI's Code of Ethics and Professional Conduct require project managers to follow project processes and policies, as well as provide timely and accurate project information. Failure to track and communicate risks is a violation of the code. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 4, 5] [Prof. Responsibility]
36. A - The Executing process groups involves coordination of people and resources, stakeholder management, as well as integrating and performing the activities of the project in accordance with the project management plan. [*PMBOK 5th edition*, Page 56] [Project Framework]
37. A - Analogous cost estimating means using the actual cost of previous, similar projects as the basis for estimating the cost of the current project. Analogous cost estimating is frequently used to estimate costs when there is a limited amount of detailed information about the project (e.g., in the early phases). [*PMBOK 5th edition*, Page 204] [Project Cost Management]
38. C - Project Cost Management is primarily concerned with the cost of the resources needed to complete schedule activities. However, Project Cost Management should also consider the effect of project decisions on the cost of using, maintaining, and supporting the product, service or result of the project. [*PMBOK 5th edition*, Page 195] [Project Cost Management]
39. C - Crashing is a specific type of project schedule compression technique performed by taking action to decrease the total project schedule duration. Typical approaches for crashing a schedule include reducing activity durations and increasing the assignment of resources. [*PMBOK 5th edition*, Page 181] [Project Time Management]
40. B - Verify Scope differs from Perform Quality Control in that Verify Scope is primarily concerned with the acceptance of the deliverables, while Perform Quality Control is primarily concerned with meeting the quality requirements specified for the deliverables. [*PMBOK 5th edition*, Page 134] [Project Scope Management]
41. C - The use of insurance to shift the negative impact of a risk, in this case the payment of \$1,000,000 is an example of risk transference. [*PMBOK 5th edition*, Page 344] [Project Risk Management]

42. B - The analysis should include both indirect as well as direct costs. [*PMBOK 5th edition*, Page 365] [Project Procurement Management]
43. C - Project scope management is primarily concerned with defining and controlling what is and is not included in the project. [*PMBOK 5th edition*, Page 105] [Project Scope Management]
44. D - This is an example of bottom-up estimating. When an activity is complex and cannot be accurately estimated, it is broken down into smaller components for estimation. These individual component estimates are then summed up to obtain the cost estimate of the activity. [*PMBOK 5th edition*, Page 205] [Project Cost Management]
45. D - Projects are not repeated on an ongoing basis (e.g. quarterly) these are classified as Operations. [*PMBOK 5th edition*, Page 3] [Project Framework]
46. A - A project initiator or sponsor external to the project, at a level that is appropriate to funding the project, issues the project charter in response to some sort of stimulus. [*PMBOK 5th edition*, Page 68] [Project Integration Management]
47. D - Bottom-up estimating involves estimating the cost of individual work packages or individual schedule activities with the lowest level of detail. Generally activities with smaller associated effort increase the accuracy of the schedule activity cost estimates. [*PMBOK 5th edition*, Page 205] [Project Cost Management]
48. D - The project management team will need to develop a quality policy for the project if the performing organization does not have a formal policy. It is also the responsibility of the project management team to ensure that the project stakeholders are fully aware of the policy. [*PMBOK 5th edition*, Page 231] [Project Quality Management]
49. C - All of the answers listed are tools/techniques of Control Risks process. The regular review of your risk register for appropriateness (e.g., responses, identified risks, etc.) is an example of risk reassessment. [*PMBOK 5th edition*, Page 351] [Project Risk Management]
50. A - The project is likely to be in a closing phase since the range of estimates is quite narrow. Early on in the project, there is less cost information available and the range of estimates is much higher. As the project progresses, the degree of accuracy improves. [*PMBOK 5th edition*, Page 201] [Project Cost Management]
51. B - A hierarchically organized depiction of the project organization arranged so as to relate the work packages to performing organizational units is an example of Organizational Breakdown Structure (OBS). [*PMBOK 5th edition*, Page 261] [Project Human Resource Management]

PMP Lite Mock Exam 8 Practice Questions—Answer Key and Explanations

Exam 8 Test Questions

1. You have overheard two functional managers arguing about the impacts that your project will have on their departments. What is your best response? ?
 - A. Do nothing.
 - B. Analyze and report to each manager the impact your project will have on their departments in terms of time and resources required, and the relative enterprise priority of your project.
 - C. Inform the managers that the project sponsors had already considered this impact when they decided to implement the project.
 - D. Put in advance requests for resources from each department.

2. A large construction project for a logistics company will require the expenditure of a large amount of capital. The finance group works with the project manager to project set limits when expenses will be incurred in a given project, and determine if there are ways to smooth out or level the spending to avoid a single large expenditure one quarter and none the next. This is an example of: ?
 - A. Levelized Billing
 - B. Funding Limit Reconciliation
 - C. A financial review
 - D. Rescheduling

3. Calculation of late finish dates and late start dates for the uncompleted portion of the project is called _____. ?
 - A. Schedule compression
 - B. An arrow diagram
 - C. A backward pass
 - D. A forward pass

4. The following text is an example of _____. "WBS Element 2.3.1.8. - System Deployment Testing Planning - This element includes the effort to identify requirements for and methodology of testing systems to be deployed." ?
 - A. a resource breakdown structure
 - B. a scope baseline
 - C. a bill of materials
 - D. a WBS dictionary entry

5. Susan is currently developing her project's stakeholder register. She wants ?

to identify the internal and external parties that are involved in the project. Which of the following documents can provide this information to Susan?

- A. Scope management plan
 - B. Project charter
 - C. Stakeholder management plan
 - D. Project management plan
6. While rating a proposal, one of the requirements was "The proposed project manager needs to be a certified Project Management Professional, PMP® " ?
This is an example of:
- A. Constraints
 - B. Source Selection Criteria
 - C. Assumptions
 - D. Good practice
7. Which of the following is Deming's formula for continuous improvement? ?
- A. Plan-Act-Check-Do
 - B. Plan-Do-Check-Act
 - C. Check-Plan-Do-Act
 - D. Plan-Check-Do-Act
8. A decision tree is a Perform Quantitative Risk Analysis technique that is structured around using a Decision Tree Diagram. It describes a situation under consideration and the implications of each of the available choices and the possible scenarios. A Decision Tree Diagram shows how to make a decision between alternative capital strategies known as: ?
- A. Alternative nodes
 - B. Questionpoints
 - C. Decision nodes
 - D. Checkpoints
9. As part of the Close Procurements process, the project manager prepared a complete set of indexed contract documentation, including the closed contract, to include with the final project files. This is called a: ?
- A. Procurement file
 - B. Documentation file
 - C. Closure report
 - D. Closure file
10. Michael is managing a multi-million dollar project. The project is in the planning phase and has a big number of key stakeholders. During an analysis, Michael finds out that there are big gaps between the current and desired engagement levels for most of the key stakeholders. What should ?

Michael do next?

- A. Immediately escalate the situation to the project sponsor.
- B. Brainstorm on the stakeholder management strategies that can close these gaps.
- C. Propose to terminate the project.
- D. Prepare a business case for the project.

11. A project manager determines that there are 15 communication channels in the project. The number of stakeholders in the project must then be: ?

- A. 15 stakeholders
- B. 6 stakeholders
- C. 8 stakeholders
- D. 105 stakeholders

12. A summary milestone schedule would normally be part of which document? ?

- A. Project sign-off document
- B. Project charter
- C. Project requirements document
- D. Project scope statement

13. Which of the following processes deals with maintaining the integrity of baselines by releasing only approved changes for incorporation into the project management plan? ?

- A. Perform Integrated Change Control
- B. Direct and Manage Project Work
- C. Develop Project Management Plan
- D. Monitor and Control Project Work

14. Defense Dynamics has been awarded a fixed price project to design and build a military cargo jet. The design team is looking at ways to increase the cargo capacity of the plane while keeping manufacturing costs and the fuel efficiency of the final product within specific limits. The engineers on this team have identified factors that affect capacity, costs, and fuel efficiency and have created a statistical model of how these factors impact each other. The outcome of this model is a design with the highest cargo capacity and fuel efficiency at the lowest cost possible. What type of mathematical model is this called? ?

- A. Outcome-based Hypothesis
- B. Basis Benchmarking
- C. Cost of Quality
- D. Design of Experiments

15. Organizational process assets are key inputs to the Manage Stakeholder ?

Engagement process. The key elements of the organizational process assets utilized during this process are organizational communication requirements, issue management procedures and the change control procedures. Which of the following is also a key organizational process asset that must be considered during this process?

- A. Process audit procedures
- B. Human resource policies
- C. Historical information about previous projects
- D. Project document templates

16. Sometimes the broader, more comprehensive summary activity is also referred to as: ?

- A. Critical Activity
- B. Hammock Activity
- C. Milestone
- D. Group Task

17. The formula for Cost Variance is: ?

- A. $CV=EV-AC$
- B. $CV=AC-EV$
- C. $CV=BAC-(AC-EV)$
- D. $CV=SV-BC$

18. Select the best answer: Continuous process improvement reduces _____ and _____, which allows processes to operate at increased levels of efficiency and effectiveness. ?

- A. Process and policy overhead.
- B. Departmental and organization processes
- C. Cost and scope
- D. Waste and non-value added activities.

19. A detailed milestone list is created as an output of what process? ?

- A. Sequence Activities
- B. Define Activities
- C. Develop Project Charter
- D. Develop Schedule

20. You have just learned that your project's sole equipment supplier has gone out of business. This is an unanticipated risk, and will cause a delay in the project until a new vendor can be selected and contracts put in place. What do you do? ?

- A. Continue working on non critical path tasks.
- B. Put out on RFP for new vendors.

- C. Notify the project stakeholders.
D. Consult with legal counsel.
21. You are managing the communication requirements for your project. You find that certain general management skills come into play as part of managing stakeholder requirements and that there are different dimensions to communication that you have to plan for as the sender of information. Which of the following is not a dimension of communicating? ?
- A. Vertical / Horizontal communication
B. Forward / backward communication
C. Formal / Informal communication
D. Internal / external communication
22. Accounting for the limited resources in the project schedule is called: ?
- A. Forward pass
B. Critical chain method
C. Backward Pass
D. Critical Path Method
23. You find out that a project team member has been stealing some material from the work place. You accidentally discover this and he says that he is very sorry about it, and will not repeat it again. You will: ?
- A. Get a statement in writing from the project team member saying that he will not repeat such an activity.
B. Document the matter for your archives.
C. Inform your HR department about the matter
D. Keep quiet until it repeats for a second time
24. As part of the Develop Team process, the project manager of a project has planned for some Team Building activities. Team Building Activities should take place throughout the project life cycle, but have greater benefit when conducted: ?
- A. On a need-basis.
B. At the end of the project life cycle
C. Early in the project life cycle
D. In the middle of the project life cycle.
25. During a project status meeting, a new project manager has reported that there is a two week delay in acquiring a key resource for a task on the critical path in her project. She also states that she has built 3 weeks of float into the project schedule. What do you do? ?
- A. Create a proposal for the other project manager for alternate resources.
B. Notify appropriate management that the new project manager has

made a scheduling error that could cause an impact to the project outcome.

- C. Do nothing.
- D. Volunteer a resource from your team.

26. Collect Requirements, Develop Schedule and Perform Qualitative Risk Analysis are all part of what process group? ?

- A. Planning
- B. Scope Planning
- C. Monitor and Controlling
- D. Executing

27. You have assembled a group of subject matter experts (SMEs) to perform an exercise where they are going to complete a probability and impact matrix chart. You and your team are still in what process group? ?

- A. Risk
- B. Monitor and Controlling
- C. Quantitative Analysis
- D. Planning

28. Stakeholders can be identified in which management process group(s)? ?

- A. Planning
- B. Planning and Monitoring & Controlling
- C. Initiating and planning
- D. All

29. A project is being done for an external customer. Which of the following is not an input to the Develop Project Charter process? ?

- A. Agreements
- B. Business Case
- C. Project Statement of Work
- D. Stakeholder register

30. A project manager is currently performing the Control Stakeholder Engagement process for his project. The stakeholder management plan has not been delivering the desired results so far. The project manager is now struggling to come up with a new strategy to manage his project stakeholders. Which of the following can provide some guidance to the project manager in this situation? ?

- A. Project management plan
- B. Communication management plan
- C. Work performance information
- D. Expert judgment

31. You have the project management responsibility of a virtual team comprising team members from the same company who live in widespread geographic areas; employees who work from home-offices and employees with mobility handicaps. Virtual teams are formed as a result of which of the following processes? ?
- A. Acquire Project Team
 - B. Plan Human Resource Management
 - C. Estimate Activity Resources
 - D. Develop Schedule
32. The term _____ indicates the degree to which a particular product or service meets requirements, while _____ indicates a category or rank used to distinguish that item from other similar items. ?
- A. Quality, grade
 - B. Grade, standard
 - C. Grade, quality
 - D. Quality, standard
33. Visiting a construction site to ensure the work being done is the same work called out in the requirements is called: ?
- A. Milestone
 - B. Scope validation
 - C. Variance Analysis
 - D. Requirements traceability
34. A Responsibility Assignment Matrix illustrates the connections between the work that needs to be done and the project team members. A RACI chart is a type of Responsibility Assignment matrix where the names of the roles being documented are: ?
- A. Responsible, Administration, Check and Inform
 - B. Reportable, Actionable, Check and Inform
 - C. Responsible, Accountable, Consult and Inform
 - D. Reportable, Actionable, Consult and Implement
35. While reviewing project procurement and accounting records for your project, you discover that there is a pattern of unauthorized expenses by a specific resource. These expenses are not within the scope of the project, and have been somewhat camouflaged within a number of large and complicated expense reports. What do you do? ?
- A. If the total expenses are less than 1% of the project budget, do nothing.
 - B. Fire the resource.
 - C. Notify the appropriate management immediately.

D. Confront the resource.

36. Due to the unexpected release of a similar product from a competitor, the Widgets International executive team has stepped up the pressure on the product team to release the Widget product 3 months earlier. The project manager uses what technique to shorten the schedule but maintain the project scope? ?
- A. Schedule compression
 - B. Rolling wave planning
 - C. Schedule network analysis
 - D. Schedule management planning
37. Which of the following indicates the required cost performance in order to completed the project on budget? ?
- A. TCPI
 - B. CPI
 - C. EAC
 - D. SPI
38. A project to design and build a new aircraft is cancelled after the project has been underway for some time. What process is invoked to document what work was done, and to what extent it was completed? ?
- A. Manage Scope
 - B. Close Scope
 - C. Perform Quality Control
 - D. Close Project or Phase
39. The project manager of a large construction project is responsible for ensuring that all changes to the building plans are approved and tracked before they are implemented. These activities form part of which process? ?
- A. Manage Scope
 - B. Perform Configuration Management
 - C. Perform Integrated change control
 - D. Perform Quality Control
40. Vendor selection and management and documentation of lessons learned are tasks that fall under this process area: ?
- A. Procurement management
 - B. Deliverable management
 - C. Conduct Procurements
 - D. Scope management
41. The Conduct Procurements process receives bids or proposals and applies criteria to select one or more sellers who are both qualified and acceptable ?

as a seller. Which of the following techniques is not a valid technique for this process?

- A. Make-or-buy analysis
- B. Proposal Evaluation Techniques
- C. Advertising
- D. Bidder Conference

42. You are managing a project which requires an environmental permit to do work. The approval is in the final stages of being granted when a confidential, reliable report is brought to your notice which indicates that there is a high risk of an environmental hazard due to the project. Your manager tells you that it is better to keep quiet at this stage since the loss due to non-starting/execution of the project is very high. You will: ?

- A. Send an email to your manager documenting the matter and disowning ownership of the project.
- B. Inform the necessary authorities of the hazard, even if it means that the project will be cancelled.
- C. Wait for the project to start and see if the information in the report was true.
- D. Keep quiet about the matter since you will follow your manager's instructions.

43. A Work Breakdown Structure is a hierarchical illustration of all the work to be done in a project. A WBS component does not represent: ?

- A. products
- B. results
- C. services
- D. project activities

44. Performance reporting is a tool and technique of which of the following processes? ?

- A. Validate Scope
- B. Manage Communications
- C. Control Risks
- D. Control Scope

45. The business case to justify a project typically contains: ?

- A. BAC and ETC of the project.
- B. Cost Benefit Analysis
- C. Project WBS
- D. Variance Analysis

46. Which of the following is not a Risk-Diagramming Technique? ?

- A. Influence diagrams
- B. Control charts
- C. Cause-and-Effect diagrams
- D. System flowcharts

47. The Cost of Quality principle includes: ?

- A. The costs of ensuring conformance to requirements.
- B. The costs involved when changes are made to the requirements.
- C. The cost of deploying a project Configuration Management System
- D. The costs associated with eliminating requirements.

48. The most recent analysis of Microcorp's new fabrication facility renovation shows a CPI value of less than 1.0 What does this indicate? ?

- A. The cost has overrun estimates.
- B. The cost has underrun estimates.
- C. The project is running ahead of schedule.
- D. The schedule has slipped.

49. The degree to which the amount or volume of risk than an organization will withstand is: ?

- A. Risk appetite
- B. Risk tolerance
- C. Risk mitigation
- D. Risk management

50. Probability distributions are frequently used in Perform Quantitative Risk Analysis. Which of these is not a valid example of such a distribution? ?

- A. Sigma distribution
- B. Logarithmic distribution
- C. Triangular distribution
- D. Beta distribution

51. Project performance measurements are used to assess the magnitude of variation from the original scope baseline. Once the degree of scope variation is known, what step is performed next? ?

- A. Audit the project team
- B. Upgrade the configuration management database with new controls.
- C. Replanning
- D. Root cause analysis of the cause of the variance relative to the scope baseline.

Answers

1. B - Analyze and report to each manager the impact your project will have on theirs. This will not only assist the functional managers proactively plan for those times their resources will be require by your project, it will also ease hostility and lack of cooperation between staff. PMI's Code of Conduct mandates that project managers act in good faith and provide timely and accurate information to affected stakeholders. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 3, 4] [Prof. Responsibility]
2. B - Large variations in the periodic expenditure of funds are usually undesirable for organizational operations. Therefore, the expenditure of funds is reconciled with the funding limits set by the customer or performing organization on the disbursement of funds for the project. [*PMBOK 5th edition*, Page 212] [Project Cost Management]
3. C - Calculation of late finish dates and late start dates for the uncompleted portion of the project is called a backward pass. [*PMBOK* Page 529] [Project Time Management]
4. D - The WBS dictionary is a companion document to the WBS. The detailed content of the components contained in the WBS, including work packages and control accounts, can be described in the WBS dictionary. [*PMBOK 5th edition*, Page 132] [Project Scope Management]
5. B - Since Susan is currently developing her project's stakeholder register, she is carrying out the Identify Stakeholders process. The information she is looking for should be provided by one of the inputs of this process. The project charter is one of the inputs to this process and can provide information regarding the internal and external parties involved in the project. [*PMBOK 5th edition*, Page 394] [Project Stakeholder Management]
6. B - This is an example of source selection criterion used to rate or score proposals. [*PMBOK 5th edition*, Page 368] [Project Procurement Management]
7. B - Deming's model is Plan-Do-Check-Act. [*PMBOK 5th edition*, Page 229] [Project Quality Management]
8. C - The decision points are known as Decision nodes. The decision tree incorporates the cost of each available choice, the possibilities of each of the available choices and possible scenarios. It shows how to make a decision between alternative capital strategies (decision node) when the environment is not known with certainty. [*PMBOK 5th edition*, Page 339] [Project Risk Management]
9. A - This detailed set of documentation is called a procurement file. [*PMBOK 5th edition*, Page 389] [Project Procurement Management]
10. B - Since the project is already in the planning phase, there is no need to prepare a business case at this stage unless mandated by the management. It is safe to assume that a business case would have already been prepared and approved during the project's initiating phase. Proposing termination or escalation can be possible actions. However, Michael must first analyze all the available options that can help close these gaps. [*PMBOK 5th edition*, Page 402] [Project Stakeholder Management]
11. B - The correct answer is 6. The number of channels = $n(n-1)/2$ where n is the number of stakeholders. The answer cannot be 105 since the number of stakeholders will be less than the communication channels. The option is eliminated since it is the same as the number of stakeholders. Options

remaining are 6 and 8. Calculating with gives $6 \times 5 / 2 = 15$ and with 8 gives $8 \times 7 / 2 = 28$. So the answer is 6. [*PMBOK 5th edition*, Page 292] [Project Communications Management]

12. B - The summary milestone schedule is normally included as part of the project charter which documents the business need, understanding of customer's needs and other high-level items. [*PMBOK 5th edition*, Page 72] [Project Integration Management]
13. A - Maintaining the integrity of baselines is done in the Perform Integrated Change Control process. This process is conducted from project inception through project completion. [*PMBOK 5th edition*, Page 94] [Project Integration Management]
14. D - Design of Experiments is a statistical method that helps identify which factors may influence specific variables of a product or process under development or in production. [*PMBOK 5th edition*, 239] [Project Quality Management]
15. C - All of the given choices are organizational process assets. However, the organizational policies and templates are more relevant during the planning phase of the project. For the Manage Stakeholder Engagement process, a process from the executing process group, historical information about previous projects is considered a critical input from the organizational process assets. [*PMBOK 5th edition*, Page 407] [Project Stakeholder Management]
16. B - A broader more comprehensive summary activity is sometimes referred to as a hammock activity. [*PMBOK 5th edition*, Page 182] [Project Time Management]
17. A - CV equals earned value (EV) minus actual cost (AC). [*PMBOK 5th edition*, Page 218] [Project Cost Management]
18. D - Continuous process improvement reduces waste and non-value-added activities, which allows processes to operate at increased levels of efficiency and effectiveness. [*PMBOK 5th edition*, Page 244] [Project Quality Management]
19. B - A detailed milestone list is created as an output of the Define Activities process and includes information on whether the milestone is mandatory or optional. Note that the project charter also contains milestone information, but at a higher level. [*PMBOK 5th edition*, Page 149] [Project Time Management]
20. C - Notify the project stakeholders immediately that there is a significant impact to the project. Once they have been notified, a plan forward can be developed. The Code of Ethics requires project managers to provide timely and accurate information to stakeholders about events and situations that affect the project's scope, cost, schedule, or success. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 4] [Prof. Responsibility]
21. B - General management skills include the art of managing stakeholder requirements. The sender is responsible for making the information clear and complete so that the receiver can receive it in its entirety and correctly. There are different dimensions to communicating, but the response "Forward/Backward communication" is an invalid response. [*PMBOK 5th edition*, Page 287] [Project Communications Management]
22. B - The Critical Chain Method is a schedule network analysis technique that

modifies the project schedule to account for limited resources. [*PMBOK 5th edition*, Page 178] [Project Time Management]

23. C - The correct option is to inform your company's HR department. This is a disciplinary matter and the project manager needs to let the company guidelines handle the situation. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 4] [Prof. Responsibility]
24. C - Team Building Activities should take place throughout the project life cycle, but have greater benefit when conducted early in the project life cycle. [*PMBOK 5th edition*, Page 276] [Project Human Resource Management]
25. B - Notify the appropriate management immediately. PMI's code of ethics requires project managers report errors and omissions they observe or commit. Failure to do so is a violation of the code. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
26. A - All activities listed are planning activities. [*PMBOK 5th edition*, Page 61] [Project Framework]
27. D - The probability and impact matrix chart prioritizes risks according to their potential implication for having an effect on the project's objectives and is done in the planning phase. [*PMBOK 5th edition*, Page 330] [Project Risk Management]
28. D - Stakeholder identification is a continuous process throughout the entire project life cycle. [*PMBOK 5th edition*, Page 31] [Project Stakeholder Management]
29. D - The stakeholder register is not an input to the Develop Project Charter process. [*PMBOK 5th edition*, Page 66] [Project Integration Management]
30. D - Since the current stakeholder management plan is not delivering the desired results, the communication management and the project management plans cannot provide any further assistance to the project manager. Work performance information relates to the facts about the project's health and cannot help much in determining the right stakeholder management strategy. The project manager should now seek expert judgment to come up with a more effective stakeholder management strategy. [*PMBOK 5th edition*, Page 412] [Project Stakeholder Management]
31. A - Virtual teams are formed as a result of the Acquire Project Team process. [*PMBOK 5th edition*, Page 271] [Project Human Resource Management]
32. A - Grade is a category or rank used to distinguish items that have the same functional use; Quality indicates the degree to which items have meet requirements. [*PMBOK 5th edition*, Page 228] [Project Quality Management]
33. B - Inspection is a scope validation technique that includes activities such as measuring, examining, and verifying to determine whether work and deliverables meet requirements and product acceptance criteria. [*PMBOK 5th edition*, Page 135] [Project Scope Management]
34. C - In a RACI chart, the names of roles are documented as Responsible, Accountable, Consult and Inform. [*PMBOK 5th edition*, Page 262] [Project Human Resource Management]
35. C - Notify the appropriate management of the unauthorized expenses. Project managers are required by PMI's Code of Ethics to report any unethical or illegal behaviors or activities to the appropriate management.

Not doing so violates the PMI code. [*Reference: PMI Code of Ethics and Professional Conduct, Page 2*] [Prof. Responsibility]

36. A - Schedule compression is the technique of shortening the project schedule duration without reducing scope. [*PMBOK 5th edition, Page 181*] [Project Time Management]
37. A - The To-Complete Performance Index (TCPI) indicates the required cost performance in order to completed the project on budget. [*PMBOK 5th edition, Page 221*] [Project Cost Management]
38. D - If the project is terminated early, the Close Project or Phase process should establish and document the level and extent of completion. [*PMBOK 5th edition, Page 101*] [Project Integration Management]
39. C - Integrated change control includes maintaining the integrity of baselines by releasing only approved changes for incorporation into project products or services, and maintaining their related configuration and planning documentation. [*PMBOK 5th edition, Page 94*] [Project Integration Management]
40. C - The Conduct Procurements process involves collecting sellers responses, seller selection and the contract award. [*PMBOK 5th edition, Page 371*] [Project Procurement Management]
41. A - The Make-or-Buy analysis is not a valid technique in the Conduct Procurements process. All the other three choices are valid techniques. [*PMBOK 5th edition, Page 371*] [Project Procurement Management]
42. B - The best option is to inform the necessary authorities about the report so that the right decision can be taken, even if it means the project will be cancelled. [*Reference: PMI Code of Ethics and Professional Conduct, Page 2*] [Prof. Responsibility]
43. D - Upper level WBS components are decomposed into more easily managed elements, and can be process or product oriented. The lowest level of the WBS are the work packages. The project activities are obtained by further decomposing the work packages. The activities become a part of the project schedule and not the WBS. [*PMBOK 5th edition, Page 131*] [Project Scope Management]
44. B - Performance Reporting is a tool and technique of the Manage Communications Process. [*PMBOK 5th edition, Page 301*] [Project Risk Management]
45. B - The business case for any project includes the cost benefit analysis. [*PMBOK 5th edition, Page 69*] [Project Integration Management]
46. B - Control chart is not a valid risk management technique. The rest of the choices are risk diagramming techniques. [*PMBOK 5th edition, Page 325*] [Project Risk Management]
47. A - Quality costs are the total costs incurred by investment in preventing nonconformance to requirements, appraising the product or service for conformance to requirements, and failing to meet requirements (rework). [*PMBOK 5th edition, Page 229*] [Project Quality Management]
48. A - A CPI value of less than 1.0 indicates a cost overrun of the estimates. A CPI value greater than 1.0 indicates a cost underrun of the estimates. [*PMBOK 5th edition, Page 219*] [Project Cost Management]
49. B - The degree to which the amount or volume of risk than an organization

will withstand is the organization's risk tolerance. [*PMBOK 5th edition*, Page 311] [Project Risk Management]

- 50.** A - The response 'Sigma distribution' is not a valid distribution. Continuous probability distributions represent the uncertainty in values, such as durations of schedule activities and costs of project components. Triangular, Beta, Logarithmic, Normal and Uniform distributions are other examples of commonly used distributions. [*PMBOK 5th edition*, Page 337] [Project Risk Management]
- 51.** D - Project performance measurements are used to assess the magnitude of variation. Important aspects of project scope control include determining the cause of variance relative to the scope baseline. [*PMBOK 5th edition*, Page 139] [Project Scope Management]

Exam 9 Test Questions

1. You are a non-technical project manager. Two highly skilled and knowledgeable resources on your project are in conflict over the best technical solution to meet a project requirement. It is not impacting the project schedule, however. Who is initially responsible for the conflict resolution? ?
 - A. The project sponsor is initially responsible for the conflict resolution.
 - B. The project manager is initially responsible for the conflict resolution.
 - C. Both team members are initially responsible for the conflict resolution.
 - D. Either of team members is responsible for the conflict resolution.

2. You have been assigned as project manager of a software development project. One of the requirements is to use a remote team and you find that that the remote team has limited technical communications capabilities. This is an example of: ?
 - A. An assumption
 - B. A hindrance
 - C. A show-stopper
 - D. A constraint

3. A project manager presented Earned value analysis data in a tabular format while providing a performance report. An alternative way in which the project manager could have presented the Earned value analysis data is by using: ?
 - A. A linear graph
 - B. An S-curve
 - C. A logarithmic curve
 - D. An Epsilon graph

4. Which of the following endeavors is unlikely to be a project? ?
 - A. A research paper on "The next generation of high-speed internet connectivity"
 - B. Updating of data in an HR database.
 - C. A new business function to support production.
 - D. A new model of a laser printer.

5. Mary is managing a process improvement project. She is currently identifying her project stakeholders and populating the stakeholder register. The project sponsor has asked Mary to use the project's procurement documents as an input to this process as well. What could be the reason ?

behind this request?

- A. This is an internal project and the sponsor wants to ensure that the project doesn't involve any procurement activity.
 - B. The project sponsor is not a supporter of the project and wants to place impediments.
 - C. The customer of this project is an external party and this project is based on an established contract.
 - D. Procurements documents are mandatory inputs of the Identify Stakeholder process for any project and the sponsor wants to ensure compliance.
6. An issue log or action-item log is a tool that can be used to document and monitor the resolution of issues. At a minimum, the issue log should contain: ?
- A. A target resolution date.
 - B. An owner name.
 - C. An owner name and a target resolution date.
 - D. An owner name, a target resolution date, financial impact on the project, impact on schedule.
7. As the project manager of a large project, you have just completed the Estimate Costs process. As you begin the Determine Budget process, which of the following would you require as inputs? ?
- A. Activity cost estimates, Basis of estimates
 - B. Activity cost estimates, Activity resource estimates
 - C. Resource breakdown structure, Agreements
 - D. Activity cost estimates, Staff management plan
8. The Direct and Manage Project Work process has three tools and techniques. Two of them are Expert Judgment and Meetings. What is the third one? ?
- A. Scheduling System
 - B. Configuration Management System
 - C. Project Management Information System
 - D. Change Control System
9. A project manager is trying to plan for a contingency reserve as part of the cost estimates for the project. Which of these would be an incorrect way to plan for contingency reserves? ?
- A. Start the project with a zero value for contingency reserve.
 - B. Plan for contingency reserve as a fixed number.
 - C. Plan for contingency reserve as a percentage of the estimated cost.
 - D. Use quantitative analysis methods to arrive at the contingency

reserve.

10. Sam has been assigned to build a new office facility for his organization. Sam finds out that there are a big number of key stakeholders that are neutral to the project. Sam's stakeholder management strategy must focus on? ?
- A. Reducing the number of project stakeholders.
 - B. Ensuring these neutral stakeholder remain neutral till the project closure.
 - C. Ensuring these neutral stakeholders do not convert to resistant stakeholders till the project closure.
 - D. Converting these neutral stakeholders to supportive stakeholders.
11. A collection of formally documented procedures that define how project deliverables and documentation are controlled, changed and approved is called: ?
- A. An authorization system
 - B. Project documentation
 - C. A change control board
 - D. A change control system
12. A cost, time, quality, technical or resource value is used as a parameter and included in product specifications. Crossing this value triggers some action such as an exception report. This value would be called: ?
- A. A turning-point
 - B. A threshold
 - C. An exception-point
 - D. A trigger
13. The costs on a project are typically classified as direct and indirect costs. The cost of electric utilities for the office would be considered as: ?
- A. An indirect cost
 - B. Appraisal cost
 - C. A specific cost
 - D. A direct cost
14. Which of the following is not an activity related to the Direct and Manage Project Work process? ?
- A. Inspect the project deliverables for completeness.
 - B. Provide, train, and manage the team members assigned to the project.
 - C. Create project deliverables to meet the planned project work.
 - D. Perform activities to accomplish project objectives.

15. Barbara is managing an educational program design project. The project is in a very early phase of the project lifecycle. This is a multi-million dollar project and active involvement of the project key stakeholders is critical for the success of the project. Barbara has formed a board of project stakeholders so that all the key stakeholders can be kept engaged. Most of the key stakeholders have been conflicting with each other in the recent past. Most of the times, the nature of these conflicts have been personal rather than professional. However, no conflicts have yet arisen on the current project. Which of the following management skills must be applied by Barbara during the initial board meetings? ?
- A. Change management
 - B. Active listening
 - C. Conflict resolution
 - D. Trust building
16. Which of the following is considered an output from the Direct and Manage Project Work process? ?
- A. Budgeted costs
 - B. Project charter
 - C. Work performance data
 - D. Execution plan
17. Long hours to meet a looming deadline and immense pressure for success from management is causing a downturn in team morale. Occasionally there are conflicts between team members over priorities and resources. How should these non-disruptive conflicts be handled? ?
- A. Use of disciplinary actions
 - B. Private, direct and collaborative approach should be used first
 - C. Escalation to senior management
 - D. Arbitration
18. One of the senior team members, who is the best performer in your project plays 'favorites' and a few of the team members who work closely with him, have got very good appraisal reports in the past, even though they may not have deserved it. As the project manager, what would you need to proactively do? ?
- A. Ask all the members of your team who are appraisers of other team-members, to be liberal in their appraisals. This will help compensate for the appraisals done by the senior team member.
 - B. Speak to the senior team member and ask for appraisals to be done fairly, in accordance with the appraisal guidelines.
 - C. Ignore the matter since you would otherwise lose a senior team member who is key to your project.
 - D. Ensure that the senior team member does not get to appraise anybody.

19. Which type of risk analysis ranks risks for future action or analysis by evaluating their probability of occurrence and impact? ?
- A. RBS
 - B. Assumptions analysis
 - C. Qualitative analysis
 - D. Quantitative analysis
20. Your manager is presenting a status report of all projects being run in his division. He reports that all projects are showing a positive CV. However, you know that your status reports for the last several weeks have been reporting a negative CV. What do you do? ?
- A. Do nothing.
 - B. Offer to review all your manager's combined status reports before he presents them.
 - C. Notify the appropriate management immediately.
 - D. Ask your manager if that information was simply a typographical error.
21. A project manager from a buyer organization is invited to lunch by the manager of a seller organization. The project manager's organization does not permit receipt of gifts from vendors. The project manager should: ?
- A. Go out for lunch and refrain from informing his / her managers about the lunch.
 - B. Avoid going out to lunch with anyone from the seller organization.
 - C. Insist on paying for his / her lunch.
 - D. Permit the manager from the seller organization pay for his / her lunch since it has a very small value.
22. The accuracy of estimates of the cost of a project will _____ over the life of a project. ?
- A. be mitigated
 - B. remain neutral
 - C. decrease
 - D. increase
23. The development of requirements in the Collect Requirements process begins with an analysis of the information contained in the _____ and _____. ?
- A. Project charter, Stakeholder register
 - B. Scope baseline, Requirements traceability matrix
 - C. Scope baseline, Stakeholder register
 - D. Project charter, Project scope statement
24. What do buyers and seller have in common with regards to Control ?

Procurements?

- A. Each party ensures that both it and the other party meet their contractual obligations and that their own legal rights are protected.
 - B. Both parties have specific resources that can be idle.
 - C. Both parties have a contract change management plan.
 - D. Each party has its own project plan and legal team
25. Your most recent quality control chart shows that all data points measured fall within the control range. However, there is a group of 8 consecutive data points sitting above the mean. What do you do? ?
- A. Do nothing. The control processes are working as designed.
 - B. Change the standard deviation by +/- 1.
 - C. Tell the stakeholders there is a possible quality control issue and you are investigating the cause.
 - D. Use project contingency funds to pay for the rework of these items.
26. Melissa is managing a hardware deployment project, and is creating a risk management plan. Which of the following would NOT be included in this plan? ?
- A. Templates
 - B. Roles and responsibilities
 - C. Budgeting
 - D. Methodology
27. You are decomposing your WBS into smaller pieces of work. What is one item that does NOT describe how far the work should be decomposed? ?
- A. Until it can be realistically estimated
 - B. Can't be subdivided any further
 - C. Until a meaningful conclusion
 - D. Cannot be decomposed more than 10 levels
28. A fellow project manager is retiring and moving to the mountains, you will be taking over his project. Before he leaves he tells you the project is on schedule, but only because he has had to "put the hammer down" on his project team and push them relentlessly. Pushing the team to perform activities to accomplish project objectives is a part of: ?
- A. Direct and Manage Project Work
 - B. Monitor and Control Project Work
 - C. Control Quality
 - D. Control Scope
29. A technique which enhances brainstorming with a voting process used to rank the most useful ideas so that they can be taken up for further ?

brainstorming is:

- A. Six thinking hats
 - B. Nominal group technique
 - C. Affinity diagram
 - D. Mind mapping
- 30.** Ian's project is in execution. During the monitoring and controlling of the project, Ian finds out that the current stakeholder management strategy needs to be thoroughly reviewed. He invites selected key stakeholders and some subject matter experts to brainstorm on new ideas and approaches that can be used. Ian is planning to facilitate the session himself. The planed session in this scenario is an example of? ?
- A. Project status update meeting
 - B. Integrated change control
 - C. Project quality control
 - D. Expert judgment obtained through a focus group
- 31.** Your project team is having a dispute with a vendor about whether a specific task is within the scope of the project. The scope statement does not provide implementation level details that would resolve this discussion. There is not a WBS however, because the project sponsor insisted that the project be started right away, without pausing to create standard project planning documentation. Who is at fault? ?
- A. The project manager
 - B. The project sponsor
 - C. The project stakeholders
 - D. The project vendor.
- 32.** Which of the following is not a tool or technique of the Manage Stakeholder Engagement process? ?
- A. Technical skills
 - B. Management sills
 - C. Communication methods
 - D. Interpersonal skills
- 33.** Factors that influence conflict resolution methods include EXCEPT: ?
- A. Position taken by persons involved.
 - B. Relative importance and intensity of the conflict.
 - C. Political influence of the persons involved.
 - D. Time pressure for resolving the conflict.
- 34.** You are the project manager for a Fortune 100 IT company and you are currently engaged in an important project. You want to choose the best contractor for a specialized task. What should you do to evaluate potential ?

contractors?

- A. Create a lessons learned document
- B. Conduct a performance review
- C. Evaluate proposals
- D. Perform a Make-or-Buy analysis

35. You have recently finished an advanced project management training course that was paid for by your project budget. Because the budget for your project is not large enough to train any other resources on the project, your manager has asked you to make copies of the course materials and distribute them to the rest of the staff. What do you do? **?**

- A. Make the copies.
- B. Provide a single copy of the materials.
- C. Scan the materials and place them on the corporate intranet for easy access.
- D. Refuse the request.

36. A project manager is performing Reserve Analysis as a technique in one of the project management process that he is currently working on. Which of these is likely to be that process? **?**

- A. Estimate Reserves
- B. Report Costs
- C. Estimate Costs
- D. Plan Costs

37. You are forming a virtual project team that includes members from four different countries around the world. What is NOT an obstacle that you must overcome to build an effective team? **?**

- A. Different time zones
- B. Communication issues
- C. Cultural differences
- D. Members wanting to work from home

38. Joe is attempting to calculate the average financial impact of some future uncertain scenarios. What method could he use? **?**

- A. Pareto analysis
- B. Earned value analysis
- C. Variance analysis
- D. Expected monetary value analysis

39. A RAM diagram shows the relationship between _____ and _____ in a tabular format. **?**

- A. Cause and effect

- B. Risks and mitigation plans
- C. Deliverables and costs
- D. Work packages and project team members

40. You took over a project from an individual who was let go. You are reading the project documentation and found the project charter was signed by five managers. What should be your primary concern at this time? ?

- A. Determining reporting structure
- B. Communicating in a matrix organization
- C. Getting a single sponsor
- D. Identifying who can represent the project for change control

41. As part of Define Activities, you are looking at dependencies used to define the sequence among the activities. Which of these is not a valid type of dependency? ?

- A. Linked dependency
- B. External dependency
- C. Discretionary dependency
- D. Mandatory dependency

42. A company is looking for an experienced Project Manager to manage a large construction project. You meet all of the requirements for the position except for one. The organization is looking for a certified PMP with five years of experience and you have four years of experience managing similar projects. What is the BEST way to fill out your application? ?

- A. Show how you meet the requirements but include your actual years of experience
- B. Do not fill out that particular section.
- C. Explain why years of experience should not matter.
- D. Since you have plenty of experience, embellish your actual years of experience.

43. Hillbrand Dairies is structured so project managers share responsibility with the functional managers for assigning priorities and directing the work of persons assigned to the project. This is an example of a _____ organization. ?

- A. Dotted line
- B. Hierarchical
- C. Traditional
- D. Matrix

44. When are risk identification activities performed? ?

- A. During the Perform Qualitative Risk Analysis process
- B. During the Plan Risk Management process

- C. During the Perform Quantitative Risk Analysis process
D. Ongoing throughout the project
45. Bill is the project manager of a software project that is originally estimated to complete in 12 months. 2 months into the project, it is discovered that the original estimating assumptions were fundamentally flawed. The Estimate at Completion (EAC) in such a project will be: ?
- A. $EAC = AC + \text{Bottom-up ETC}$
B. $EAC = BAC/CPI$
C. $EAC = AC + [BAC - EV]/CPI$
D. $EAC = AC + BAC - EV$
46. How would you calculate your EAC if the ETC work will be performed at the budgeted rate? ?
- A. $EAC = BAC/CPI$
B. $EAC = BAC - EV$
C. $EAC = AC + BAC - EV$
D. $EAC = (BAC - EV) * CPI$
47. A project consists of multiple phases. Which of the following is a valid statement and applies to each phase of the project? ?
- A. Each phase is generally concluded with a review of the work accomplished but is only closed if the next phase has already been started.
B. Each phase of the project is considered complete when the project sponsor signs off on that phase of the project.
C. Each phase of the project is generally concluded with a review of the work accomplished and deliverables to determine acceptance and whether the phase should be considered closed.
D. Each phase is generally concluded with a review of the work accomplished. A phase is never considered complete until the end of the project when the entire project can be deemed complete.
48. Which of the following is not an example of data that may be presented in a performance report? ?
- A. Earned value
B. Quality metrics
C. Schedule variance
D. Project charter
49. Risks may be identified during the entire lifecycle of a project. Identify Risks is what type of process? ?
- A. Qualitative
B. Effort driven

- C. Discrete
- D. Iterative

50. The most effective method of resolving conflict or other issues with stakeholders is _____.

?

- A. Ignore
- B. Arbitrate
- C. Collaborate
- D. Avoid

Answers

1. C - Initially both the team members are responsible for the conflict resolution. If the conflict escalates, the project manager should help facilitate a satisfactory resolution. [*PMBOK 5th edition*, Page 283] [Project Human Resource Management]
2. D - This is an example of a constraint. Constraints are factors that limit a project management team's options. Examples of constraints include team members situated in different geographical locations, incompatible communication software versions or limited technical communications capabilities. [*PMBOK 5th edition*, Page 124] [Project Communications Management]
3. B - The correct response is 'S-curve'. Both S-curves and Tabular formats can be used to represent Earned value analysis data. [*PMBOK 5th edition*, Page 219] [Project Cost Management]
4. B - The endeavor "Updating of an HR database" is not likely to have been a project. It is part of ongoing operations in the HR department. The other three - writing of a research paper, creation of a new business function and development of a new laser printer, are likely to have been projects. Projects can create a product or artifact, a capability to perform a service or a result such as documents from research. [*PMBOK 5th edition*, Page 3] [Project Framework]
5. C - Procurement documents are input to the Identify Stakeholders process when a project is the result of a procurement activity or is based on an agreement or contract between two parties. It seems likely that the customer of the project is an external party and the sponsor wants to ensure that none of the key project stakeholders gets missed during this process. [*PMBOK 5th edition*, Page 394] [Project Stakeholder Management]
6. C - An issue log should at a minimum contain the owner name and a target resolution date. An issues should be clarified in a way that it can be resolved. Unresolved issues can be a major source of conflict and project delays. Having just the owner name or target resolution date leaves the issue log incomplete. Providing additional details such as financial impact on the project, impact on schedule, number of days the issue is unresolved etc. are 'nice-to-have's beyond the minimum requirement of just the owner name and target resolution date. [*PMBOK 5th edition*, Page 305] [Project Communications Management]
7. A - Activity Cost estimates are quantitative assessments of the probable costs required to complete project work. The Basis of estimates consists of additional details supporting the cost estimate. These include documentation of the basis for

the estimate, documentation of all assumptions, documentation of any known constraints and indication of the range of possible estimates. These form inputs to the Develop Budget process. [PMBOK 5th edition, Page 208] [Project Cost Management]

8. C - The three tools and techniques of the Direct and Manage Project Work process are: Expert Judgment, Project management information system, and Meetings. [PMBOK 5th edition, Page 79] [Project Integration Management]
9. A - It would be incorrect to start the project with a zero value for contingency reserves. One of the three methods listed could be used to arrive at a contingency reserve number. As more precise information about the project is available, the contingency reserve may be used, reduced or eliminated. [PMBOK 5th edition, Page 206] [Project Cost Management]
10. D - The neutral stakeholders usually don't pose any risk to the project. However, as a project progresses, stakeholders' needs and expectations may change. It would be great if Sam can ensure that an effective stakeholder management strategy is in place that ensures that these neutral stakeholders remain neutral till the project closure. However, it will be even better if an effective stakeholder management strategy is in place that ensures conversion of these neutral stakeholders to supportive stakeholders. That way, the probability of success of the project will be higher. [PMBOK 5th edition, Page 402] [Project Stakeholder Management]
11. D - The correct response is 'change control system'. A collection of formally documented procedures that define how project deliverables and documentation are controlled, changed and approved is called a change control system. This is a subsystem of the configuration management system. [PMBOK 5th edition, Page 531] [Project Integration Management]
12. B - This is called a threshold. It is a cost, time, quality, technical or resource value used as a parameter and may be included in product specifications. Crossing the threshold generally triggers an action such as generating an exception report which can get appropriately escalated. [PMBOK 5th edition, Page 565] [Project Quality Management]
13. A - The cost of electric utilities for the office would be considered as an indirect cost. Indirect costs are also known as overhead and general and administrative costs. They are the costs allocated by the project team as a cost of doing business. Ex: Salaries of management indirectly involved in the project, cost of electric utilities etc. [PMBOK 5th edition, Page 365] [Project Procurement Management]
14. A - Deliverables inspections are part of the Validate Scope process. The rest of the choices are activities relating to the Direct and Manage Project Work process. [PMBOK 5th edition, Page 80] [Project Integration Management]
15. D - Since the stakeholders have established a bad reputation in the recent past, the first thing Barbara has to focus on is 'trust building'. This will be a proactive measure to mitigate the inter-stakeholder conflict risks in the future. [PMBOK 5th edition, Page 407] [Project Stakeholder Management]
16. C - The Direct and Manage Project Work process involves the management of the direction of the planned project activities. Work Performance Data is routinely collected as part of this process. [PMBOK 5th edition, Page 79] [Project Integration Management]
17. B - Conflicts should be addressed early and usually a private, direct and a collaborative approach should be adopted first. [PMBOK 5th edition, Page 283]

- [Project Human Resource Management]
18. B - As project manager, you would need to proactively speak to the senior team member and ask for all appraisals to be done in an objective manner. The other options are incorrect. Ignoring the matter will not help solve it. Likewise the other two options are impractical. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 3, 4] [Prof. Responsibility]
 19. C - Qualitative analysis examines risks from the risk register and analyzes its probability of occurrence and the impact it would have on the project deliverables if it did occur. It ranks risks for future action or analysis by evaluating their probability of occurrence and impact. [*PMBOK 5th edition*, Page 329] [Project Risk Management]
 20. C - You should notify the appropriate management immediately that incorrect information has been presented for your project. The PMI Code of Ethics requires that managers report the errors of others, and provide accurate and truthful information to project stakeholders at all times. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2, 4, 5] [Prof. Responsibility]
 21. C - The correct action is for the project manager to insist on paying for his / her lunch. Avoiding going out to lunch with anyone from the seller organization is drastic as it may be an opportunity to build relationships and to understand the seller's position for a project, better. Going out for lunch and not informing his / her managers about the lunch is unethical. Allowing the seller organization to pay for the lunch since it is a small value may be okay in certain organizations. For example some organizations have a limit on the nature of "gifts" that may be received by their employees and permit gifts not exceeding a certain value (ex: \$ 50). In such a case, a lunch may be within limits. However, in the current situation, the data only reflects that the buyer organization does not permit its employees to receive any gifts. Hence this option is not acceptable. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
 22. D - The accuracy of a project estimate will increase as the project progresses through the project lifecycle. In the initiation phase, a project could have a rough order of magnitude estimate in the range of -25% to +75%. Later as more information is known, estimates could narrow to a range of -5% to +10%. [*PMBOK 5th edition*, Page 201] [Project Cost Management]
 23. A - Collect Requirements is the process of defining and documenting stakeholders' needs to meet project objectives. The development of requirements begins with an analysis of the information in the project charter and the stakeholder register. [*PMBOK 5th edition*, Page 111] [Project Scope Management]
 24. A - Both the buyer and the seller administer the contract for similar purposes. Each party ensures that both it and the other party meet their contractual obligations and that their own legal rights are protected. [*PMBOK 5th edition*, Page 380] [Project Procurement Management]
 25. C - Tell the project stakeholders that there is a possible quality control issue and that you are investigating the cause. Using the rule of seven as a guideline, these data points indicate that something could be out of control. Project managers are required to report timely and accurate project information. Failing to do so is a violation of the PMI Code of Ethics and Professional Conduct. [Reference - *PMBOK 5th edition*, Page 238 & *PMI Code of Ethics and Professional Conduct*, Page 4, 5] [Project Quality Management]

26. A - Templates is not a valid response. The rest of the choices are typical components of a Risk Management Plan. [*PMBOK 5th edition*, Page 316] [Project Risk Management]
27. D - WBS components are decomposed until work packages are identified that can be estimated easily. There is no hard and fast rule regarding the number of levels in a WBS. [*PMBOK 5th edition*, Page 128] [Project Scope Management]
28. A - Performing activities to accomplish project activities is one of the goals of the Direct and Manage Project Work process. [*PMBOK 5th edition*, Page 80] [Project Integration Management]
29. B - The nominal group technique enhances brainstorming with a voting process. This then allows the most useful ideas to be prioritized and taken up for further brainstorming. [*PMBOK 5th edition*, Page 547] [Project Scope Management]
30. D - Brainstorming with the key stakeholders and subject matter experts is an example of obtaining expert judgment. Since the objective of this session is to identify new ideas and approaches, this is an example of a focus group. This is not a project update meeting because the project manager is not presenting the project's status to the key stakeholders. The quality control involves inspecting the deliverables, which is not the case here. [*PMBOK 5th edition*, Page 114, 412] [Project Stakeholder Management]
31. A - The project manager is at fault. The project manager must follow all project processes required for the success of the project, regardless of insistence by others that those processes are unnecessary and time consuming. Failing to do so is a violation of PMI's Code of Conduct, and can lead to increased project cost and schedule slips. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 4] [Prof. Responsibility]
32. A - Technical skills is not a valid tool or technique. The rest of the choices are the tools and techniques of the Manage Stakeholder Engagement process. [*PMBOK 5th edition*, Page 404] [Project Stakeholder Management]
33. C - The political influence of the persons should not influence the project manager facilitating a resolution. This is against the PMI Code of Ethics and Professional Conduct. The rest of the choices are valid factors that influence conflict resolution methods. [*PMBOK 5th edition*, Page 283] [Project Human Resource Management]
34. C - An input to the Conduct Procurements process, seller proposals are prepared by sellers in response to a procurement document package. These are then evaluated by the buyer to perform source selection. [*PMBOK 5th edition*, Page 373] [Project Procurement Management]
35. D - Refuse the request. If training the staff is a requirement, it should be adequately budgeted and scheduled. Making unauthorized copies of the intellectual property of others is unethical and may also be illegal. PMI's Code of Conduct and Professional Responsibility demands that project managers protect the intellectual property rights of others. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 3] [Prof. Responsibility]
36. C - Many cost estimators include reserves (also called contingency allowances), as costs in their schedule activity cost estimates. Contingency reserves are estimated costs to be used at the discretion of the project manager to deal with anticipated but not certain events. These events are "known unknowns" and are part of the project scope and cost baselines. [*PMBOK 5th edition*, Page 206] [Project Cost Management]

37. D - Virtual teams share a common project goal but share little time in a traditional, face-to-face business environment. The virtual team concept is made possible with electronic communication and one of the benefits of such teams is the ability of members to work from home. The rest of the choices are potential issues that can happen as a result of forming a virtual team. [*PMBOK 5th edition*, Page 271] [Project Human Resource Management]
38. D - Expected monetary value (EMV) analysis is a statistical concept that calculates the average outcome when the future includes scenarios that may or may not happen. The EMV of opportunities will generally be positive values, while risks will result in negative values. [*PMBOK 5th edition*, Page 339] [Project Risk Management]
39. D - A responsibility assignment matrix (RAM) chart is used to illustrate the connections between work packages and project team members. [*PMBOK 5th edition*, Page 262] [Project Human Resource Management]
40. C - A charter should be issued, signed and updated by the project sponsor. Your immediate concern should be find a single sponsor for the project. Note though, that the sponsor can be a single person or group. [*PMBOK 5th edition*, 68] [Project Integration Management]
41. A - Linked dependency is not a valid example of a dependency. The other three choices are valid examples of dependencies. [*PMBOK 5th edition*, Page 157, 158] [Project Time Management]
42. A - For project management professionals, honesty is the best policy. You should never mislead others in regard to your experience in the field and your knowledge of the project management processes. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 4, 5] [Prof. Responsibility]
43. D - In a matrix organization, the project manager shares responsibility with the functional managers for assigning priorities and for directing the work of persons assigned to the project. [*PMBOK 5th edition*, Page 23] [Project Framework]
44. D - Identify Risks is the process of determining what risks can affect the project. Many different stakeholders usually participate in the Identify Risks process. The process of Identify Risks is iterative because unknown risks can be discovered throughout the life cycle of the project. [*PMBOK 5th edition*, Page 321] [Project Risk Management]
45. A - The correct response is: $EAC = AC + \text{Bottom-up ETC}$. Estimate to Complete (ETC) based on a new estimate must be used because the original assumptions are fundamentally flawed. [*PMBOK 5th edition*, Page 220] [Project Cost Management]
46. C - If the remaining project work is expected to be performed at the budgeted rate, the formula for EAC is $AC + (BAC - EV)$. [*PMBOK 5th edition*, Page 220] [Project Cost Management]
47. C - A project phase is generally concluded with a review of the work accomplished and the deliverables to determine acceptance, whether extra work is still required and to decide whether the phase should be considered closed. The other options are not valid. [*PMBOK 5th edition*, Page 41] [Project Framework]
48. D - The project charter is not a valid response. The rest of the choices are the data that can be presented in a work performance report. [*PMBOK 5th edition*, Page 93] [Project Integration Management]
49. D - Identify Risks is an iterative process because new risks may become known as the project progresses through its lifecycle. [*PMBOK 5th edition*, Page 321]

[Project Risk Management]

- 50.** C - Collaboration requires incorporating multiple viewpoints from different perspectives; requires a cooperative attitude and open dialogue and typically leads to consensus and commitment. [*PMBOK 5th edition*, Page 283] [Project Human Resource Management]

Test Questions

1. Gordon has recently taken over a project as the project manager. The project is already halfway through the execution. Reviewing the project management plan, Gordon found out that the project's WBS is not aligned with the project management plan and the 100% rule was ignored. What does this mean?

?

 - A. The WBS doesn't contain all of the project and product work mentioned in the project management plan.
 - B. The project is not halfway through the execution.
 - C. The project management plan can never be 100% complete.
 - D. The project cannot be completed on time.

2. What is a control chart?

?

 - A. A type of a RACI chart
 - B. A chart that shows the root cause of a problem
 - C. A type of a

fishbone diagram

- D. A chart that shows the stability of a process

3. A project manager is unsure of the difference between precision and accuracy and asks for your help in understanding the difference between the two terms. Which of these responses would be the best response to such a question?

- A. Precision is consistency that the value of a repeated set of measurements are clustered and have little scatter whereas accuracy is correctness that the measured value is very close to the true value.
- B. Accuracy is consistency that the value of a repeated set of measurements are clustered and have little scatter whereas precision is correctness that the measured value is very close to the true value.
- C. Accuracy and Precision are equivalent and normally specified in the SOW by the

customer who issues the SOW.

- D. Accuracy is more important than precision. The project management team must decide the level of accuracy required.

4. The technique of comparing actual or planned project practices to those of other projects to generate ideas for improvement and to provide a basis by which to measure performance is known as: ?

- A. Workbench
- B. Benchmarking
- C. Quality control
- D. Dependency

5. There is a serious defect in the finished product of a project that was completed a few months back and this results in a recall campaign to recall the defective products. What would be the best classification for these types of costs? ?

- A. To complete performance index (TCP)
- B. Cost variance
- C. Cost of conformance
- D. Cost of non-conformance

6. You are the project manager of a project and have come up with a bar ?

graph of problems and their frequencies. This kind of a chart is called a:

- A. Deming chart
- B. Pareto chart
- C. Ishikawa diagram
- D. Control chart

7. What is the process of random selection and inspection of a work product? ?

- A. Control Charting
- B. Flow Charting
- C. Statistical Sampling
- D. Benchmarking

8. Which of the following relates to Root Cause Analysis? ?

- A. Process Analysis
- B. Performance Measurements
- C. Pareto Chart
- D. Quality Control Measurements

9. Which of the following tools is used during Trend Analysis? ?

- A. Decision Tree Analysis
- B. Scatter Diagram
- C. Earned Value Analysis
- D. Cause and Effect Diagram

10. An automotive designer uses a certain technique to determine which combination of suspension and tires will produce the most ?

desirable ride characteristics at a reasonable cost. In order to do this, she works with a statistical framework and systematically changes all of the important parameters instead of changing the factors one at a time. This is known as:

- A. Design of Experiments
- B. Nominal Group Technique
- C. Statistical Sampling
- D. Force Field Analysis

Answers

1. A - The WBS must contain all of the project and product work including the project management work. This is also called as 100% rule. [PMBOK 5th edition, Page 131] [Project Scope Management]
2. D - A control chart shows the stability of a process over time. [PMBOK 5th edition, Page 238] [Project Quality Management]
3. A - Precision is consistency that the value of a repeated set of measurements are clustered, and have little scatter, whereas accuracy is correctness that the measured value is very close to the true value. Precise measurements are not necessarily accurate. A very accurate measurement is not necessarily precise. The project management

team must determine how much accuracy or precision or both are required.

[*PMBOK 5th edition*, Page 228] [Project Quality Management]

4. B - Benchmarking is the technique of comparing actual or planned project practices to those of other projects to generate ideas for improvement and to provide a basis by which to measure performance. [*PMBOK 5th edition*, Page 239] [Project Quality Management]
5. D - The correct response is Cost of Non-Conformance. This includes all costs incurred due to internal and external failures. [*PMBOK 5th edition*, Page 235] [Project Quality Management]
6. B - This is an example of a Pareto chart or Pareto diagram. [*PMBOK 5th edition*, Page 237] [Project Quality Management]
7. C - Statistical sampling is the process of random selecting and inspection of a work product. [*PMBOK 5th edition*, Page 240] [Project Quality Management]
8. A - The process analysis includes root cause analysis. [*PMBOK 5th edition*, Page 247] [Project Quality Management]
9. C - Earned value analysis is used as a trend analysis technique for monitoring overall project performance. [*PMBOK 5th edition*, Page 352] [Project Risk Management]
10. A - The correct response is Design of Experiments and

this plays a key role in optimization of products or processes. [*PMBOK 5th edition*, Page 240] [Project Quality Management]

Exam 10 Test Questions

1. At division project status meeting, a dashboard of cost metrics for each project is distributed to all attendees, and each project manager is presenting the status of their project. The metrics for one project show a BAC of \$1100, an EV of \$998, and a EAC of \$1099. However the project manager is reporting an ETC of \$354 in her presentation. What do you do?
A. Notify the appropriate management there is a calculation error.
B. Nothing.
C. Advise the project manager to take the additional funds from her project contingency budget.
D. Congratulate the project manager for being under budget. ?
2. The key components of the basic model of communication between two parties are:
A. Encode, message, medium, noise, decode
B. Encode, send, receive, replicate, reply
C. Encode, send, receive, distribute, respond
D. Encode, send, interference, decipher, acknowledgment ?
3. Which of the following methods of forecasting EAC and ETC is the most accurate?
A. ETC based on CPI
B. ETC based on BAC
C. ETC based on CPI and SPI
D. ETC based on new estimate ?
4. Your team has built an exotic sports car for a wealthy client. Every deliverable has been verified by the project team against the quality requirements and accepted by the client. Now the Project Manager is reviewing the car to ensure it meets the specifications of the client, as agreed to in the project plan. What project management process is represented here?
A. Closing
B. Monitoring and Controlling
C. Planning
D. Execution ?
5. Jonathan has recently been hired in a company as a business improvement manager. Jonathan has been asked to reorganize the company's meetings and reporting structure. Jonathan is currently identifying all key project stakeholders. Which of the following enterprise environmental factors is least likely to be used as an input to this process?
A. Organizational culture and structure ?

- B. Existing human resources
 - C. Project management information system.
 - D. Industry standards
6. Skills such as empathy, influence, creativity, and group facilitation are valuable assets when managing the project team. These skills are often referred to as _____.
- A. Effort based management
 - B. Feedback based skills
 - C. Ad hoc skills
 - D. Soft skills
7. The cost of running a project management office is an example of what type of cost?
- A. Reimbursable
 - B. Fixed
 - C. Direct
 - D. Indirect
8. Gary is a project manager wrapping up the construction of a new office building. He creates several documents during this process. Which of the following is not applicable to the Close Procurements process?
- A. Lessons learned documentation
 - B. Formal written notice of acceptance of deliverables
 - C. Closed contracts
 - D. Project charter
9. A project risk manager distributes anonymous questionnaires to project team members to help identify risks. This is called _____.
- A. Game Theory
 - B. The Consensus Method
 - C. Interviewing
 - D. The Delphi Technique.
10. Bill is managing a simple construction project. For this project, the stakeholder register exists, but the stakeholder management plan was not developed during the planning phase of the project. During the project execution, a big number of change requests came in and got approved. Bill now believes that a formal stakeholder management plan should be in place in order to guarantee the project's success. What must Bill do?
- A. Continue with the project and delegate the plan development to one of the project team members.
 - B. Terminate the project and start the project from scratch.
 - C. Go ahead and develop the project's stakeholder management plan.

D. Hold the project work till the management prepares the new stakeholder management plan.

11. Tim is the project manager of a project that has a timeline of 18 months. Tim has planned for daily status reports to be sent out to all stakeholders. After receiving two such reports, the project sponsor informs Tim that she would only like to have fortnightly reports. Tim had done an analysis of communications requirements and considered various attributes for the communications management plan. What aspect has he missed out, which resulted in a daily status report being sent out instead of fortnightly status reports? ?

- A. He has not considered the frequency of information distribution.
- B. He has not considered the purpose for distribution of information.
- C. He has not considered the timeline of the project.
- D. He has not considered the content of the information to be distributed.

12. A software development project team has determined the best way to mitigate the risk of not having the computational resources to complete all bug testing on schedule is to add 3 more servers to the test bed. However, the network may not have enough capacity to handle the extra load of those three servers and could fail. This type of risk is called a _____ risk. ?

- A. Secondary
- B. Simulation
- C. Bottleneck
- D. Hidden

13. Which of the following enterprise environmental factors is not applicable to the Plan Human Resource Management process? ?

- A. Organizational culture and structure
- B. Existing human resources
- C. Personnel administration policies
- D. Lessons learned

14. As part of the quality control in your project, you are looking at a technique which shows the history and pattern of variation. This is a line graph which shows data points plotted in the order in which they occurred. You are most likely looking at a: ?

- A. Control chart
- B. Pareto diagram
- C. Histogram
- D. Cause and effect diagram

15. Elizabeth is managing a software development project. During one of the ?

project update meetings, one of the key stakeholders raised a serious concern about the new project management approach being applied on the project. The rest of the stakeholders are comfortable with the new project management approach being used. What should Elizabeth do?

- A. Use coercive power to convince the stakeholder to accept the new approach.
- B. Request stakeholders to vote for the right approach.
- C. Have a separate one-to-one meeting with the stakeholder if the issue is not resolved during the update meeting.
- D. Remove the troublesome stakeholder from the stakeholder register.

16. You are assisting another project manager interview candidates for a resource position on his project. While reviewing your interview notes together, the other project manager sorts the candidate's resumes into two groups: one for further interviews, the other for candidates that did not meet the requirements for the position. You notice that he has placed several of the highly qualified candidates in the second pile, stating that those interviewees "did not fit the corporate profile." Upon further review, you discover that these candidates are all of the same ethnic group. What do you do? ?

- A. Excuse yourself from the interviewing process.
- B. Report this to the appropriate management.
- C. File a complaint with PMI
- D. Do nothing.

17. You are a PMP reviewing project files to help you write a lessons learned document on a software project you are finishing. Which of the following is not a part of a project file? ?

- A. Change management documentation
- B. Project calendars
- C. Project management plan
- D. Project deliverables

18. Which of the following processes gives the project management team insights into the health of the project? ?

- A. Develop Project Management Plan
- B. Perform Integrated Change Control
- C. Monitor and Control Project Work
- D. Determine Budget

19. Organizational process assets are an input to all of the following Stakeholder Management processes EXCEPT: ?

- A. Identify Stakeholders
- B. Manage Stakeholder Engagement

- C. Plan Stakeholder Management
- D. Control Stakeholder Engagement

20. After receiving some news about a delay on one of your project tasks, you reviewed the schedule to determine how it will impact the project. While there is a substantial delay on this task, it is not a critical path item and will not impact delivery of any of your milestones. Another project manager advises you to only present the milestone chart during your meeting with the project stakeholders and tell them the project is progressing as planned. What do you do? ?
- A. Present the project as a milestone chart and advise that the progress is tracking according to plan.
 - B. Present the schedule in a milestone chart and disclose full details of the delay.
 - C. Present the schedule in a network diagram and advise that the project is tracking according to plan.
 - D. Present the schedule as a bar chart and advise that the project is tracking according to plan.
21. The project manager in charge of a new credit card software project has asked the product manager to create a checklist to assist with the identification of risks. A risk checklist can be created from which of the following sources? ?
- A. Agreement templates
 - B. Earned value measurements
 - C. Project Management Information System
 - D. The lowest level of the Risk Breakdown Structure
22. A planning technique used to provide products, services and results that truly reflect customer requirements by translating those customer requirements into the appropriate technical requirements for each phase of project product development is called: ?
- A. Six Sigma
 - B. PDCA
 - C. Voice of the Customer
 - D. ISO
23. You have utilized 360-degree feedback techniques for your information gathering and are in the process of giving formal feedback to team members. You will be setting specific goals for employees for the remainder of the project. Which technique are you utilizing? ?
- A. Project Performance Appraisals
 - B. Co-location
 - C. Issue Log

D. Observation and Conversation

24. You are a project manager who is in charge of an important project for your company. The project includes producing widgets for your customer. Data has been collected to help identify the greatest causes of defects in the overall process. Which technique should you use to determine the correlation between two variables being analyzed? ?
- A. Statistical sampling
 - B. Pareto chart
 - C. Scatter diagram
 - D. Control chart
25. During the planning phase of your project, your team decided to procure a certain brand of hardware because it had the lowest price and free shipping and installation. This approach saved \$6,000 over the other brands being considered. Since that purchase, however, it has been discovered that the annual maintenance costs for this hardware are \$2,500 per year, and \$12,500 over the life of the hardware. These costs were not budgeted in the project, nor were they included in the TCO analysis that was done as part of the project business case. What should you do? ?
- A. Request a new budget.
 - B. Notify the stakeholders immediately.
 - C. Revise the business case.
 - D. Do nothing. This will not impact the project budget.
26. In a sender-receiver model for communication, information is sent and received between two parties, defined as the sender and the receiver. In such a model, anything that interferes with the transmission and understanding of the message is called: ?
- A. Noise
 - B. Constraint
 - C. Medium
 - D. Decode
27. Which of the following is not an appropriate method for dealing with a negative risk? ?
- A. Avoid
 - B. Exploit
 - C. Transfer
 - D. Mitigate
28. Statistical sampling involves choosing part of a population for inspection. Appropriate sampling can often _____ the cost of quality control. ?
- A. neutralize

- B. reduce
- C. increase
- D. mitigate

29. A risk with a positive outcome is called an _____.

- A. Unlikely risk
- B. Objective risk
- C. Opportunity
- D. Obsolete risk

30. During a project status review meeting, some of the project team members have raised a concern over the complexity of the project performance information reporting requirements. The project team is of the view that the work performance data should be sufficient for reporting. Which of the following is the best response that should be given to team members?

- A. The work performance information is necessary for the conversion of the resisting project stakeholders to supportive project stakeholders.
- B. Compliance to the PMBOK(r) requires transforming the work performance data to work performance information.
- C. This is a non-negotiable requirement and the project manager is not required to convince the team.
- D. The work performance data alone is not sufficient for effective decision making.

31. You are an inexperienced project manager who has been appointed to manage a project in a matrix organization. Because of this you can expect the communication in this project to be:

- A. Open and Accurate
- B. Easy to Automate
- C. Simple
- D. Complex

32. Predicting future performance based on historical events is called _____.

- A. Historical analysis
- B. Trend analysis
- C. Parametric analysis
- D. Pareto analysis

33. Which of the following estimating techniques will cost less, but is also generally less accurate?

- A. Parametric Estimating
- B. Analogous Estimating

- C. Resource cost based Estimating
- D. Bottom-up Estimating

34. A project manager is using a Risk Diagramming technique that is a graphical representation of situations showing causal influences, time ordering of events and other relationships among variables and outcomes. This would be: ?
- A. A System flow chart
 - B. An Influence Diagram
 - C. Pareto chart
 - D. Risk flow diagram
35. You are authorized to approve expenditures above \$15,000. For the last several weeks you have been negotiating the terms and pricing of a contract with a vendor, and you want to keep costs as low as possible. This has been a very difficult negotiation process. A colleague suggests you tell the vendor you can only approve expenses below \$10,000 as a way to keep the price low. What do you do? ?
- A. Ask for binding arbitration.
 - B. Tell the vendor you are only authorized to approve expenses under \$10,000.
 - C. Do not follow the colleague's advice.
 - D. Put a deadline on the negotiation completion.
36. A project manager wants to understand a project goal in relation to the steps for getting to that goal. Which of the following is a useful method for contingency planning that aids a team in anticipating intermediate steps that could derail achievement of a project goal? ?
- A. Affinity diagram
 - B. Process decision program charts (PDPC)
 - C. Interrelationship digraphs
 - D. Tree diagrams
37. You are a project manager for Enormous Co. and are currently engaged in a highly visible project. The company is about to implement an independent review to ensure that the project work is continuing to comply with the project's policies, processes, and procedures. During which process would this review occur? ?
- A. Close Project or Phase
 - B. Control Quality
 - C. Control Risks
 - D. Perform Quality Assurance
38. A project comprises of a virtual team with team members located in different offices in the same city as well as across different cities. The ?

project manager wishes to built trust and good working relationships. One of the best ways to do this is:

- A. To use team-building strategies.
- B. Write a memo to the team, detailing out the need for good working relationships.
- C. Plan for job-rotation on a weekly basis.
- D. To encourage the use of telephonic conversations as much as possible.

39. Which process group corresponds to the "act" component of the plan-do-check-act cycle? ?

- A. Executing
- B. Monitoring and Controlling
- C. Planning
- D. Initiating

40. Which option is NOT representative of the inputs, tools and techniques, and outputs of the Direct and Manage Project Work process? ?

- A. PMIS, Project Management Plan, and Deliverables
- B. Deliverables, Approved Change Requests, and Project Management Information System
- C. Approved Change Requests, Validated Changes, and PMIS
- D. Approved Change Requests, Project Management Plan, and Work Performance Data

41. As part of the Risk Response planning for your project, you are trying to come up with a strategy to deal with negative risks or threats. In order to eliminate the impact of a particular risk, you relax the objective that is in jeopardy by extending the project schedule. This is an example of ?

- A. Transference
- B. Mitigation
- C. Avoidance
- D. Postponement

42. You are the Project Manager for the production of an exotic car. You have completed the Define Scope process for your project. Which of the following may be generated through this process? ?

- A. Project scope statement, Project charter
- B. Project scope statement, Updates to Requirements traceability matrix
- C. WBS, Updates to Requirements traceability matrix
- D. Project scope statement, WBS

43. Perform Qualitative analysis of a risk is a quick way to prioritize how a ?

project team will respond to risks. It is based on risk _____ and _____.

- A. Probability and exposure
- B. Probability and impact
- C. Probability and focus
- D. Exposure and cost

44. A project manager was assigned to a project as the project charter was being developed. Which of the following is an input that the project manager will utilize to develop the project charter? **?**

- A. Make-or-Buy analysis
- B. Organizational Process Assets
- C. Project Acceptance Criteria
- D. Project Scope Statement

45. The Work Breakdown Structure (WBS) is a deliverable-oriented hierarchical decomposition of the work to be executed by the project team, to accomplish the project objectives and create required deliverables. The 'Create WBS' is a process under which Knowledge Area? **?**

- A. Project Time Management
- B. Project Integration Management.
- C. Project Scope Management
- D. Project Cost Management

46. Gene is the project manager of a large highway expansion project. He has a number of stakeholders with competing priorities and agendas, and often has to resolve conflicts between stakeholders. Which knowledge area manages communications with the project stakeholders? **?**

- A. Project Quality Management
- B. Project Stakeholder Management
- C. Project Communications Management
- D. Project Human Resource Management

47. There are 10 stakeholders in Megamart's ERP deployment project. How many potential communications channels are there? **?**

- A. 25
- B. 10
- C. 45
- D. 30

48. Which of the following is NOT considered a method in the Manage Communications process? **?**

- A. Change control systems

- B. Communication technology
 - C. Performance reporting
 - D. Information management systems
49. A project team is trying to solve a moderately complex problem. They have generated data using affinity diagrams. That data possess intertwined logical relationships. Which of the following tool can help the team analyze these intertwined relationships? ?
- A. Interrelationship digraph
 - B. Fishbone diagram
 - C. Histogram
 - D. Tree diagram
50. Reporting performance about scope to stakeholders is a part of which knowledge area? ?
- A. Project Communications Management
 - B. Project Scope Management
 - C. Project Quality Management
 - D. Project Integration Management

Answers

1. A - If ETC is being reported, then EAC should be AC + ETC. You must notify the appropriate management that there is a calculation error. Project managers are required by the PMI Code to accept ownership of their own errors, and report to the appropriate management errors they have observed being made by others. [Reference - PMBOK 5th edition, Page 220 & PMI Code of Ethics and Professional Conduct, Page 2]. [Prof. Responsibility]
2. A - A basic model of communication demonstrates how ideas or information is sent and received between two parties, defined as the sender and the receiver. The key components of the model include encode, message, medium, noise, decode, acknowledge and response. [PMBOK 5th edition, Page 293] [Project Communications Management]
3. D - The bottom-up ETC gives the most accurate results. [PMBOK 5th edition, Page 220] [Project Cost Management]
4. A - It must be noted that the car has been built and the Control Quality and Validate Scope processes have been performed for every deliverable. The question is asking about PRODUCT verification, which occurs during the closing process. [PMBOK 5th edition, Page 100] [Project Integration Management]
5. C - All of the given choices are enterprise environmental factors. However the project management information system is not used during the initiating stage of a project. The rest of the choices are important enterprise environmental factors that need to be considered at this stage. [PMBOK 5th edition, Page 395] [Project Stakeholder Management]
6. D - Interpersonal skills, sometimes known as "soft skills" are particularly important to team development. By understanding the sentiments of project team

members, anticipating their actions, acknowledging their concerns, and following up on their issues, the project management team can greatly reduce problems and increase cooperation. [PMBOK 5th edition, Page 275] [Project Human Resource Management]

7. D - Indirect costs are those costs that cannot be directly traced to a specific project. These costs are accumulated and allocated equitably over multiple projects by an approved and documented accounting procedure. [PMBOK 5th edition, Page 202] [Project Cost Management]
8. D - The project charter is not an input to the Close Procurements process. [PMBOK 5th edition, Page 386] [Project Procurement Management]
9. D - The Delphi Technique is a way to reach a consensus of experts. Participants indicate their ideas about the important project risks on an anonymous questionnaire. The responses are summarized and are then recirculated to the experts for further comment. Consensus may be reached in a few rounds of the process. This techniques helps reduce bias in the data and keeps any one person from having undue influence on the outcome. [PMBOK 5th edition, Page 324] [Project Risk Management]
10. C - If a need is felt to develop the stakeholder management plan, it should be developed regardless of the stage of the project. Further, it is the duty of the project manager to develop the project plans. Bill should start the Plan Stakeholder Management process. [PMBOK 5th edition, Page 399] [Project Stakeholder Management]
11. A - Tim has most likely not considered the frequency of distribution of information. He should have analyzed the stakeholder requirements and planned for distribution of the status report accordingly. It is unlikely that on an 18 month project, the project sponsor would want to receive daily status reports. It is possible that at the end of the project, with a few days or weeks to go, the project sponsor might request for daily reports, in order to monitor the project closely, or in case there are issues with the project. Hence Tim should have considered stakeholder requirements and planned the frequency of the status report accordingly. The other choices are incorrect. The choice that Tim has not considered the timeline of the project may be one of the factors which influence the frequency of information distribution, but is not a complete response by itself. [PMBOK 5th edition, Page 296] [Project Communications Management]
12. A - A secondary risk arises as a direct result of implementing a risk response. [PMBOK 5th edition, Page 343] [Project Risk Management]
13. D - Lessons learned from historical projects are important inputs to the Plan Human Resource Management process. However, these are classified as organizational process assets. [PMBOK 5th edition, Page 260] [Project Human Resource Management]
14. A - This is most likely to be a control chart. A control chart shows the trends in a process over a period of time. The rest of the choices are not line-based graphs. [PMBOK 5th edition, Page 238] [Project Quality Management]
15. C - If any conflict or issue arises, it's the project manager's responsibility to address and resolve it. Elizabeth must address the issue during the meeting. However, if the issue is not resolved during the meeting, she should hold a one to-one meeting with the stakeholder to address his concerns. [PMBOK 5th edition, Page 283, 407] [Project Stakeholder Management]
16. B - Report this to the appropriate management immediately. Discrimination based

on nationality is prohibited by the PMI Code of Ethics, and may also be illegal, depending on local laws. PMI requires project managers to report discriminatory behavior to the appropriate management; not doing so is a violation of the Code of Ethics. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2, 4] [Prof. Responsibility]

17. D - The project deliverables are not part of the project file. The rest of the choices are components of the final project file. [*PMBOK 5th edition*, Page 104] [Project Integration Management]
18. C - It must be a process from the Monitoring & Controlling process group. The correct response is 'Monitor and Control Project Work'. This is the process necessary for collecting, measuring, and disseminating performance information and assessing measurements and trends to effect process improvements. Monitoring includes status reporting, progress measurement, and forecasting. [*PMBOK 5th edition*, Page 86] [Project Integration Management]
19. D - Organizational process assets are not input to the Control Stakeholder Engagement process. [*PMBOK 5th edition*, Page 392] [Project Stakeholder Management]
20. B - Present the schedule as a milestone and disclose the details of the delay. Concealing delays is a violation of the PMI Code of Ethics and Professional Conduct. Project Managers must provide accurate and timely information. Providing half-truths about a project's schedule is not permitted. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
21. D - The lowest level of the RBS can be used as a risk checklist. [*PMBOK 5th edition*, Page 325] [Project Risk Management]
22. C - The correct response is 'Voice of the Customer'. This is one of the non-proprietary approaches to quality management. In this planning technique, the customer's requirements are exactly met in the finished product during each phase of the project. [*PMBOK 5th edition*, Page 566] [Project Quality Management]
23. A - Project Performance Appraisal is a technique of the Manage Project Team process. In a Project Performance Appraisal, team members get feedback from project work supervisors. The supervisors can gather information from those who interact with the team member using 360-degree feedback principles. The term 360 feedback principles, simply means that information is gathered from multiple sources such as the workers supervisors, peers, and subordinates. [*PMBOK 5th edition*, Page 282] [Project Human Resource Management]
24. C - Scatter diagrams are used to determine if a correlation exists between two variables. [*PMBOK 5th edition*, Page 238] [Project Quality Management]
25. B - Notify the project stakeholders of this situation immediately. Once they have been notified of the lifecycle costing, a path forward can be developed. Project managers are responsible for providing accurate and timely information. Even though this cost will not impact the project budget directly, it is a critical component of the ongoing operation of the project's product. Failing to communicate this information is a violation of the PMI Code of Ethics and Professional Conduct. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
26. A - In a sender-receiver model, the key components include encoding of thoughts or ideas, a message as the output of encoding, a medium to convey the message and decoding the message back into meaningful thoughts or ideas. Anything that interferes with the transmission and understanding of the message is termed as

noise (for example: distance). [*PMBOK 5th edition*, Page 293] [Project Communications Management]

27. B - Exploitative strategies are selected for risks with positive impacts where the organization wishes to ensure the opportunity is realized. This strategy seeks to eliminate the uncertainty associated with a particular upside risk by making the opportunity happen. [*PMBOK 5th edition*, Page 345] [Project Risk Management]
28. B - Appropriate sampling can often reduce the cost of the quality control. In some application areas, it may be necessary for the project management team to be familiar with a variety of sampling techniques. [*PMBOK 5th edition*, Page 240] [Project Quality Management]
29. C - Risks can pose a threat or an opportunity to a project. Positive risks are called opportunities. [*PMBOK 5th edition*, Page 310] [Project Risk Management]
30. D - If some of the project team members have some concerns, it is the project manager's duty to address them. A reasonable response must be given to the team in the given situation. Compliance to the PMBOK(r) can be a desire, but it is not a reasonable justification. The conversion of the resisting project stakeholders to supporting stakeholders needs a lot of communication and demonstration of quick wins; the work performance information alone is not sufficient. The best response that can be given to the team is that the work performance information is required by the key stakeholders for effective decision making, which is crucial for the success of the project. [*PMBOK 5th edition*, Page 413] [Project Stakeholder Management]
31. D - Matrix organizations don't have linear communications lines (e.g., top-down), therefore communication goes across many different "silos". [*PMBOK 5th edition*, Page 23] [Project Framework]
32. B - Trend analysis is an analytical technique that uses mathematical models to forecast future outcomes based on historical results. It is a method of determining the variance from a baseline of a parameter by using prior progress reporting periods' data and projecting how much that parameter's variance from baseline might be at some future point in the project if no changes are made in executing the project. [*PMBOK 5th edition*, Page 188] [Project Time Management]
33. B - Analogous cost estimating is generally less costly than other cost techniques, but is also generally less accurate. It uses the actual cost of previous, similar projects as the basis for estimating the cost of the current project. It is more reliable when the previous projects are similar in fact, and not just in appearance, and the persons estimating have the needed expertise. [*PMBOK 5th edition*, Page 204] [Project Cost Management]
34. B - A Diagramming technique that is a graphical representation of situations showing causal influences, time-ordering of events and other relationships among variables and outcomes is known as an Influence Diagram. The Cause-and-effect diagram also identifies the causes of risk, but does not have the time-ordering of events. [*PMBOK 5th edition*, Page 325] [Project Risk Management]
35. C - Do not follow your colleague's advice. Providing false or misleading information for any reason is a violation of the PMI Code of Ethics. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 4, 5] [Prof. Responsibility]
36. B - Process decision program charts (PDPC) are used to understand a project goal in relation to the steps for getting to that goal. It is a useful method for contingency planning that aids a team in anticipating intermediate steps that could derail achievement of a project goal. [*PMBOK 5th edition*, Page 245] [Project

Quality Management]

37. D - Quality audits are performed during the Perform Quality Assurance process. [PMBOK 5th edition, Page 247] [Project Quality Management]
38. A - Use of team-building activities helps in building trust and establishing good working relationships. Among the other choices - encouraging the use of telephone calls can also help in building relationships, especially in distributed teams. However, this cannot be an alternative to email communication. Job-rotation within the team may also help team-morale, however doing it on a weekly basis may be counterproductive and inefficient. [PMBOK 5th edition, Page 276] [Project Human Resource Management]
39. B - The "act" component of the plan-do-check-act cycle relates to the Monitoring and Controlling process group. The plan-do-check-act cycle was created by Shewhart and modified by Deming to illustrate how different results from one cycle become an input to another cycle. [PMBOK 5th edition, Page 231] [Project Quality Management]
40. C - Validated Changes are not input, tools and technique, or output for the Direct and Manage Project Work process. [PMBOK 5th edition, Page 79] [Project Integration Management]
41. C - This is an example of avoidance. It involves changing the project management plan to eliminate the threat posed by an adverse risk, isolating the project objectives from the risk's impacts or to relax the objective that is in jeopardy, such as extending the schedule or reducing scope. Transference involves shifting the negative impact of a threat along with the ownership of the response. Mitigation implies a reduction in the probability and/or impact of an adverse risk. Postponement is not a valid strategy since it does not address the risk. [PMBOK 5th edition, Page 344] [Project Risk Management]
42. B - The Define Scope process will result in development of the Project Scope statement and updates to project documents such as stakeholder register, requirements documentation and the requirements traceability matrix. [PMBOK 5th edition, Page 123, 125] [Project Scope Management]
43. B - Perform Qualitative risk analysis is usually a rapid and cost-effective means of establishing priorities for Plan Risk Responses. [PMBOK 5th edition, Page 328, 329] [Project Risk Management]
44. B - When developing the project charter, the project manager can draw from the assets that are part of the organizational process assets. There may be formal / informal policies, procedures, plans, and guidelines whose effects must be considered. Organizational process assets also represent the organization's learning from previous projects such as completed schedules, risk data and earned value data. These are invaluable in developing the project charter. [PMBOK 5th edition, Page 66] [Project Integration Management]
45. C - The Work Breakdown Structure (WBS) is a deliverable-oriented hierarchical decomposition of the work to be executed by the project team, to accomplish the project objectives and create required deliverables. The 'Create WBS' is a process under the 'Project Scope Management' Knowledge Area. The WBS subdivides the project into smaller, more manageable pieces of work, with each descending level of the WBS representing an increasingly detailed definition of the project work. [PMBOK 5th edition, Page 125] [Project Scope Management]
46. C - The Manage Communications is the process of producing and distributing project information to the project stakeholders. This process is a part of project

communications management knowledge area. [*PMBOK 5th edition*, Page 297]
[Project Communications Management]

47. C - The total number of communications channels is $n(n-1)/2$, where n =number of stakeholders. [*PMBOK 5th edition*, Page 292] [Project Communications Management]
48. A - The change control system is not a tool and technique of the Manage Communications process. The rest of the choices are valid tools and techniques of this process. [*PMBOK 5th edition*, Page 297] [Project Communications Management]
49. A - The interrelationship digraphs provide a process for creative problem solving in moderately complex scenarios that possess intertwined logical relationships for up to 50 relevant items. [*PMBOK 5th edition*, Page 245] [Project Quality Management]
50. A - Performance Reporting is a tool and technique of the Manage Communications Process. [*PMBOK 5th edition*, Page 301] [Project Communications Management]

Human Resource Test Questions

1. Ken is managing a project where the morale of the team is very low. The team members have been on the project for more than a year and though the project is due to end in a few weeks' time, they do not know what is in store for them. What should Ken have planned better to avoid such a situation? ?
 - A. Ground rules
 - B. 360-degree feedback
 - C. Job rotation within the project.
 - D. Staff release plan

2. You are the project manager of a project whose team has interacted with a number of stakeholders. You feel that in order to have a very objective project performance appraisal, you would like to obtain feedback for the project team members from all the people they have worked with, including superiors, peers and subordinates. Project performance appraisals are carried out during which of the following processes? ?
 - A. Close Project or Phase
 - B. Acquire Project Team
 - C. Manage Project Team
 - D. Develop Project Team

3. Which of the following is not a tool and technique of the Plan Human Resource Management process? ?
 - A. Organizational theory
 - B. Networking
 - C. Organization charts
 - D. Rewards and recognition

4. Which of these is not an Enterprise environmental factor that can influence the Plan Human Resource Management process? ?
 - A. Organizational culture
 - B. Lessons learned on organizational structures
 - C. Marketplace conditions
 - D. Personnel administration policies

5. Which of the following is not provided by the communications management plan? ?
 - A. Stakeholders communication requirements
 - B. Frequency of communication
 - C. Person responsible for communicating the information
 - D. Desired and current engagement levels of key stakeholders

6. You are managing a project. An audit team wants to know where they can find information on training plans for the project team members and certification requirements. This would be found in the: ?
- A. Resource Breakdown Structure
 - B. Staff Release Plan
 - C. Staffing Management Plan
 - D. Communications Management Plan
7. You are managing a project and find that you need to apply resource leveling. Which of the following tools can help you identify resources that are over allocated? ?
- A. Resource Assignment Matrix
 - B. Network diagram
 - C. Resource Histogram
 - D. Resource Breakdown Structure
8. Which of the following is not among the processes of Project Communications Management? ?
- A. Control Communications
 - B. Identify Stakeholders
 - C. Plan Communications Management
 - D. Manage Communications
9. Ground rules are established to set clear expectations regarding acceptable behavior by the project team members. Whose responsibility is it to enforce ground rules? ?
- A. The project manager
 - B. All project team members share the responsibility for enforcing the rules once they are established
 - C. The HR team
 - D. The project manager and senior team members
10. Conflict management is a tool and technique of which of the following processes? ?
- A. Control Procurements
 - B. Identify Stakeholders
 - C. Close Project or Phase
 - D. Manage Project Team

Answers

1. D - The correct response is the staff release plan. While job rotation is a good way of ensuring high morale within the team, it is more of an ongoing effort and

within the project team. The project manager needs to determine the method and timing of releasing team members (release criteria). Smooth transitions to upcoming projects helps improve the morale. [*PMBOK 5th edition*, Page 266] [Project Human Resource Management]

2. C - Project performance appraisal are carried out during the Manage Project Team process. [*PMBOK 5th edition*, Page 282] [Project Human Resource Management]
3. D - Rewards and Recognition is a tool and technique used in the Develop Project Team process and not in the Plan Human Resource Management process. [*PMBOK 5th edition*, Page 257] [Project Human Resource Management]
4. B - Lessons learned on organizational structures are used as inputs to the Plan Human Resource Management process. However, these are organizational process assets and not enterprise environmental factors. [*PMBOK 5th edition*, Page 260] [Project Human Resource Management]
5. D - The desired and current engagement levels of key stakeholders are documented in the stakeholder management plan. The rest of the choices are the components of the communications management plan. [*PMBOK 5th edition*, Page 296, 403] [Project Communications Management]
6. C - The correct response is the Staffing Management Plan. This lists the time periods that team members are expected to work on the project along with information such as training plans, certification requirements and compliance issues. [*PMBOK 5th edition*, Page 265, 266] [Project Human Resource Management]
7. C - The Resource Histogram is a tool for charting human resources and illustrates the number of hours that a person, department or entire project team will be needed each week or month over the course of the project. The chart can include a horizontal line that represents the maximum number of hours from a particular resource. This can be used for a resource leveling strategy. [*PMBOK 5th edition*, Page 265] [Project Human Resource Management]
8. B - The Identify Stakeholders is a process from the Project Stakeholder Management knowledge area. [*PMBOK 5th edition*, Page 287, 391] [Project Communications Management]
9. B - All project team members share responsibility for enforcing the rules once they are established. [*PMBOK 5th edition*, Page 277] [Project Human Resource Management]
10. D - Conflict Management is a tool and technique of the Manage Project Team process. The Control Procurements process has Claims Administration that somewhat relates to conflict management. [*PMBOK 5th edition*, Page 282] [Project Human Resource Management]

Exam 11 Test Questions

1. Your project is nearing completion, but a previously unidentified risk has been discovered and it could significantly affect one of the project deliverables. What do you do? ?
 - A. Transfer the risk.
 - B. Develop a risk mitigation plan.
 - C. Include the issue in the project risk log.
 - D. Notify the project stakeholders immediately.

2. A team of engineers is reviewing the architecture diagram for a new ERP system being deployed at a large accounting firm. The engineers are discussing the impact of the failure of each node in the diagram on overall availability of the final product. The intent of the discussion is to minimize the likelihood of failure and the effects of any failure. What is this called? ?
 - A. SWOT Analysis
 - B. Quantitative Analysis
 - C. Failure Mode and Effect Analysis
 - D. Deming Cycle

3. As a project manager based at the customer location for a performing organization, you strike up a rapport with a customer manager. As the project progresses, the manager asks you to make certain changes to the project scope and wants this to be handled on an informal basis. You should: ?
 - A. Contact your manager in your organization and ask for this work to be done without payment, as a goodwill gesture.
 - B. Comply with the manager's request. It is important to continue to maintain a good relationship with the manager.
 - C. Refuse to take up any changes since the manager has asked you to do it informally.
 - D. Explain to the manager that you would need to formally document these as part of project scope change and put it through the change management process.

4. You are in the midst of a major code roll out for a new software module. However, it has come to your attention that the resources promised for the roll out are not going to be available. As the Project Manager, what is the BEST thing to do? ?
 - A. Explain the impact of the lost resources to the stakeholders
 - B. Replan the project without the resources
 - C. Have the current staff work extra hours
 - D. Fast Track the schedule

5. The Identify Stakeholders process is an initiating process. At this stage, ?

which of the following organizational process assets is the most crucial input to this process?

- A. Change control procedures
 - B. Lessons learned from previous projects.
 - C. Financial control procedures
 - D. Risk control procedures
6. The project management team performed activities such as measuring, examining, and verifying to determine whether work and deliverables met requirements and product acceptance criteria. Which of the following choices refers to a different set of activities than the ones just mentioned? ?
- A. Walkthroughs
 - B. Prevention
 - C. Inspection
 - D. Reviews
7. _____ is performed on risks that have been prioritized by the Perform Qualitative Risk Analysis process as potentially and substantially impacting the project. ?
- A. Perform Risk Cost Analysis
 - B. Perform Risk Exposure Analysis
 - C. Perform Quantitative Risk Analysis
 - D. Perform Risk Outcome Analysis
8. Which of the following documents will help trace the requirements to product design? ?
- A. Requirements traceability matrix
 - B. Design traceability matrix
 - C. Project scope statement
 - D. Product traceability matrix
9. As the Project Manager for Midway Carnival Rides, you are starting off on the Define Scope process. Which of the following is a key input to the process? ?
- A. Risk Management Plan
 - B. Quality Management Plan
 - C. Project Charter
 - D. Staffing Management Plan
10. Neil is the project documents controller for a multi-million dollar telecom network deployment project. Neil has just received a document from the project manager. This document contains the project stakeholders' communication requirements for the current project phase. Neil should ?

update which of the following project documents with this information?

- A. Work breakdown structure
 - B. Stakeholders engagement assessment matrix
 - C. Stakeholder management plan
 - D. Stakeholder register
11. A key output of Plan Human Resource Management is a list of project roles and responsibilities. What should this document include? ?
- A. Work packages, Effort, Authority, Duties
 - B. Role, Responsibility, Authority, Risk
 - C. Role, Title, Resource Cost, Responsibility
 - D. Role, Authority, Responsibility, Competency
12. What is the best way to show, at a glance, all the work packages or project activities assigned to a specific organizational department? ?
- A. Organizational Breakdown Structure
 - B. RACI chart
 - C. Work Breakdown Structure
 - D. Roles and Responsibilities Chart
13. RACI stands for _____, _____, _____, _____? ?
- A. Review, Analyze, Calculate, Implement
 - B. Responsible, Actual, Complete, Informative
 - C. Roles, Activities, Costs, Instructions
 - D. Responsible, Accountable, Consult, Inform
14. As the project manager of a high-visibility project, you are in the process of Identifying risks. You are concerned that the data you collect might be biased. A technique that helps keep the bias out of the data and keeps any one person from having undue influence on the outcome is: ?
- A. Interviewing
 - B. Round-robin technique
 - C. Ishikawa technique
 - D. Delphi technique
15. A project manager is giving a project update to the key stakeholders. During the meeting, he finds out that most of the stakeholders are busy checking and replying to their emails. Which of the following is the best action that could have eliminated this issue? ?
- A. A meeting ground rule on active listening
 - B. Providing snacks to the stakeholders during the meeting
 - C. Including the company's code of conduct in the presentation

handouts

D. Asking sudden unexpected questions outside the scope of the project

16. You are a Project Manager working on a project to create high efficiency electric motors for a company introducing a new electric golf cart. Your company's president is keenly interested in the project and requests a chart that shows the number of defects by type ordered by their frequency of occurrence. Which type of chart would BEST meet this request? ?

- A. Pareto diagram
- B. Control chart
- C. Statistical sampling
- D. Scatter diagram

17. What term defines the work needed to complete a product, service, or result? ?

- A. Product scope
- B. Scope creep
- C. Scope verification
- D. Project scope

18. During a weekly status meeting a team member suggests adding a component to the project. As the project manager, you indicate that all focus should be put on the current scope and don't worry about any enhancements. Focusing on the current scope is an example of? ?

- A. Gold plating
- B. Scope verification
- C. Scope management
- D. Change control

19. What type of method can be used to eliminate personal bias during the process of selecting a seller? ?

- A. Independent estimates
- B. Source Selection Criteria
- C. Vendor rankings
- D. Screening

20. You have been offered a position managing a project that will last 12 months. However, you know that in 6 months you will be relocating to another state for family reasons. What should you do? ?

- A. Turn down the position.
- B. Accept the position and provide 4 weeks notice before leaving the job.
- C. Accept the position and compress the schedule to complete the

project in 6 months.

D. Disclose your relocation plans to the hiring manager.

21. A project manager wants to proactively monitor a manufacturing process in order to determine if the quality level is within acceptable limits for that process. What tool will help with this? ?

- A. Control charts
- B. Ishikawa diagram
- C. Histogram
- D. PERT chart

22. You are planning a storage device migration in a data center. During this phase of the project, who should be controlling the project? ?

- A. Project Manager
- B. SME's
- C. Sponsor
- D. Management

23. As project manager, you find you are constantly dealing with conflict amongst your team members. Everyone argues over sharing available project resources so you plan to use a conflict resolution method to alleviate the tension between team members. What conflict resolution method is NOT recognized by the Project Management Institute? ?

- A. Forcing
- B. Withdrawal
- C. Elaboration
- D. Smoothing

24. In a project that was yet to begin, many of the project team members were known in advance. This is called: ?

- A. Proactive-planning
- B. Skill-matching
- C. Pre-assignment
- D. Staffing-assignment

25. You have been managing a construction project in a developing country and are closing down the project. The tools and equipment that was used on the project has to be returned to your company's European headquarters. A non-governmental organization that builds and repairs medical facilities in this country has come to you to request that this equipment be donated to them. What should you do? ?

- A. Donate all tools and equipment.
- B. Refuse the request.
- C. Donate only the tools and equipment whose value is below your

- purchase approval limit.
- D. Notify the appropriate management.

26. All of the following are components of an effective change control, EXCEPT: ?

- A. Variance analysis
- B. Expert judgment
- C. Change control tools
- D. Meetings

27. What similarity exists between a cost-reimbursable contract and a time and material contract? ?

- A. They are open ended
- B. The closure date is part of the contract.
- C. They have fixed bonus rates.
- D. They can never grow in value.

28. Failure Mode and Effect Analysis (FMEA) is a non-proprietary approach to Quality Management. This is an analytical procedure in which: ?

- A. The effect of varying the various parameters that make up a process is determined by trying out various combinations of the parameters.
- B. Each potential failure mode in every component of a product is analyzed to determine its effect on the reliability of that component and, by itself or in combination with other possible failure modes, on the reliability of the product.
- C. A set of experts are asked to provide inputs on the reasons for failure of a product and corrective action is then taken.
- D. A list of historical causes for failure of a similar product is analyzed to determine the possible failure modes.

29. A team of engineers is reviewing a scatter diagram to determine how the changes in two variables in a new type of automobile tire are related. The closer points on the diagram are to a diagonal line, _____. ?

- A. the more likely a control group will be required
- B. the more closely they are related
- C. the less likely they are to be related
- D. the less likely a control group will be required

30. A project team collects project work performance data and transforms that into work performance information for the key project stakeholders on a monthly basis. Which of the following does not provide a good platform to share this information with the stakeholders? ?

- A. Project file updates
- B. Project update meetings

- C. Information management system
- D. Status review meetings

31. You are a project manager who is in charge of an important project for your company. The project is 40% complete after 3 months and has cost \$350,000. The budget for the project is \$950,000 and is scheduled to last 8 months. How is the project performing? ?

- A. The project is behind schedule and over budget.
- B. The project is ahead of schedule and under budget
- C. The project is behind schedule and under budget.
- D. The project is ahead of schedule and over budget

32. How will an organization with a weak matrix organization structure affect the Plan Human Resource Management process? ?

- A. The project manager will have no authority on the project.
- B. The project manager will have a stronger role.
- C. The project manager will have a relatively weaker role.
- D. The project manager will have full authority.

33. Product scope is measured against the product requirements whereas project scope is measured against: ?

- A. The WBS and WBS dictionary
- B. The project scope statement and its associated WBS and WBS dictionary
- C. The project requirements and WBS.
- D. The acceptance criteria

34. In the procurement process, the seller may be viewed initially as a bidder, then as the selected source and then as the contracted supplier. The seller will typically manage the work as a project. In such an instance, which of the following is not true? ?

- A. The Buyer becomes the customer and is thus a key project stakeholder for the seller.
- B. Terms and conditions of the contract become key inputs to many of the seller's management processes. (ex: major deliverables, key milestones, cost objectives)
- C. There need not be a contractual relationship between the buyer and the seller
- D. The Seller's project management team is concerned with all the processes of project management and not just Procurement management.

35. The product design your project team developed was very well received by the customer. There were two key contributors to this design. The customer calls you to tell you how pleased he is with the design. What do you tell ?

him?

- A. Ask to negotiate a bonus payment.
- B. Thank the customer.
- C. Thank him on behalf of the team and call out the contributions made by two of the team members.
- D. Tell the customer that you worked very hard on the design and that you are happy he is pleased.

36. Lori is managing a project in a Functional organization. In this organization, she can expect to find that:

?

- A. She wields considerable authority and can make independent decisions related to the project.
- B. Management systems are designed to support projects and project management is easy.
- C. Management systems are not designed to support project needs efficiently, and project management is difficult.
- D. There are no barriers to communication between cross-functional teams. She is able to easily reach out to other teams without needing to go through the Functional manager.

37. Tom is a project manager who is assigned to a foreign country to manage a project. The project is a large one and comprises of smaller sub-teams, contributing to the entire project. As part of rewards and recognition within the project, Tom plans for a team award for the best sub-team. The Recognition and Rewards is associated with which of the following processes?

?

- A. Close Project or Phase
- B. Develop Project Team
- C. Control Quality
- D. Manage Project Team

38. A first-time project manager was assigned to a project that had a duration of 3 months. In order to gain a head start in the project, she took an older, completed project and incorporated all the tools, techniques and checklists from that project in their entirety into the current one. The older project had been completed in 14 months' time and was very similar in nature. The most appropriate comment on this would be:

?

- A. This is an excellent example of reuse of artifacts from prior projects.
- B. This may be unnecessary. The project management team needs to decide what is appropriate for the project.
- C. This is not the correct procedure. The project manager should always create processes and documents afresh for new projects.
- D. This is not correct. The project manager is violating copyright and intellectual property rights of the organization's prior customers.

39. A first-time project manager decided that he would have a 'perfect project'. He informed the customer that this project would not accept change requests of any kind and the scope would need to be detailed out accurately right at the start of the project. The customer agreed to this request. What would your comment on this situation be? ?
- A. This is a good example of how the project management team can decide what is and what is not necessary for the project. Not allowing changes is a good way of ensuring that the project meets requirements as detailed out in project scope.
 - B. This is unrealistic and impractical. Change is inevitable and rather than look at a 'no change' project, it would be more in the project interests to plan for a robust change control process.
 - C. This indicates that the project manager is very aggressive and is likely to take the project to successful completion. Since he has announced the 'no change requests' policy, the customer manager can no longer request changes.
 - D. This is unrealistic and impractical. The project manager should not have announced his intentions to the customer. He should have had an unofficial policy of rejecting all change requests.
40. A project manager has scheduled technical training for her project team members in order to increase their skills. During which of the following processes these trainings will be delivered to the team members? ?
- A. Perform Quality Assurance
 - B. Acquire Project Team
 - C. Develop Project Team
 - D. Plan Human Resource Management
41. You have identified a risk that will negatively affect your security project. You and your team have decided to use an older encryption technology because of the high risk associated with the new technology. What type of risk strategy are you using? ?
- A. Mitigation
 - B. Exploitation
 - C. Avoidance
 - D. Transfer
42. A project is contracted as a Cost-Plus-Fixed-Fee (CPFF) type of contract. The targeted cost is US\$ 200,000 with a fee of US\$ 30,000. If the project comes in at US\$ 170,000, what would be the cost of the total contract? ?
- A. US\$ 195,500
 - B. US\$ 230,000
 - C. US\$ 200,000
 - D. US\$ 170,000

43. A project is contracted as a Cost-Plus-Incentive-Fee (CPIF) type of contract. The project is negotiated such that if the final costs are less than expected costs, the sharing formula for cost savings is 80:20. The targeted cost is US\$ 500,000 with a 10% fee. If the project comes in at US\$ 450,000, what would be the cost of the total contract? ?
- A. US\$ 495,000
 - B. US\$ 510,000
 - C. US\$ 505,000
 - D. US\$ 550,000
44. A project is contracted as a Cost-Plus-Fixed-Fee (CPFF) type of contract with a fee of 10% of estimated costs. The estimated cost is US\$ 50,000. If the project comes in at US\$ 75,000 with no changes in project scope, what would be the total cost of the contract? ?
- A. US\$ 55,000
 - B. US\$ 125,000
 - C. US\$ 75,000
 - D. US\$ 80,000
45. Creating a sense of community is a benefit of what type of strategy? ?
- A. Group based management
 - B. Hoteling
 - C. Co-location
 - D. Virtual teams
46. You are fairly new to project management, but have been successfully managing a small project and now management has given you another project to manage, which you are excited about. However, the new project is growing exponentially everyday, you have also learned a project manager you work with managed a similar project last year. What should you do? ?
- A. Wait to see if the scope of the project continues to grow
 - B. Get the project assigned to the PM who managed the similar project
 - C. Obtain Historical Records and get guidance from the project manager
 - D. Speak to the other project manager to develop your project plans
47. You are the project manager from a seller organization, based at the customer location. One of your team members is involved in certain unacceptable activities at the customer location. The HR manager of the customer team organizes a meeting between you, the team-member, your customer-manager and HR wherein the team member apologizes for his activities and agrees not to repeat them. You should: ?
- A. Ignore the incident since the team member has agreed not repeat such activities.

- B. Report this incident immediately to HR of your organization and to your managers.
 - C. Warn the team-member that this is the last opportunity and future incidents will lead to strict action.
 - D. Document the issue for your project records.
48. You have been asked by your project manager to help them create a chart that illustrates the project resources that will be working on each work package. What would be the best type of chart to use? ?
- A. Milestone chart
 - B. RACI chart
 - C. Project organization chart
 - D. WBS
49. As the project manager of a development project, you are aware that there is a slight defect in the product developed, as a result of which it will fail to meet certain regulatory standards. This was due to faulty requirements. You are also aware that the product will continue to function properly even though it fails to meet that standard. Your customer manager asks you to certify that the product meets the necessary regulatory standards, stating that this will not be verified when the report is submitted to the necessary authorities, so there is no issue with your certifying. Your stance is that: ?
- A. You certify the product. Regulations are anyway guidelines in the industry. Not meeting a regulation does not mean anything.
 - B. As a one-off instance, you will certify the product to make sure the project goes through successfully.
 - C. You will not certify that a product meets certain regulations when it does not, even though the product continues to function well.
 - D. You certify the product, but you document your conversation with your customer manager for future purposes.
50. The selection of life cycle for the project, the processes to be applied to each phase, and the results of the tailoring by the project management team are usually found in the: ?
- A. Project scope statement
 - B. Project management plan
 - C. Project schedule
 - D. Project charter

Answers

1. D - Notify the project stakeholders immediately about the new risk. Once the stakeholders have been made fully aware of the circumstances and potential impacts, a plan to deal with this risk can be developed. The PMI Code of Ethics and Professional Conduct requires project managers to provide accurate and

timely project information at all times, and to follow all project processes and policies. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2, 4] [Prof. Responsibility]

2. C - Failure Mode and Effect Analysis is an analytical procedure in which each potential failure mode in every component of a product is analyzed to determine its effect on the reliability of that component and the reliability of the product or system as a whole. [PMBOK 5th edition, Page 540] [Project Risk Management]
3. D - The correct response is that you would explain to the manager that you would need to formally document these as part of project scope change and put it through the change management process. Complying with the manager's request is incorrect and violates the code of ethics and professional responsibility that you have towards your organization. Refusing to take up changes may be too drastic a step. Contacting your manager in your organization may be considered after you have tried to get this formally included in the change management process. However, the decision to do work without payment involves financial considerations, and will be a more involved one. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
4. A - The first thing that should be done is to communicate the impact to the stakeholders and then make decisions on the project from the feedback. It is the project managers duty to provide accurate project information to the stakeholders and take the best decision in favor of the project and the organization. [PMI Code of Ethics & Professional Responsibility, Page 4] [Prof. Responsibility]
5. B - The change control, financial control and the risk control procedures are the organizational process assets more applicable during the execution of a project. The Identify Stakeholders is an initiating process, and at this stage, lessons learned from the previous projects serve as critical inputs to the process. [PMBOK 5th edition, Page 395] [Project Stakeholder Management]
6. B - The activities such as measuring examining and verifying to determine whether work and deliverables met requirements and product acceptance criteria are variously referred to as inspections, audits, reviews, product reviews, and walkthroughs. Prevention is not a valid term to describe these activities. [PMBOK 5th edition, Page 229] [Project Quality Management]
7. C - Perform Quantitative Risk Analysis is performed on risks that have been prioritized by the Perform Qualitative Risk Analysis process as potentially and substantially impacting the project's competing demands. Perform Quantitative Risk Analysis analyzes the effect of those risk events and assigns a numerical rating to those risks. [PMBOK 5th edition, Page 334] [Project Risk Management]
8. A - The requirement traceability matrix provides a structure to trace requirements to product design. [PMBOK 5th edition, Page 118] [Project Scope Management]
9. C - The Project Charter is the document that formalizes the project. It gives the Project Manager the authority to lead the project. It is a key input to the Define Scope process. [PMBOK 5th edition, Page 120] [Project Scope Management]
10. C - This information needs to be updated in one of the project plans. The work breakdown structure and the stakeholders engagement assessment matrix do not record this information. The stakeholder register contains the high-level information about the project stakeholders. This information must be updated in the project stakeholder management plan. [PMBOK 5th edition, Page 403] [Project Stakeholder Management]
11. D - The following items should be addressed when listing the roles and

responsibilities of team members needed to complete the project: role, authority, responsibility, competency. [*PMBOK 5th edition*, Page 264] [Project Human Resource Management]

12. A - The organizational breakdown structure (OBS) looks similar to the WBS, but instead of being arranged according to a breakdown of project deliverables, it is arranged according to an organization's existing departments, units, or teams. [*PMBOK 5th edition*, Page 261] [Project Human Resource Management]
13. D - RACI stands for Responsible, Accountable, Consult, Inform. [*PMBOK 5th edition*, Page 262] [Project Human Resource Management]
14. D - The Delphi technique is a way to reach a consensus of experts. Project risk experts participate in this technique anonymously. A facilitator uses a questionnaire to solicit ideas about the important project risks. The responses are summarized and then recirculated to the experts for further comment. Consensus may be reached after a few rounds of the process. Thus the Delphi technique helps reduce bias in the data and keeps out any one person from having undue influence on the outcome. [*PMBOK 5th edition*, Page 324] [Project Risk Management]
15. A - Meeting ground rules are very helpful in setting the right behavior and the right tempo for the meeting. A meeting ground rule on active listening requirements would have eliminated the issue. [*PMBOK 5th edition*, Page 277, 407] [Project Stakeholder Management]
16. A - A Pareto diagram is a style of histogram used as a tool within the Control Quality process. They display how many defects were produced by type or category of cause and ordered by their frequency. [*PMBOK 5th edition*, Page 237] [Project Quality Management]
17. D - Project scope describes the work that must be performed to deliver a product, service, or result to the stakeholders. Product scope describes the features and functions that characterize a product, service, or result. [*PMBOK 5th edition*, Page 105] [Project Scope Management]
18. C - This is an example of scope management. Gold plating would be if the team actually implemented the change. Scope verification is done near the closure of the project. [*PMBOK 5th edition*, Page 105] [Project Scope Management]
19. B - A weighting system is a method for quantifying qualitative data to minimize the effect of personal prejudice on seller selection. This is a part of the source selection criteria. [*PMBOK 5th edition*, Page 368] [Project Procurement Management]
20. D - Disclose your relocation plans to the hiring manager upfront. The hiring manager can then determine what sort of impact this could have on the project and if it would be appropriate to move ahead with hiring you. Failing to disclose this information upfront with the intention of not completing the project or modifying the project schedule to meet your needs runs counter to the PMI Code of Ethics and Professional Conduct. This code requires project managers put the needs of the project ahead of their own, and to fulfill the commitments they undertake. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 5] [Prof. Responsibility]
21. A - Control charts can be used to monitor any type of output variable and process performance. [*PMBOK 5th edition*, Page 238] [Project Quality Management]
22. A - Once the project manager is assigned to the project he should be in control. However, it is the sponsor who ultimately has the responsibility to ensure the

- project is completed successfully. [*PMBOK 5th edition*, Page 16, 17] [Project Integration Management]
23. C - Elaboration is not one of the five conflict-resolving methods that are recognized and endorsed by the Project Management Institute (PMI). The five methods recognized and endorsed by PMI include Forcing, Smoothing, Compromising, Collaborating and Withdrawing. [*PMBOK 5th edition*, Page 283] [Project Communications Management]
 24. C - This is known as pre-assignment. This situation can occur if the project is the result of specific people being promised as part of a competitive proposal, if the project is dependent on the expertise of particular persons, or if some staff assignments are defined within the project charter. [*PMBOK 5th edition*, Page 270] [Project Human Resource Management]
 25. D - Notify the appropriate management about the donation request. Management can then evaluate the request and make a determination how to proceed. If the request is approved, at that point you can modify the project plan as needed to accommodate the request. However, making a decision that runs counter to project processes and policies by disposing these materials in a manner other than what had been previously defined is a violation of the PMI Code of Ethics. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
 26. A - Variance analysis is not a tool and technique of the Perform Integrated Change Control process; the rest of the choices are valid tools and techniques of this process. [*PMBOK 5th edition*, Page 94] [Project Integration Management]
 27. A - Time and material contracts resemble cost-reimbursable type arrangements in that they are open ended. [*PMBOK 5th edition*, Page 364] [Project Procurement Management]
 28. B - Each potential failure mode in every component of a product is analyzed to determine its effect on the reliability of that component and, by itself or in combination with other possible failure modes, on the reliability of the product or system. For each potential failure, an estimate is made of its effect on the total system and of its impact. In addition, a review is undertaken of the action planned to minimize the probability of failure and to minimize its effects. [*PMBOK 5th edition*, Page 540] [Project Quality Management]
 29. B - A scatter diagram shows the pattern of relationship between two variables. The closer the points are to a diagonal line, the more closely they are related. [*PMBOK 5th edition*, Page 238] [Project Quality Management]
 30. A - The work performance information can be shared with the project team during the status review meetings; and with the key stakeholders during the project update meetings. The information management system can also be used to store this information where this can be easily accessed by the project stakeholders. The work performance information is also achieved in the project file that is a part of the organizational process assets. However, just the updates to the project file do not ensure that this information is also communicated to the project stakeholders. [*PMBOK 5th edition*, Page 412, 413, 415] [Project Stakeholder Management]
 31. B - $CPI = EV/AC$ $CPI = (950,00 \times 40\%) / 350,000$ $CPI = 380,000 / 350,000$
 $CPI = 1.09$ (under budget); $SPI = EV/PV$ $SPI = 380,000 / (950,00 \times 0.375)$
 $SPI = 380,000 / 36,250$ $SPI = 1.07$ (ahead of schedule). [*PMBOK 5th edition*, Page 224] [Project Cost Management]

32. C - An organization whose basic structure is a weak matrix means a relatively weaker role for the project manager. [*PMBOK 5th edition*, Page 23] [Project Human Resource Management]
33. B - The project scope is measured against the project scope baseline which consists of the project scope statement, its associated WBS and the WBS dictionary. [*PMBOK 5th edition*, Page 131, 132] [Project Scope Management]
34. C - The statement that there need not be a contractual relationship between the buyer and the seller is incorrect. Whenever the seller is external to the organization, there needs to exist a contractual relationship between the buyer and the seller. The rest of the statements are correct. [*PMBOK 5th edition*, Page 357] [Project Procurement Management]
35. C - Thank the customer on behalf of the team and call out the contributions made by two of the team members. PMI's Code of Ethics and Professional Conduct requires project managers to act fairly and truthfully. Accepting the credit due to another person, or failing to denote where credit is actually due is dishonest and a violation of this code. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 3, 5] [Prof. Responsibility]
36. C - Lori will find that the Functional organization in which she is managing the project will typically lack management systems to support project needs. The absence of a project-oriented system will make it difficult for her to run the project efficiently. She will need to spend considerable time on managing the communications needs of the project. Communication will generally cascade upwards to the Functional manager who will then communicate with other Functional managers. They in turn cascade the communication down into their departments. The return communication follows the reverse path. [*PMBOK 5th edition*, Page 22] [Project Framework]
37. B - Recognition and Rewards are the tools and techniques of the Develop Project Team process. [*PMBOK 5th edition*, Page 277] [Project Human Resource Management]
38. B - The correct response is that this may be unnecessary. The project management team needs to decide what is appropriate for the project. Since the prior project had a duration of 14 months and the current one is of 3 months' duration, it is unlikely that the current project will have exactly the same processes applied. Some amount of tailoring will be required. The other responses are not valid. It cannot be said with certainty that the project manager will not be violating copyright and intellectual property rights of prior customers. Most organizations have very clear guidelines on what information can go into their organizational assets' database. [*PMBOK 5th edition*, Page 47] [Project Framework]
39. B - The correct response is that this is unrealistic and impractical. Change is inevitable and rather than look at a 'no change' project, it would be more in the project interests to plan for a robust change control process thereby handling any uncontrolled changes. "Mandating" that there will be no changes will be ineffective. [*PMBOK 5th edition*, Page 137] [Project Scope Management]
40. C - Trainings are part of the Develop Project Team process. [*PMBOK 5th edition*, Page 275] [Project Human Resource Management]
41. C - In this scenario, you decided to avoid the risk by using an older technology because there is too high of a risk if you use the new technology. [*PMBOK 5th edition*, Page 344] [Project Risk Management]
42. C - In a Cost-Plus-Fixed-Fee (CPFF) type of contract, the seller is reimbursed for

allowable costs and receives a fixed fee payment calculated as a percentage of the estimated project costs. The fixed fee does not vary with actual costs unless the project scope changes. In the current scenario, the fixed fee is fixed up as US\$ 30,000. Although the actual project comes in at 170,000, the fixed fee remains the same. Hence the total cost to the project will be $170,000 + 30,000 = 200,000$. [PMBOK 5th edition, Page 364] [Project Procurement Management]

- 43. B** - In a Cost-Plus-Incentive-Fee (CPIF) type of contract, the seller is reimbursed for allowable costs for performing the contract work and receives a predetermined fee. In some cases, if the final costs are less than the expected costs, then both the buyer and the seller benefit from the cost savings based on a pre-negotiated sharing formula. In the current situation, the predetermined fee is 10% of US\$ 500,000 = US\$ 50,000. Since the project came in at US\$ 450,000, the savings is $500,000 - 450,000 = 50,000$. The sharing formula is 80:20, hence the additional payout to the seller = $(20/100) * 50,000 = 10,000$. Hence the value of the total contract = $450,000 + 50,000 + 10,000 = \text{US\$ } 510,000$. [PMBOK 5th edition, Page 364] [Project Procurement Management]
- 44. D** - In the Cost-Plus-Fixed-Fee (CPFF) type of contract, the seller is reimbursed for allowable costs for performing the contract work and receives a fee calculated as an agreed-upon percentage of the costs. The costs vary depending on the actual cost. The fee is based on estimated costs unless the scope of the project changes. For the current project, the agree-upon percentage of costs is 10%. The actual cost is US\$ 75,000 even though the initial estimate was US\$ 50,000. However, the fee is calculated as 10% of 50,000 = $(10/100) \times 50,000 = 5,000$. The total cost of the contract is $75,000 + 5,000 = \text{US\$ } 80,000$. [PMBOK 5th edition, Page 364] [Project Procurement Management]
- 45. C** - Co-location involves placing many or all of the most active project team members in the same physical location to improve their ability to perform as a team. Co-location strategy can include a team meeting room, places to post schedules, and other conveniences that enhance communication and a sense of community. [PMBOK 5th edition, Page 277] [Project Human Resource Management]
- 46. C** - The historical records will give you an understanding of the past project; however you should also obtain guidance from the project manager. [PMBOK 5th edition, Page 76] [Project Integration Management]
- 47. B** - Unacceptable behavior is a disciplinary issue and the HR department of your organization needs to take the necessary action which could involve include recalling the team-member from the project, or any other disciplinary action. The other choices listed do not do not signify correct responses in this matter. [Reference: PMI Code of Ethics and Professional Conduct, Page 2] [Prof. Responsibility]
- 48. B** - RACI stands for responsible, accountable, consult, and inform. This is a type of responsibility assignment matrix that is used to illustrate the relationship between work that needs to be completed and team members. In a RACI chart, a matrix is created with work packages making up the rows, and team member roles in the columns. Typically, a RACI chart assumes that one person will be accountable for a work package and more than one person may be responsible for completing the work package. [PMBOK 5th edition, Page 262] [Project Human Resource Management]
- 49. C** - Your stance will be that you will not certify that a product meets certain

regulations when it does not, even though the product continues to function well. It is possible that the customer manager might not be happy with this stance, however as a Project Manager, you have an obligation to uphold ethical practices and cannot certify a product that fails to meet the regulations. [*Reference: PMI Code of Ethics and Professional Conduct, Page 2*] [Prof. Responsibility]

- 50.** B - Details of the life cycle, processes selected, and results of tailoring by the project management team are found in the project management plan. This plan integrates and consolidates all the subsidiary management plans from the planning processes. [*PMBOK 5th edition, Page 77*] [Project Integration Management]

Exam 12 Test Questions

1. You are managing a project for your company constructing an office complex in another country. The construction work on 2 of the buildings is complete and is ready for move-in. However, the construction foreman informs you that a fee must be paid to a local government agency in order to be issued an occupancy permit for all new construction in that country. What should you do? ?
 - A. Pay the fee.
 - B. Ask your legal department if this is legal.
 - C. Notify project stakeholders that you have been asked to pay a bribe.
 - D. Do not pay the fee.

2. You are a Project Manager for a company that designs and develops automation systems for car companies. You are in the Close Project process for a project in which a new automation system has been designed and created for a car company located in Korea. You need to obtain formal acceptance for the new automation system. All of the following statements are true with respect to the final acceptance of the new system EXCEPT? ?
 - A. Performance tests on the new automation system should be completed by the car company.
 - B. A formal statement is issued indicating that the new automation system meets the terms of the contract.
 - C. Final acceptance for the new automation system can be informal or formal.
 - D. A checklist can be used to determine whether the new automation system meets the car company's specifications

3. Which of the following is NOT a valid statement regarding the critical path method? ?
 - A. The early start and finish dates and late start and finish dates are calculated without factoring in resource limitations.
 - B. A forward pass and backward pass are performed through the project network paths.
 - C. The resulting late start and finish dates will be the project schedule baseline.
 - D. The flexibility of the schedule is measured by the difference between early and late dates.

4. You are the Project Manager of a large IT project. A manager from a company contracted to work on the project offers you free tickets to a local sporting event. The tickets are expensive but your organization has no formal policy regarding gifts. What is the BEST way to handle the offer? ?
 - A. Refuse the tickets and report the offer to your employer.
 - B. Accept the tickets but notify your employer.

- C. Politely refuse the tickets.
 - D. Accept the tickets since there is no policy.
5. Susan is managing a multi-million dollar shopping complex construction project. The buyer of the project is an external entity. After identifying all the key and major project stakeholders, Susan is now planning to carry out a comprehensive stakeholder analysis. Which of the following is not involved with the stakeholder analysis? ?
- A. Identifying potential stakeholders
 - B. Identifying stakeholder relationships
 - C. Resolving stakeholder conflicts
 - D. Determining stakeholders' interests and expectations
6. As project manager, you scheduled a status update meeting. During the meeting, a problem developed and the group discussed it. The day after the meeting, Kevin approached you and expressed his concern that the problem was not really resolved. After thinking about it, he felt that his concerns were still valid and should be addressed. What conflict resolution method was likely used at the status meeting? ?
- A. Smoothing
 - B. Forcing
 - C. Withdrawal
 - D. Collaboration
7. You are a project manager for your company. Part of the project requires producing 10,000 widgets, which your company will outsource. The company has agreed to pay all related costs and 5% of the estimated project costs. What type of contract has been negotiated? ?
- A. Cost-Plus-Incentive-Fee contract
 - B. Cost-Plus-Fixed-Fee contract
 - C. Time and Material contract
 - D. Fixed-price contract
8. You are the Project Manager for JT's Lumber Yard. You are trying to forecast estimates for the last phase of the project you are currently working on. Based on the performance of the project to date, which formula can be used to estimate the total value of the project when completed assuming similar variances will not occur? ?
- A. $ETC = (BAC - EV)/CPI$
 - B. $SV = EV - PV$
 - C. $CPI = EV/AC$
 - D. $EAC = AC + BAC - EV$
9. You work as an engineer for a large engineering firm. The last week you have been corresponding back and fourth with the supervisor of your ?

department about the horizontal stabilizers required for the wings on a new aircraft you are designing. Which communication dimension does this represent?

- A. Horizontal
- B. Formal
- C. External
- D. Vertical

10. During the execution of a project, a need is felt to make major changes to the project stakeholder management plan. What must the project manager do first? ?

- A. Ask the project sponsor for an expert opinion.
- B. Directly make the required changes.
- C. Issue a change request.
- D. Move the project back to planning phase.

11. Which of the following statements about team-building activities is incorrect? ?

- A. It can be a 5-minute agenda item in a status review meeting.
- B. It can be a professionally facilitated experience designed to improve interpersonal relationships.
- C. The objective of team-building activities is to help team members work individually and effectively.
- D. Informal communication and activities help in building trust and establishing good working relationships.

12. A measure taken to bring future results in line with the project plan BEST describes? ?

- A. Change request
- B. Preventive action
- C. Corrective action
- D. Defect repair

13. Which of the following is not a Tuckman's team development stage? ?

- A. Confronting
- B. Forming
- C. Norming
- D. Adjourning

14. Which process is MOST responsible for managing changes to the schedule components of the Project Management Plan? ?

- A. Control Schedule
- B. Create WBS

- C. Develop Project Management Plan
- D. Develop Schedule

15. Stacy is producing a documentary on African wildlife. Although the project key stakeholders are very supportive of the project, Stacy believes that there are some stakeholders' concerns that might become major problems in the future. What should Stacy do? ?

- A. Treat them as project issues and address them immediately.
- B. Wait till these concerns become a problem.
- C. Request the stakeholders if they can resolve these concerns by themselves.
- D. Add these concerns to the risks watch list.

16. Your project team works in two different buildings across the city. The team has been struggling to perform effectively and has a difficult time resolving problems. What would be the BEST team development technique to resolve this issue? ?

- A. Mediation
- B. Rewards
- C. Co-location
- D. Training

17. You have been asked to create a graphical display of schedule-related information listing schedule activities on the left side of the chart, dates on the top, and activity durations as date-placed horizontal bars on the right side. What would such a chart be called? ?

- A. PERT chart
- B. Gantt chart
- C. Hunt chart
- D. GERT chart

18. Which of the following techniques can help clarify the structure, requirements, and other terms of the purchases so that mutual agreement can be reached prior to signing the contract between a buyer and a seller? ?

- A. Independent estimates
- B. Advertising
- C. Bidder conferences
- D. Procurement negotiations

19. A complicated software project was authorized by a project sponsor. However, the users who were intended to use the product found it very difficult to articulate their requirements. What technique can be employed to elicit requirements for such a project? ?

- A. Job overlaying

- B. Hidden participant
- C. Job duplication
- D. Job shadowing

20. The manager of a project, that your company is running in another country, is at the corporate headquarters for a company-wide project management meeting. During a break, you overhear the project manager discussing payments made to local municipal governments for construction permits for his project. Your company has a strict policy about paying or taking bribes. What should you do? ?

- A. Report him to PMI.
- B. Report him to his manager.
- C. Notify his project stakeholders.
- D. Do nothing.

21. A project has several teams. Team C has repeatedly missed deadlines in the past. This has caused team D to have to crash the critical path several times. As the team leader for team D, you receive word that the next deadline may also be missed. You should meet with the: ?

- A. Project Manager alone
- B. Project manager and Management
- C. Manager of Team D
- D. Project Manager and the leader of team C

22. A project manager would find team development to be the MOST difficult in which type of organization? ?

- A. Functional organization
- B. Projectized organization
- C. Weak matrix organization
- D. Balanced matrix organization

23. Which tool is BEST used to display how a company structures itself departmentally? ?

- A. WBS
- B. BOM
- C. OBS
- D. RBS

24. Johan is a project manager working for a Norwegian accounting firm. To get results, Johan often tells team members that if deadlines are not met, he will have to discuss their performance with their functional managers. Johan's organization can not be a: ?

- A. Projectized organization
- B. Weak matrix organization

- C. Functional organization
- D. Strong matrix organization

25. You have recently been successful in passing the Project Management Professional exam. Others within the organization you work for are also pursuing the certification and have sought your assistance. They have requested that you provide them with a detailed list of the questions that you had on the exam. What is the FIRST course of action you should take? ?

- A. Pretend that you do not recall any of the questions.
- B. Indicate that you cannot disclose questions you saw on the exam.
- C. Offer your coworkers a listing of all the questions you recall from the exam.
- D. Report the violation to the PMI.

26. The project sponsor asks you to increase budget estimates by 25% to ensure that enough funds are budgeted for the project. What should you do? ?

- A. Add 25% to your contingency reserves.
- B. Fast track the project.
- C. Add 25% to all costs across the board.
- D. Ask for additional information

27. You are the project manager for a project and have just entered the third year of a scheduled four year project. You need to evaluate new risks that have emerged since the project began. What should you perform to provide this information? ?

- A. Variance and trend analysis
- B. Process Improvement Plan
- C. Risk audit
- D. Risk re-assessment

28. What is the BEST tool and technique that provides the expected cost of a procurement and helps identify significant variations from cost estimates prepared in-house? ?

- A. Screening system
- B. Bidder conferences
- C. Independent estimates
- D. Buyer-conducted performance review

29. Which of the following should be done FIRST during the Project Life Cycle? ?

- A. List the key people and organizations that have a stake in the project.
- B. Ascertain the stakeholder interests and expectations for the project.
- C. Identify the key people and organizations that have a stake in the

project.

- D. Select and quantify the stakeholder interests and expectations for the project.

30. A project team has recently computed the project's current schedule and cost performance indices. They have also calculated the new estimate to complete and the TCPI based on the new estimate at completion. The project key stakeholders are not fully aware of the earned value management process. These measures in this case are an example of? ?

- A. Work performance data
- B. Lessons learned
- C. Work performance information
- D. Learning curve for the stakeholders

31. You are the Project Manager for GeoThermal Systems. Which of the following must be done FIRST before proceeding with a new project? ?

- A. Create the Project Scope Statement
- B. Stakeholder analysis
- C. Product analysis
- D. Obtain Project Charter approval

32. You are a Project Manager for an automotive parts company. Your organization has been hired to produce clutches for an exotic car company which will involve the design and production of custom clutches. During the course of the project you are reviewing a quality control statistics chart that examines every clutch produced for the month and notice several cases where the spring component of the clutch is expanding with too much force and is falling outside the upper control limit. Which type of Quality Control tool are you MOST LIKELY making use of? ?

- A. Control charts
- B. Statistical Sampling
- C. Cause and Effect diagram
- D. Precedence Diagramming Method

33. You are the Project Manager for Wicked Fast Cars, Corp. You are working on a project for the Human Resources department that is scheduled to take one year. After three months into the project, you calculate the EV at \$35,000 and the PV at \$45,000. Which option below represents the value for the SV? ?

- A. -\$10,000
- B. 1.29
- C. 0.78
- D. \$10,000

34. You are a Project Manager creating the final project file. Which ?

information would you NOT include in this file?

- A. Project calendars
- B. Lessons learned from previous similar projects
- C. Risk response actions
- D. Scope management plan

35. The sponsor of your facilities upgrade project has left the company to another organization. Few weeks later, you are reviewing the business case for the project and discover that there are several inconsistencies between what is stated in the business case and what is described in the project scope. Further research shows that the business case as a whole is based on inaccurate information. What do you do? ?

- A. Notify your project stakeholders immediately.
- B. Add this to the risk log.
- C. Update the requirements.
- D. Call the sponsor for clarification.

36. Which statement is NOT true about the configuration management system? ?

- A. The configuration management system doesn't include change tracking system.
- B. It documents the functional and physical characteristics of a product.
- C. The configuration management system is a sub-component of the overall project management system.
- D. The configuration management system will define procedures to control any changes.

37. You are a PMP who is nearing the end of an important project. You have spent considerable energy on this project nurturing a cooperative relationship between your organization and the customer. What is the customer's MOST important role in bringing the project to a close? ?

- A. The customer is delivered the last shipment of the product, service, or result
- B. The customer acknowledges the delivery of the last shipment of the product, service, or result
- C. The customer provides formal acceptance of the product, service, or result
- D. The customer makes a final payment for the work completed on the project

38. All of the following statements are true about the cause and effect diagram EXCEPT? ?

- A. A maximum of six causes are listed on the cause and effect diagram.
- B. Ishikawa is another name for the cause and effect diagram.

- C. The effect being studied is normally stated at the head of the diagram.
 - D. The cause and effect diagram is one tool that can be used for problem solving.
- 39.** You are the Project Manager for Commodities, Inc. You are involved in a new project to create an internal web site for the employees of Commodities, Inc that will allow them to view events within the company. All of the following options listed are project constraints EXCEPT? ?
- A. The project must be completed by December 31st of the current year.
 - B. There is a budget of \$75,000 for the project.
 - C. The navigation menu for the website must be on the top of the page.
 - D. Only 3 employees are available to work on the project.
- 40.** The sponsor and the project manager are discussing what type of contract the project manager plans to use on the project. The buyer points out that the performing organization spent a lot of money hiring a design team to come up with the design. The project manager is interested in seeing that the risk for the buyer be as small as possible. An advantage of a fixed price contract for the buyer is: ?
- A. There is no risk at all.
 - B. Risk is shared by all parties
 - C. Cost Risk is Lower
 - D. Cost Risk is Higher
- 41.** What BEST describes the role of the project team members? ?
- A. To perform the project work
 - B. To approve the change requests
 - C. To be ultimately responsible for the project's success
 - D. To authorize the project
- 42.** What is the MAIN reason for controlling the project scope? ?
- A. To enable scope creep
 - B. To prevent changes from affecting the project
 - C. To ensure timely closure of the project.
 - D. Preventing scope creep.
- 43.** You are a Project Manager and are nearing the end of your project. You are now required to provide lessons learned documentation on the project. What is the MAIN purpose for preparing lessons learned documentation? ?
- A. To identify the valued employees who improved efficiencies
 - B. To identify the problem employees who reduced efficiencies
 - C. To identify instances in which you positively affected the project

D. To identify improvements for managing similar future projects

44. Which strategy attempts to reduce the probability and/or the impact of a risk to the point where the risk can be accepted? ?

- A. Mitigation
- B. Avoidance
- C. Acceptance
- D. Transfer

45. You are a Project Manager for Groceries R' US, a supermarket chain, and are currently working on a project to build a new outlet. The planned values (PV) for the foundation and the frame are \$150,000 and \$500,000. After five months, you do a performance measurement analysis. You are currently not ahead of schedule. The actual costs for the foundation and frame were \$175,000 and \$650,000 up to this point where 100% of the foundation is complete and only 80% of the frame is complete. Which value represents the cost performance index (CPI) to two decimal places at this point in the project? ?

- A. 0.84
- B. 1.5
- C. 0.67
- D. 1.19

46. Due to unforeseen circumstances your supplier has run out of the cement needed for your construction project. What is the BEST strategy for dealing with this issue? ?

- A. Implement a workaround
- B. Implement the contingency response strategy
- C. Refer to the risk register
- D. Transfer the risk

47. You are a Project Manager for a company that has a composite organization structure. The current project you are managing is coming to an end. There are a number of activities that need to be completed including releasing project resources. All of the following statements are examples or true statements related to releasing project resources in this company EXCEPT? ?

- A. Documenting the release date for project resources in the project management plan
- B. Transferring project equipment to the regular operations of the company
- C. Reassigning project team members to a new project within the company
- D. Transferring the documented lessons learned into the lessons learned database

48. Which of the following is an output of the Conduct Procurements process? ?
- A. Advertising
 - B. Selected Sellers
 - C. Independent Estimates
 - D. Expert Judgment
49. Which technique is NOT commonly used to align the timing of activities with available resources? ?
- A. Critical Path Method
 - B. Resource Leveling
 - C. Critical Chain Method
 - D. Resource Smoothing
50. You have been asked to determine the logical relationships, leads, and lags for the activities that make up a project. What would be the BEST technique to use? ?
- A. Resource Smoothing
 - B. Critical Path Method
 - C. What-If scenario analysis.
 - D. Resource Leveling

Answers

1. A - Pay the fee to the local agency. Because it is a standard fee for a permit that is required of all new construction permits, it is not a bribe. PMI's Code of Ethics and Professional Conduct prohibit accepting or paying bribes. [Reference: PMI Code of Ethics and Professional Conduct, Page 2] [Prof. Responsibility]
2. C - Final acceptance for the product deliverables is formal; and must be formally signed off on by the customer or sponsor. [PMBOK 5th edition, Page 100, 101] [Project Integration Management]
3. C - The critical path method is a technique that calculates the earliest and latest possible start and finish times for work activities in a project. It uses the estimated duration of activities and the dependencies among them to determine limits for when each activity can be performed. [PMBOK 5th edition, Page 176, 177] [Project Time Management]
4. C - The best way to handle this type of offer is to politely reject the offer. Taking gifts can be viewed as personal gain and may affect your integrity as a Project Manager and open you and your organization to complaints of improper conduct. [Reference: PMI Code of Ethics and Professional Conduct, Page 2] [Prof. Responsibility]
5. C - Addressing and resolving stakeholder conflicts are carried out during the project execution. During the stakeholder analysis, stakeholders are identified and their relationships, influences and expectations are analyzed. [PMBOK 5th edition, Page 396] [Project Stakeholder Management]
6. A - Smoothing is the method that was most likely used to resolve the conflict that

- arose at the status meeting. Smoothing is a temporary way to resolve conflict. [PMBOK 5th edition, Page 283] [Project Human Resource Management]
7. B - This is an example of a Cost-Plus-Fixed-Fee contract. This type of contract determines the profit element as a fixed percentage of the estimated project cost. [PMBOK 5th edition, Page 364] [Project Procurement Management]
 8. D - The formula $EAC = AC + BAC - EV$ is used to determine the total value of the project when completed assuming similar variances will not occur for the uncompleted project activities. [PMBOK 5th edition, Page 220] [Project Cost Management]
 9. D - In this case, your communication is with your supervisor who would have a different level of responsibilities and authority. This is an example of a vertical dimension with respect to communications. [PMBOK 5th edition, Page 287] [Project Communications Management]
 10. C - Any major change to the project management plan or any of its components must go through the formal change control procedure. To initiate this process, the project manager must first issue a change request. [PMBOK 5th edition, Page 78, 399] [Project Stakeholder Management]
 11. C - The objective of team-building activities is to help team members work together and not individually. [PMBOK 5th edition, Page 276] [Project Human Resource Management]
 12. C - A corrective action is anything that needs to be done to bring the project back on track. [PMBOK 5th edition, Page 81] [Project Integration Management]
 13. A - Confronting is not a valid choice. The Tuckman ladder's team development stages are: forming, storming, norming, performing and adjourning. [PMBOK 5th edition, Page 276] [Project Human Resource Management]
 14. A - The Control Schedule is the process of managing the changes to the schedule baseline to achieve the project management plan. [PMBOK 5th edition, Page 185] [Project Time Management]
 15. A - It's the project manager's duty to manage the project stakeholders' expectations. Stacy must not wait till the concerns become a problem. Rather, she needs to treat them as project issues and immediately address them. A risks watch list records low probability risks, transferring this risk to the watch list is not a good idea. [PMBOK 5th edition, Page 405] [Project Stakeholder Management]
 16. C - Co-location is an organizational placement strategy where the project team members are physically moved or placed next to one another to improve communication, working relationships, and productivity. [PMBOK 5th edition, Page 277] [Project Human Resource Management]
 17. B - Such a chart would be called a Gantt chart. This is a popular representation of project schedule information. Activity start dates, end dates, durations, dependencies, and milestones are easily depicted on this chart in a graphical manner. [PMBOK 5th edition, Page 182] [Project Time Management]
 18. D - Procurement negotiations help clarify the structure, requirements, and other terms of the purchases so that mutual agreement can be reached prior to signing the contract between a buyer and a seller. The bidders conferences are carried out prior to this stage and they are used to ensure that all prospective sellers have a clear and common understanding of the procurement requirements. Advertising and Independent Estimates can't help in this case. [PMBOK 5th edition, Page 377] [Project Procurement Management]
 19. D - Job shadowing is a technique that can be employed in this case. It is done

externally by an observer who views the user doing his or her job. This technique is also called observation. [*PMBOK 5th edition*, Page 116] [Project Scope Management]

20. D - Do nothing. Fees paid to government organizations to cover the administrative costs associated with issuing various type of permits is a common practice in many parts of the world. These payments are not considered bribes. PMI's code prohibits project managers from engaging in bribery, and to report others who do to the appropriate management. In this case, however, there is nothing to report. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
21. D - Those having the problem should resolve the problem. Having had to crash the critical path several times implies that team D has already dealt with these problems. In this case, the two team leaders need to meet. The extent of this situation requires the project manager's involvement as well. [*PMBOK 5th edition*, Page 283] [Project Human Resource Management]
22. A - A project manager has the least authority in a functional organization. Hence, managing team building activities is difficult in such organizations in contrast to other organizational types. [*PMBOK 5th edition*, Page 22] [Project Framework]
23. C - The Organizational Breakdown Structure (OBS) is a hierarchical organization chart that includes employees, department structures, and associated responsibilities. It is organized by the company's teams, or department breakdown. [*PMBOK 5th edition*, Page 261] [Project Human Resource Management]
24. A - In a projectized organization the project manager have a great deal of independence and authority. From the given scenario, it appears that the project manager has limited authority in the organization, hence the organization cannot be a projectized organization. [*PMBOK 5th edition*, Page 25] [Project Framework]
25. B - The FIRST course of action is to indicate that you cannot disclose questions you saw on the exam. PMI requires that the candidates and those seeking certification to maintain and respect the confidentiality of the contents of the PMP examination. The PMI code of conducts mandates respecting copyrights of others. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 3] [Prof. Responsibility]
26. D - Ask for additional information on the risks that would cause the original budget estimates to be too low. Simply increasing the project budget by 25% without identifying the underlying reasons means you are providing inaccurate information. PMI's Code of Ethics requires project managers to provide accurate information at all times. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
27. D - A risk re-assessment is a technique that involves re-evaluating project risks and identifying new risks that arise as the project moves forward. These risks are evaluated and placed in the risk register. [*PMBOK 5th edition*, Page 351] [Project Risk Management]
28. C - Independent estimates is a tool and technique for the Conduct Procurements process that provides the expected cost of a procurement. It helps identify significant variations from cost estimates prepared by the project team. [*PMBOK 5th edition*, Page 376] [Project Procurement Management]
29. C - It is important to identify stakeholders, the key people and organizations that

have a stake in the project, as early as possible in the Project Life Cycle so that they have a shared sense of ownership in the project and are more likely to accept the project deliverables. The "List the key people and organizations that have a stake in the project" option is incorrect. Before you can list the stakeholders, you need to identify them. [PMBOK 5th edition, Page 394] [Project Stakeholder Management]

30. A - The scenario gives a situation where the project team has calculated some measures that need to be transformed into a format that the project stakeholders might understand. These measures are work performance data for this project. Work performance information is always in a format that can be easily understood by the project stakeholders. This is clearly neither an example of lessons learned nor is it an example of a learning curve for the stakeholders. [PMBOK 5th edition, Page 411] [Project Stakeholder Management]
31. D - When managing a project, you must first make sure the Project Charter is signed and approved before proceeding. The Project Charter is the document that formalizes the project. It gives the Project Manager the authority to lead the project. The Project Charter is created first during the Initiating process. [PMBOK 5th edition, Page 66] [Project Integration Management]
32. A - Control charts graphically display the interaction of process variables on a process. Control charts have three lines: a center line which gives the average of the process, an upper line designating the upper control limit (UCL) and showing the upper range of acceptable values, and a lower line designating the lower control limit (LCL) and showing the lower range of acceptable values. Points that fall outside of the UCL or LCL are evidence that the process is out of control. [PMBOK 5th edition, Page 238] [Project Quality Management]
33. A - $SV = \text{Earned Value (EV)} - \text{Planned Value (PV)}$ $SV = \$35,000 - \$45,000$ $SV = -\$10,000$. [PMBOK 5th edition, Page 218] [Project Cost Management]
34. B - The lessons learned from the previous similar projects are used throughout the project. These are already part of the organizational process assets, and are not recorded in the final project file. [PMBOK 5th edition, Page 104] [Project Integration Management]
35. A - Notify your project stakeholders immediately. They can determine the best path forward. An incorrect business case could have a serious impact on the usability of the final output of your project, or even impact the company's strategic goals. Failure to point out this error to the appropriate management is a violation of the PMI Code of Ethics. [Reference: PMI Code of Ethics and Professional Conduct, Page 4] [Prof. Responsibility]
36. A - The configuration management system includes a change tracking system. [PMBOK 5th edition, Page 532] [Project Integration Management]
37. C - It is important that the customer provides formal acceptance of the product, service, or result of the project. This should include a written statement that identifies that the company has fulfilled all the project requirements. This protects the organization and customer over confusion whether all terms within the project have been satisfactorily met. The project cannot be closed if a formal acceptance is not made. [PMBOK 5th edition, Page 134] [Project Scope Management]
38. A - While listing six causes is possible, there is no rule that states a maximum of six causes can be listed. You could list four or eight for example. [PMBOK 5th edition, Page 236] [Project Quality Management]
39. C - Constraints limit the project team's options. Predefined budgets, limits on the

number of resources available, and imposed dates are project constraints. Positioning of the menu for the website is one of the requirements for the project and this is not considered a constraint. [PMBOK 5th edition, Page 124] [Project Scope Management]

40. C - In a fixed price contract, the seller has the most cost risk and the buyer has lower risk. A fixed price contract transfers the risk to the seller. [PMBOK 5th edition, Page 344, 362] [Project Procurement Management]
41. A - Project team members are responsible for performing the actual project work. They work with the project manager to complete project activities and achieve the goals of the project. The project manager is assigned by an organization to achieve specific project objectives. The ultimate responsibility of the project success lies with the project manager and the project sponsor, while the project is authorized by the sponsor. [PMBOK 5th edition, Page 17, 68] [Project Framework]
42. D - The main reason for controlling the project scope is to influence the impact of changes on the project. This is done by managing approved changes and disregarding rejected changes. This reduces the risk of scope creep on the project. [PMBOK 5th edition, Page 108] [Project Scope Management]
43. D - Lessons learned documentation provides you or other project managers with relevant information for similar future projects. The lessons learned from this project can reduce risks by enlightening the reader of possible pitfalls. [PMBOK 5th edition, Page 104] [Project Integration Management]
44. A - Risk mitigation is a strategy that seeks to reduce the risk to a level that the risk becomes acceptable. A Project Manager may add specific project tasks to the work of a project to reduce the level of risk. [PMBOK 5th edition, Page 345] [Project Risk Management]
45. C - Get the total for the actual costs by adding the \$175,000 and \$650,000 for the foundation and frame. The total is \$825,000. Now calculate earned value. We need to identify all of the activities that have been completed or partially completed as of the measurement date. If partially completed, we calculate the fractional value of the budgeted cost for the activity by the percent completion. Add together the budgeted cost for completed or partially completed work activities, INCLUDING any work that has been performed ahead of schedule. We are told that we are not ahead of schedule. So there is nothing to include for the ahead of schedule category. 100% of the foundation is complete and only 80% of the frame is complete. So we add 100% of \$150,000 and 80% of 500,000, which is \$400,000, together to get a total earned value of \$550,000. Now find the CPI by taking the total for EV \$550,000 up to this point and dividing it by the total of the actual cost \$825,000 for the same time period. The result for CPI is 0.67. [PMBOK 5th edition, Page 219] [Project Cost Management]
46. A - In this situation, you would need to come up with a workaround. A workaround is similar to a contingency response strategy, but differs in that the risk was unexpected and a response was not planned prior to the risk event. Contingent response strategy is a means to address specific identified risks through a formal process and provide resources to meet risk events if they occur. The question states the problem was unforeseen. [PMBOK 5th edition, Page 567] [Project Risk Management]
47. D - Transferring the documented lessons learned into the lessons learned database is not linked with reassigning of project team members or transferring of project

equipment at the end of the project. Lessons learned track project successes and failures, which would include factors that led to the project being cancelled. It's important to archive or transfer these records to a lessons learned knowledgebase for reference on future projects. [*PMBOK 5th edition*, Page 266] [Project Human Resource Management]

- 48.** B - Selected seller is the output of the Conduct Procurements process. The rest of the choices are the tools and techniques of this process. [*PMBOK 5th edition*, Page 371] [Project Procurement Management]
- 49.** A - The critical path method is not a technique commonly used to align the timing of activities with available resources. The critical path method is a technique used to establish a rough timeline fitting the project's work activities within the deadlines defined in the scope statement. [*PMBOK 5th edition*, Page 176] [Project Time Management]
- 50.** B - The critical path method is a technique that calculates the earliest and latest possible start and finish times for work activities in a project. [*PMBOK 5th edition*, Page 176, 177] [Project Time Management]

Communications Test Questions

1. You are holding a kick off meeting for the build out of a new data center. This will be the largest, most costly and most complex project you have worked on in your career. You have counted up the number of stakeholders, vendors and project team members to be 52. In order to stress to the group how important and difficult communication will be on the project you want to tell them how many channels of communication exist on the project. What would you tell them?
A. 2625 channels exist on the project
B. 52 channels exist on the project
C. 2704 channels exist on the project
D. 1326 channels exist on the project
2. A communications management plan should include all of the following, EXCEPT:
A. Glossary of Common Terminology
B. Escalation List/Contacts
C. Person that will issue weekly reports
D. Risk Register
3. You are working on a project with a fixed fee contract, therefore communications should tend toward?
A. Formal Verbal Communication
B. Informal Written Communication
C. Formal Written Communication
D. Informal Verbal Communication
4. A project initially starts out with 3 stakeholders but the number increases to 7 during the course of the project. How many channels does the project manager now need to manage?
A. 18 channels
B. 10 channels
C. 21 channels
D. 7 channels
5. You are the Project Manager and are responsible for the development of a mall. As with any construction project, there will be multiple iterations of blueprints and engineering drawings, so you have decided to create an online database that can be used to query the documents by name, type, date, etc. This is an example of what type of communication tool?
A. Project Management Information System
B. Lessons Learned
C. Project Records

D. Configuration Management System

6. You are working on a project where all the team members are located in geographically different areas, therefore all the communication is done via e-mail and chat. It is sometimes hard to get the true meaning of these messages because you can't see facial expression or hear tone of voice, this is an example of? ?
- A. Encoding
 - B. Medium
 - C. Decoding
 - D. Noise
7. You are reviewing a project with Tom, a new project manager. While discussing the communication requirements with Tom, you find that he has an impression that a project with 'n' number of stakeholders has 'n' communication channels. You are aware that this is wrong. What is the right answer? ?
- A. No of channels = $n(n+1)/2$ where n = number of stakeholders
 - B. No of channels = $(n+1)*(n-1)/2$ where n = number of stakeholders
 - C. No of channels = $n(n-1)/2n$ where n = number of stakeholders
 - D. No of channels = $n(n-1)/2$ where n = number of stakeholders
8. Your project calls for communication with a very large audience. What communication method would be appropriate under such circumstances? ?
- A. Pull communication
 - B. Interactive communication
 - C. Two-way communication
 - D. Push communication
9. An external auditor is auditing the quality of your project's management processes. Which of the following processes this activity relates to? ?
- A. Control Quality
 - B. Perform Quality Assurance
 - C. Validate Scope
 - D. Control Procurements
10. Successful project managers generally spend an inordinate of time, doing what? ?
- A. Updating the Project Management Plan
 - B. Communicating
 - C. Working Scheduled Activities
 - D. Managing Risks

Answers

1. D - Communication Channel formula is: $n(n-1)/2$. N=Number of people involved on the project. $52(52-1)/2$ $52*51=2652$ $2652/2=1326$ [PMBOK 5th edition, Page 292] [Project Communications Management]
2. D - The Risk Register is part of Risk Management and is not included in the Communications Management Plan. [PMBOK 5th edition, Page 296] [Project Communications Management]
3. C - Anytime contracts are involved in a project, the project manager/team should use formal written communication methods. [PMBOK 5th edition, Page 287] [Project Communications Management]
4. C - The correct answer is 21. The number of channels = $n(n-1)/2$ where n is the number of stakeholders. Since there are 7 stakeholders now, the number of channels is $7 \times 6 / 2 = 21$. [PMBOK 5th edition, Page 292] [Project Communications Management]
5. A - The online database is an example of a Project Management Information System. [PMBOK 5th edition, Page 554] [Project Communications Management]
6. D - Anything that interferes with the meaning of a message is considered noise. [PMBOK 5th edition, Page 293] [Project Communications Management]
7. D - The correct response is $n(n-1)/2$ where n = number of stakeholders. [PMBOK 5th edition, Page 292] [Project Communications Management]
8. A - The situation in the project would call for pull communication. This is suited for very large audiences and would allow them to access information content at their own discretion. [PMBOK 5th edition, Page 295] [Project Communications Management]
9. B - This is an example of a quality audit by an external auditor. This is a tool and technique of the Perform Quality Assurance process. [PMBOK 5th edition, Page 247] [Project Quality Management]
10. B - Most projects fail because of poor communication. Successful project managers spend a great deal of time communicating. [PMBOK 5th edition, Page 287] [Project Communications Management]

Exam 13 Test Questions

1. You have completed your estimates for your project and determined that it will take 10 months to complete. However, your project sponsor insists that it be completed in 9 months. How do you handle this? ?
 - A. Increase the budget by 10%
 - B. Inform the sponsor you will have to explore the options before committing to that timeline.
 - C. Reduce scope
 - D. Add resources

2. Lois is a project manager managing a town-development project. She has set up a series of interviews with various stakeholders to gather some experiential and historical information on risks. Which phase is this likely to happen in? ?
 - A. Perform Qualitative Risk Analysis
 - B. Plan Risk Responses
 - C. Understand Risks
 - D. Perform Quantitative Risk Analysis

3. Which of the following models describes stakeholders based on their power, urgency and legitimacy? ?
 - A. Influence / Impact grid
 - B. Power / influence grid
 - C. Power / Interest grid
 - D. Salience model

4. A project was awarded based on a competitive proposal. Management made a commitment that a few key team members would be made posted on the project. When such assignments happen, they are termed as: ?
 - A. Bargaining agreements
 - B. Schedule constraints
 - C. Assignment risk
 - D. Pre-assignments

5. Richard is currently assessing his project stakeholders influences, interests, expectations, risk tolerance and engagement levels. This relates to which of the following tools and techniques? ?
 - A. Stakeholder register
 - B. Stakeholder analysis
 - C. Project charter
 - D. Expert judgment

6. Your project team members have just started to work together and are now adjusting their work habits and behaviors to support each other. Which stage of the Tuckman ladder has your team just entered? ?
- A. Norming
 - B. Performing
 - C. Forming
 - D. Storming
7. A project manager had scheduled a number of training programs for his team. However, he was aware that apart from planned training, unplanned training also took place in a number of ways. Which of these is not one of the ways in which unplanned training can happen? ?
- A. Classroom
 - B. Observation
 - C. Project performance appraisals
 - D. Conversation
8. As part of the procurement process, the procuring organization elected to have an estimate of costs prepared by an outside professional estimator. The estimator came up with an estimate of \$ 500,000. However, the cost estimates prepared by prospective sellers were in the range of \$ 200,000. How can this be best interpreted? ?
- A. The procurement statement of work was deficient and ambiguous.
 - B. The professional estimator has inflated the estimate of costs.
 - C. The prospective sellers do not have the required skills to do the project.
 - D. Prospective sellers are trying to underbid and win the project.
9. A project manager is working on the Perform Quality Assurance phase of a project. He is looking for an iterative means to improve quality and eliminate activities that don't add value. Which of the following will help him do this? ?
- A. Quality control measurements
 - B. Quality checklist
 - C. Continuous process improvement
 - D. Team rewards
10. Mark is managing a water distribution network design project. The project is currently in the planning phase. During the Plan Stakeholder Management process, Mark feels the need to update the project stakeholder register. What should Mark do? ?
- A. Mark should update the stakeholder register; the stakeholder register can be updated during the Plan Stakeholder Management process.
 - B. Mark does not have to update the stakeholder register; he can

- capture all the required updates in the stakeholder management plan.
- C. Mark cannot update the stakeholder register during the planning phase of the project.
 - D. Mark needs to issue a change request in order to update the stakeholder register.
- 11.** A project manager included contingency reserves and management reserves in the total budget of a high-risk project. He also made certain earned value measurement calculations. Which of the following is incorrect? ?
- A. Contingency reserves are not part of the project cost baseline.
 - B. Management reserves are not part of the project cost baseline.
 - C. The project manager needs to get approval before spending management reserve.
 - D. Reserves are usually included in the total budget of a project.
- 12.** Linda is a first-time project manager and is analyzing a project schedule. She intends to apply resource leveling and has been given the following guidelines on resource leveling. Which of these four statements is incorrect? ?
- A. Resource Leveling can often cause the critical path to change.
 - B. Resource leveling is applied to a schedule before it has been analyzed by the critical path method.
 - C. Resource leveling is applied to keep resource usage at a constant level.
 - D. Resource leveling is necessary when resources have been over-allocated.
- 13.** The Code of Ethics and Professional Conduct has as its foundation four values identified by practitioners from the global project management community. They are: ?
- A. Respect, fairness, transparency and freedom.
 - B. Responsibility, transparency, fairness and honesty.
 - C. Respect, freedom, honesty and transparency.
 - D. Responsibility, respect, fairness and honesty
- 14.** Risk identification checklists are usually developed based on historical information and knowledge accumulated from previous similar projects. Which of the following statements about risk identification checklists is wrong? ?
- A. It is impossible to build an exhaustive checklist.
 - B. The lowest level of the Risk Breakdown Structure (RBS) cannot be used as a risk checklist
 - C. Quick and simple risk checklists are the least effective ones.
 - D. Risk checklists should be reviewed during project closure.

15. Lena is managing the construction of a new office facility for her company. The project is half way through the execution. The project sponsor has asked Lena to ensure that all the key project stakeholders are still committed to the project. How can Lena assess the stakeholders' current engagement levels? ?
- A. By analyzing the most recent issue register
 - B. By reviewing the Stakeholders Engagement Assessment Matrix last updated during the planning phase of the project
 - C. By requesting the key stakeholders to submit a signed declaration of commitment
 - D. By communicating and interacting with the key stakeholders
16. The list of identified risks is found in the risk register. However, the high-level risks are first listed in the: ?
- A. Scope statement
 - B. Requirement document
 - C. Project charter
 - D. Risk management plan
17. A number of identified risks occurred early in a project. As a result, most of the project objectives ended up in jeopardy. The project manager decided to present a case to management that the project be closed down. This is an example of: ?
- A. Risk Acceptance
 - B. Risk Mitigation
 - C. Risk Avoidance
 - D. Risk Transfer
18. 20% of the work was completed in a project. At this stage the project manager determined that the budget at completion (BAC) was no longer viable and developed a forecasted estimate at completion (EAC). What index can the project manager use to look at the calculated projection of cost performance that must be achieved on the remaining work ?
- A. Schedule Performance Index (SPI)
 - B. Cost Performance Index (CPI)
 - C. Cost Variance (CV)
 - D. To-Complete Performance Index (TCPI)
19. A project uses rounding of activity estimates data to the nearest \$100, uses staff hours as the unit of measure for resources, and has a variance threshold of 10% deviation from the baseline plan. These would be typically documented in the: ?
- A. Cost management plan
 - B. Scope Statement

- C. WBS
- D. Project charter

20. You are two days late on reporting status for a project that you are managing. The status report indicates that the project is lagging behind schedule. During the current week, you are confident of making up some of the lost time. How should you report project status? ?
- A. Since the status report is already due, do nothing. Send out the status report next week when the project is back on track.
 - B. Since the status report is already 2 days overdue, you may communicate to stakeholders that you will send a consolidated status report next week. In this manner, you can avoid being untruthful or falsifying reports.
 - C. Send out a status report to all stakeholders indicating that the project is on track. Once this week goes by, things will be fine and the status reports will be back to normal from next week.
 - D. You should report project status exactly as it is. You may also mention that you expect to make up some of the lost ground, but will truthfully represent current status.
21. You are a business development manager at a mid sized automobile manufacturing company. Recently, you've been given a project to evaluate the possibility of manufacturing light duty trucks in a Southeastern Asian country. To develop a cost estimate, you visit the country with a team of experts to analyze local resources such as power, labor, and real estate. After the visit, you discuss the findings with an automobile manufacturing consultant. The consultant notes that the local laws and government bureaucracy typically means foreign investors spend more over a year obtaining all required permits. To avoid these delays, the consultant advises exchanging a small amount of company stock to the son of the country's president. In return for the stock, the president's son will personally handle and expedite the issuing of all permits required. What should you do? ?
- A. Add the opportunity costs associated with the year delay in getting permitted without local assistance.
 - B. Notify your company that a bribe is necessary to avoid lengthy delays in permitting.
 - C. Facilitate a meeting with the president's son and your managing director to finalize the details of the stock for services arrangement.
 - D. Determine the legality of the proposed exchange of stock for permitting assistance.
22. A project manager who is a PMP discovered that there had been an error in the estimation of a project. A certain cost had been double calculated with the result that the budget, which had already been approved, was now in excess by a figure of \$ 25,000. She is aware that publicizing this information will cause her to receive a poor performance appraisal since her company is very fastidious about such matters. What should she do? ?

- A. She does not need to do anything since this will have a positive impact on the project's spend and margins.
- B. Since the excess funds won't be required, she can now use the funding to make additional investments for the project.
- C. She should bring this to the notice of the appropriate stakeholders and have the necessary steps taken to decrease the budget.
- D. She does not need to do anything since the budget has already been approved. This situation is okay as long as the extra funds are not spent.

23. Conformance to requirements and fitness for use are key concepts in quality management. Which of the following tools translates the customer requirements into technical requirements? ?

- A. Scope creep
- B. Process mapping
- C. Voice of the customer
- D. Quality checklist

24. A project manager uses a Power / Interest grid to identify stakeholders in the project and to manage their expectations. Identify which of the following statements is wrong in the context of a Power / Interest grid. ?

- A. Stakeholders with lower power and lower interest need to be monitored.
- B. Stakeholders with higher power and lower interest need to be kept satisfied.
- C. Stakeholders with lower power and higher interest need to be kept informed
- D. Stakeholders with higher power and higher interest need the least attention.

25. You have just been hired by a waste management company to start a solid waste management program in an under-developed country. The project will be on a build-operate-transfer basis and have a duration of 2 years. At close of the project, the program will be run by local authorities. The project has been sponsored by the World Bank and has been awarded to a large international consortium. Your company has been subcontracted to do this project along with 2 more contractor companies. After the project scope was finalized, you developed a cost estimate of USD \$5.5 million. The sponsor reviews your detailed costing sheets, and is concerned about the total cost figure. He tells you that the maximum allowable budget he can allocate for this project is USD \$5 million. What should you do? ?

- A. Ask for a reduction in scope.
- B. Evaluate ways that can result in cost savings and re-estimate the project.
- C. Advise the sponsor that the project cannot be completed within the available budget.
- D. Begin the project with the intention of requesting a budget increase

at a later point in time.

26. The total planned value (PV) for a project was \$ 150,000. During the course of the project, the actual cost incurred turned out to be \$ 275,000. What is the limit that the project manager usually imposes on the actual cost (AC)? ?
- A. The AC is usually limited to twice the planned value.
 - B. The AC will not have an upper limit.
 - C. The AC is usually limited to thrice the planned value.
 - D. The AC is usually limited to 1.5 times the planned value.
27. All team members have not yet been acquired for a project. However, the project manager went ahead with estimating activity durations, budgeting and other activities. What could likely happen to the activity durations? ?
- A. The activity durations are likely to decrease.
 - B. The activity durations are likely to change.
 - C. The activity durations will remain the same.
 - D. The activity durations are likely to increase.
28. The senior analyst on a project came up with Activity Duration Estimates as follows: Activity A: 10 days + a lag of 2 days; Activity B: 1 week + a lead of 3 days. The project manager who reviewed this, came up with some objections to these estimates. What would they most likely be? ?
- A. The analyst should have included % variance information while mentioning the Activity Duration Estimate. This would indicate a range of possible results.
 - B. Activity Duration Estimates should not include any lag or lead information.
 - C. It is advisable not to mix up units such as days and weeks while coming up with Activity Duration Estimates.
 - D. The Activity Duration Estimate should have also mentioned the predecessor or successor activity to which the lag or lead is attached.
29. A requesting organization for a project created a document that included the business need and the cost-benefit analysis. What would this document be termed as? ?
- A. The project statement of work
 - B. The business case
 - C. The project management plan
 - D. The contract
30. Mark is managing a telecom network deployment project. The buyer of the telecom network is an external entity. Recently, the customer has requested all the future project updates to be automatically posted to their information system. In order to implement this, the project team needs to customize ?

their project management information system so that it can be integrated with the customer's information system. This is a new customer requirement that was not a part of the original project's scope. What should the project manager do?

- A. Request the customer to terminate the current contract and award a new contract.
- B. Ask the project team to customize the project management information system.
- C. Ignore the request as this is outside of the scope of the project.
- D. Initiate the formal change control process.

31. Variance analysis refers to cost performance measurements used to assess the magnitude of variation in comparison to the original cost baseline. What is the trend on the percentage range of acceptable variances as the project progresses? ?

- A. The percentage range of acceptable variances will tend to decrease as the project progresses.
- B. The percentage range of acceptable variances will tend to increase as the project progresses.
- C. The percentage range of acceptable variances will tend to decrease first and then increase as the project progresses beyond 50% completion.
- D. The percentage range of acceptable variances remain the same as the project progresses.

32. Many organizations treat contract administration as an administrative function separate from the project organization. Who carries out the function of contract administration in such organizations? ?

- A. The Project Manager
- B. The Procurement Advisor
- C. The Procurement Administrator
- D. The Contract Advisor

33. Colocation is also referred to as: ?

- A. Strong matrix
- B. Weak matrix
- C. Tight matrix
- D. Balance matrix

34. A project was randomly picked up for a quality audit and a number of issues and non-conformances were found by the external auditor. The project manager lodged a protest with the quality department that this was incorrect procedure and he should have been given notice since an external auditor was involved. What is your view? ?

- A. The project manager is correct. Quality audits need to be scheduled when an external auditor is involved so that the project manager has time to prepare for them.
- B. The project manager is correct. All quality audits need to be performed by the project team.
- C. The project manager has no case. Quality audits may be random and performed by internal or external auditors.
- D. The project manager has no case. Quality audits are always carried out by external auditors.

- 35.** You are reviewing the response to an RFP issued by your company for a project that will last a year and exceed USD \$5 million. Three vendors have been short listed. The first, Nosteltec Inc. is a relatively new company in this industry. It has put together a team of industry experts having a great deal of industry experience and qualifications. The second company, Xen Contractor, has been in business for 20 years. You and your company have a long and positive history working with this vendor. The third company is SonoNet LLC. They have been in business for 10 years and have a reputation for their extensive expertise and delivery; they are also well known as for being one of the more expensive providers in the market. You have many relationships with Xen Contractor staff that have been established during prior procurement contracts with this company. As a result a project manager from Xen Contractor with whom you are friendly both personally and professionally, calls you for clarification on a point mentioned in the 2nd section of the RFP. What should you do? ?
- A. Clarify via email.
 - B. Clarify via phone call.
 - C. Advise the vendor that the RFP is self-explanatory.
 - D. Send the clarification to all three vendors.

- 36.** During the procurement process, a contractual relationship gets established between a buyer and a seller. During the contract lifecycle, what is the correct sequence in which the following terminology is applied to a seller? Vendor, Selected source, and Bidder. ?
- A. The seller is viewed first as a selected source, then as a bidder and then as a vendor.
 - B. The seller is viewed first as a vendor, then as a bidder and then as a selected source.
 - C. The seller is viewed first as a bidder, then as a selected source and then as a vendor.
 - D. The seller is viewed first as a bidder, then as a vendor, then as a selected source.

- 37.** A number of ethical issues came up in a large project consisting of 55 team members. The project manager explained to the sponsor that this was a common problem in larger teams. Whose responsibility is it to ensure that all team members maintain professionalism and follow ethical behavior? ?

- A. The project manager
- B. The sponsor
- C. The HR department
- D. The project management team

38. One of the stakeholders of a project initiated a change request which was then documented in the change control system. In general, who would be responsible for approving or rejecting the change request? ?

- A. An authority within the project management team or external organization.
- B. The sponsor.
- C. The stakeholder who raised the change request.
- D. The project manager.

39. A critical project rollout was delayed because one of the stakeholders did not receive necessary communication on time. On further analysis, the project manager discovered that communication had been sent out to the wrong teams. This would have happened because: ?

- A. Communication broke down between the project team and the stakeholder.
- B. The project manager failed to manage stakeholder expectations.
- C. The stakeholder register was not updated properly to reflect the correct stakeholder information.
- D. The stakeholder did not proactively ask for updates.

40. While sequencing activities for a project, the project management team applied certain discretionary dependencies. This was based on their knowledge of best practices within the project application area. What is the potential risk involved in using such dependencies? ?

- A. They can create fixed float values and create external dependencies.
- B. They can create arbitrary float values and limit later scheduling options.
- C. They can create arbitrary float values and create external dependencies.
- D. They can create arbitrary float values and create mandatory dependencies

41. Activity attributes extend the description of the activity by identifying various components associated with the activity. Typically how many attributes are associated with each activity? ?

- A. They should be between 5 and 10 in number
- B. The number of attributes varies by application area.
- C. They should be less than 5 in number
- D. The number of attributes depends on the activity.

42. Due to a tight project schedule, a project manager did not document lessons learned all through the project. However, at the end of the project, he finally documented the lessons learned. Your comment on this would be: ?
- A. This is ok. At a minimum, lessons learned should be documented at the end of the project.
 - B. This is not ok. Lessons learned must be documented all through the project as well as at the end of the project.
 - C. This is not ok. Lessons learned need to be documented all through the project and must not be done at the end of the project.
 - D. This is correct. Lessons learned are intended to be documented only at the end of the project.
43. A project manager is preparing the WBS for a software project. The WBS includes all the product and project work but excludes the project management work. From the following choices, select a statement that correctly describes this situation. ?
- A. This is incorrect. Product work and project management should be included as part of the WBS, but project work should be excluded.
 - B. This is incorrect. Project work and project management should be part of the WBS but product work should be excluded.
 - C. This is incorrect. Product work, project work and project management work should all be included in the WBS
 - D. This is correct. Product and project work should be included as part of the WBS, but project management work should be excluded.
44. As part of EVM, a project manager is calculating the to-complete performance index (TCPI) based on EAC. The data that he has is: the budget at completion for the project is \$ 100,000. The earned value for the project is \$ 25,000. The actual costs to date are 40,000 and the estimate at completion is \$ 115,000. What is the TCPI that he will obtain? ?
- A. 1.1
 - B. 0.9
 - C. 1
 - D. 0
45. How can changes be made to a project management plan once it has been baselined by the project manager? ?
- A. By generating a change request and having it approved through the Perform Integrated Change Control process.
 - B. This is typically done by using a version control system. The project manager creates a new version with the changes and baselines it as the new baseline.
 - C. This is done by maintaining a revision history or log. The project manager documents the changes in detail and then baselines it.
 - D. A project management plan cannot be changed once it has been baselined. An addendum has to be created to incorporate the

changes.

46. The morale of the team members of a project is very low. The team members feel that they were not given opportunities to participate in the organizational team development activities due to over allocations to project tasks, and hence they missed opportunities to grow. Which of the following is a primary factor for this situation? ?
- A. Use of zero-sum rewards in the project
 - B. A poorly defined resource calendar
 - C. Too many senior team members
 - D. Poor interpersonal skills in the team
47. Given multiple alternatives, the group decision method that allows the largest block in a group to decide (even if more than 50% of the members of the group do not support the decision) is called: ?
- A. Dictatorship
 - B. Plurality
 - C. Unanimity
 - D. Majority
48. In a multi-phase project, the procurement team decided to close the procurements applicable to a particular phase of the project. What happens to unresolved claims? ?
- A. Unresolved claims are usually resolved at the end of all phases of the project.
 - B. Unresolved claims are also closed when the procurements for that phase are closed.
 - C. Unresolved claims remain open for a period of 1 year from closure of procurements.
 - D. Unresolved claims may still be subject to litigation after closure.
49. During the Control Scope phase, analysis of the scope performance resulted in a change request to the scope baseline. This change request will be processed for review and disposition in the: ?
- A. Control Quality phase
 - B. Perform Integrated Change Control phase
 - C. Monitor and Control Project Work phase
 - D. Validate Scope phase
50. A project manager is informed that a limited number of resources are going to be available for his project. He creates a project schedule by adding buffers to the project to protect the target finish date. What type of schedule network analysis is he using? ?
- A. What-if analysis

- B. Critical path method
- C. Critical chain method
- D. Resource leveling.

Answers

1. B - Inform the sponsor you must explore other options before committing to that timeline. Changing the budget, reducing scope, or adding resources are activities that must be agreed upon by the project stakeholders before you can proceed. PMI requires project managers to provide timely and accurate information, and to follow all decision making processes and policies. [*Reference: PMI Code of Ethics and Professional Conduct, Page 2,4*] [Prof. Responsibility]
2. A - This is an example of obtaining Expert Judgment during the Perform Qualitative Risk Analysis process. The Perform Quantitative Risk analysis process numerically analyzes the prioritized project risks obtained through the Perform Qualitative Risks Analysis process. [*PMBOK 5th edition, Page 333*] [Project Risk Management]
3. D - The Salience model describes stakeholders based on their power (ability to impose their will), urgency (need for immediate attention) and legitimacy (their involvement is appropriate). Based on this classification, the potential impact of each stakeholder is then assessed. [*PMBOK 5th edition, Page 396*] [Project Stakeholder Management]
4. D - When team members are assigned to projects in advance of the start of the project, they are termed as preassignments. Such assignments can happen when resources are promised as part of a competitive proposal, when projects are dependent on critical resources, or if some staff assignments have been defined in the project charter. [*PMBOK 5th edition, Page 270*] [Project Human Resource Management]
5. B - The stakeholder register and the project charter are project documents and not project management tools and techniques. What Richard is doing directly relates to the stakeholder analysis tool and technique. [*PMBOK 5th edition, Page 396*] [Project Stakeholder Management]
6. A - During the norming stage, the project team members start to work together and adjust their work habits and behaviors to support each other. [*PMBOK 5th edition, Page 276*] [Project Human Resource Management]
7. A - Scheduled training occurs as stated in the Human Resource plan and could include online, classroom, on-the-job, etc. Unplanned training takes place through conversation, observation and project performance appraisals. [*PMBOK 5th edition, Page 275*] [Project Human Resource Management]
8. A - When prospective bids are significantly different from the estimates prepared by a professional estimator, it likely means that the procurement statement of work (SOW) was deficient or that the prospective sellers have misunderstood the procurement SOW. The other choices jump to conclusions without relevant data. It is possible that prospective sellers do not have the skills or are trying to underbid, but in this case, all of them are off by a large percentage. Hence it points to a deficient statement of work. [*PMBOK 5th edition, Page 376*] [Project Procurement Management]
9. C - Continuous process improvement is an iterative means to improve the quality

of all processes. It reduces waste and eliminates activities that don't add value. This allows processes to operate at increased levels of efficiency. [*PMBOK 5th edition*, Page 244] [Project Quality Management]

10. A - Project document update is the output of the Plan Stakeholder Management process. The stakeholder register can be updated during this process. Further, the stakeholder register is not a part of the project management plan; updates to the stakeholder register do not require a formal change control. [*PMBOK 5th edition*, Page 404] [Project Stakeholder Management]
11. A - Contingency reserves are included in the project cost baseline. [*PMBOK 5th edition*, Page 213] [Project Cost Management]
12. B - Resource leveling is a schedule network analysis technique. It is applied to a schedule that has already been analyzed by the critical path method. [*PMBOK 5th edition*, Page 179] [Project Time Management]
13. D - The values that practitioners from the global project management community have identified as being the most important are: responsibility, respect, fairness and honesty. These values form the foundation for the Code of Ethics and Professional Conduct. [Refer Section 1.4, Chapter 1, Page 1, *PMI code of ethics and professional conduct*] [Prof. Responsibility]
14. B - A Risk Breakdown Structure (RBS) lists identified project risks hierarchically by risk category and subcategory that identifies the various areas and causes of potential risks. The lowest level in the RBS can be used as a basic risk checklist to cover all identified risks. The other statements are all true. [*PMBOK 5th edition*, Page 325] [Project Risk Management]
15. D - The stakeholders' current engagement levels can be determined by communicating and interacting with them. Reviewing the Stakeholders Engagement Assessment Matrix developed during the planning phase of the project won't help much if it hasn't been reviewed since then. Analyzing the issue register can indicate stakeholder engagement levels but this document alone is not sufficient to determine the current engagement levels. Asking the stakeholders to sign a declaration of commitment is ridiculous. [*PMBOK 5th edition*, Page 405] [Project Stakeholder Management]
16. C - The project charter is a document that authorizes the project. Along with details such as the purpose of the project, project objectives, high-level requirements etc., it also contains the high-level risks which are used as a starting point later on while identifying risks in detail. [*PMBOK 5th edition*, Page 72] [Project Integration Management]
17. C - Risk avoidance involves changing the project management plan to eliminate the risk entirely. Although an extreme situation, entirely shutting down a project constitutes a radical avoidance strategy. [*PMBOK 5th edition*, Page 344] [Project Risk Management]
18. D - The to-complete performance index (TCPI) is the calculated projection of cost performance that must be achieved on the remaining work to meet a specified goal such as the BAC or EAC. It is defined as the work remaining divided by the funds remaining. [*PMBOK 5th edition*, Page 221] [Project Cost Management]
19. A - Cost management processes and their associated tools and techniques are documented in the cost management plan. These include parameters such as the level of accuracy (how much rounding), units of measure (staff hours, weeks etc.), and control thresholds (percentage deviation from baseline plan) [*PMBOK 5th edition*, Page 199] [Project Cost Management]

20. D - As practitioners in the global project management community, it is our responsibility to be truthful in our communications and conduct. We need to provide accurate information even if it is not favorable to us. [*PMI Code of Ethics* section 5.2, page 4] [Prof. Responsibility]
21. D - Determine the legality of the proposed exchange of stock for assistance with permitting. If this arrangement does not violate the laws of your country, the country where you are hoping to begin work, and does not violate corporate regulations or industry regulations, the cost of the exchange may well offset the opportunity cost of a year long permitting delay. Once the legality has been established, a path forward can be developed. [*PMI Code of Ethics and Professional Conduct*, Page 3] [Prof. Responsibility]
22. C - She needs to bring this discrepancy to the notice of management and the appropriate stakeholders so that corrective action can be taken. She needs to do this even at the cost of receiving a poor performance appraisal. [*PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
23. C - Voice of the customer is a non-proprietary approach to quality management and is used to elicit stated as well as unstated customer needs (quality and requirements). This technique translates the customer requirements into technical requirements. [*PMBOK 5th edition*, Page 566] [Project Quality Management]
24. D - A Power/Interest grid groups stakeholders based on their level of authority (power) and their level of concern (interest). Stakeholders with higher power and higher interest need to be managed closely and require the most attention. [*PMBOK 5th edition*, Page 397] [Project Stakeholder Management]
25. B - You should evaluate ways that can result in cost savings and re-estimate the project. Requesting a change in budget or scope without fully analyzing the options, or simply moving ahead with plans to request additional funds in the future are violations of the PMI Code of Ethics. This code requires project managers to provide accurate, timely, and truthful project information at all times. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 4, 5] [Prof. Responsibility]
26. B - The actual cost will not have an upper limit. Whatever is spent to achieve the earned value will be measured. [*PMBOK 5th edition*, Page 218] [Project Cost Management]
27. B - When estimating of activity durations is done when all team members have not been acquired, it is possible that the competency levels of the newer team members will be different from that planned. So, it can only be said that the activity durations will likely change. Whether they will remain the same, increase or decrease, will depend on the competency levels of the new team members. [*PMBOK 5th edition*, Page 256] [Project Human Resource Management]
28. B - Activity duration estimates are quantitative assessments of the likely work periods to complete an activity. They do not include any lag or lead information. [*PMBOK 5th edition*, Page 172] [Project Time Management]
29. B - The business case usually provides information from a business standpoint so that any investment in the project can be justified. Typically it would contain both the business need as well as the cost-benefit analysis. [*PMBOK 5th edition*, Page 68] [Project Integration Management]
30. D - Change requests do come. They are never ignored; rather they are managed through the integrated change control process. This doesn't require terminating the contract. Implementing the new requirement without following the change control

process is not advisable. [*PMBOK 5th edition*, Page 413] [Project Stakeholder Management]

31. A - During the start of the project, larger percentage variances are allowed. However, as more work is accomplished, the percentage range of acceptable variances will tend to decrease. [*PMBOK 5th edition*, Page 222] [Project Cost Management]
32. C - In many organizations, a procurement administrator is responsible for ensuring that the procurement relationship is properly managed. The procurement administrator may be on the project team, but typically reports to a supervisor from a different department. [*PMBOK 5th edition*, Page 380] [Project Procurement Management]
33. C - Colocation is also referred to as "tight matrix". The rest of the choices are incorrect as they are different organizational structures. [*PMBOK 5th edition*, Page 277] [Project Human Resource Management]
34. C - The project manager has no case. Quality audits may be scheduled or random and may be conducted by internal or external auditors. It is the responsibility of the project manager and the project management to ensure that the project documentation is kept up-to-date and available for any quality audit. [*PMBOK 5th edition*, Page 247] [Project Quality Management]
35. D - Send the clarification to all three vendors. PMI's Code of Ethics and Professional Conduct mandates that project managers provide fair and equal access to information, and to apply the rules of the organization without favoritism. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 2, 4] [Prof. Responsibility]
36. C - During the contract life cycle, the seller can be viewed first as a bidder, then as a selected source, and then as the contracted supplier or vendor. [*PMBOK 5th edition*, Page 357] [Project Procurement Management]
37. D - The project management team needs to be aware of, subscribe and ensure that all team members behave professionally and follow ethical behavior. [*PMBOK 5th edition*, Page 256] [Project Human Resource Management]
38. A - In general, some authority within the project management team or an external organization would approve or reject the change request. However, on many projects the project manager is given authority to approve certain types of change requests. [*PMBOK 5th edition*, Page 96] [Project Integration Management]
39. C - The stakeholder register is a list of all relevant stakeholders in the project. It is used to ensure that all stakeholders are included in project communications. Hence, it is likely that the stakeholder list did not contain the stakeholder's details. This resulted in their missing out on project communication. [*PMBOK 5th edition*, Page 398] [Project Stakeholder Management]
40. B - Discretionary dependencies are established based on the knowledge of best practices within a specific application area. This is done to achieve a specific sequence even though there are other options. The risk is that they may create arbitrary float values and later limit scheduling options because of the specific sequencing chosen. [*PMBOK 5th edition*, Page 158] [Project Time Management]
41. B - Activity attributes generally vary by application area. Components for each activity evolve over time. Initially they may include Activity ID, WBS ID and Activity name. Later, they may include activity codes, activity description, predecessor activities, successor activities, logical relationships, leads, lags, resource requirements, imposed dates, constraints and assumptions. [*PMBOK 5th*

- edition, Page 153*] [Project Time Management]
42. A - Lessons learned need to be documented throughout the project cycle, but at a minimum should be documented at the end of the project. Since the project manager was unable to do it during the course of the project, he has done it at the end of the project, which is the minimum requirement. [*PMBOK 5th edition, Page 104*] [Project Integration Management]
 43. C - The WBS is a deliverable-oriented decomposition of all the work to be done by the project team to accomplish project objectives. It organizes and defines the total scope of the project. Hence it includes product work, project work and the project management work required to complete the project. [*PMBOK 5th edition, Page 131*] [Project Scope Management]
 44. C - TCPI based on $EAC = (BAC - EV) / (EAC - AC) = (100000 - 25000) / (115000 - 40000) = 75000 / 75000 = 1$ [*PMBOK 5th edition, Page 221*] [Project Cost Management]
 45. A - Once the project management plan has been baselined, it may be changed only when a change request is generated and approved through the Perform Integrated Change Control process. In order to keep track of changes, a version control system or a revision log will also be maintained. However, the changed version can be baselined only after approval. [*PMBOK 5th edition, Page 94*] [Project Integration Management]
 46. B - Resource calendars identify times when the project team members can participate in team development activities. If the team members are unable to find time for such activities because they are over allocated, it is likely that the calendar has been poorly planned out. [*PMBOK 5th edition, Page 265*] [Project Human Resource Management]
 47. B - This group decision making technique is called Plurality. Even if a majority (where more than 50 % of the members support the decision) is not achieved, the largest block in the group makes the decision. [*PMBOK 5th edition, Page 115*] [Project Scope Management]
 48. D - In multi-phase projects, although the procurements for a particular phase may have been closed, the unresolved claims are still subject to litigation after closure. [*PMBOK 5th edition, Page 387*] [Project Procurement Management]
 49. B - Analysis of Scope performance is done as part of the Control Scope phase. Determining the cause and degree of variance relative to the scope baseline is an important aspect of this activity (called Variance Analysis). Change requests that result from this activity are processed in the Perform Integrated Change Control phase. [*PMBOK 5th edition, Page 94*] [Project Integration Management]
 50. C - Critical chain is a schedule network analysis technique that is used when a project schedule has to account for limited resources. In this technique, duration buffers that are non-work schedule activities are added to manage uncertainty. [*PMBOK 5th edition, Page 178*] [Project Time Management]

Exam 14 Test Questions

1. You are an electrical engineer with extensive experience in managing transmission projects, but limited experience with electronic design projects. However, in a stretch assignment, you have been recently transferred to another department in your company that focuses on electronic design. Further, you have been asked to lead a very important project involving both transmission and electronic design. In preparation for a meeting with your manager to discuss this opportunity, you review the initial project design brief. There are a number of items within this document that are unclear to you because of your lack of background in design. When you arrive at your meeting, your manager asks if you will be leading the project. How do you respond? ?
 - A. Accept the project and note your manager that your expertise in transmission makes you an ideal manager for this project.
 - B. Decline the project, citing your lack of experience in electronics design.
 - C. Accept the project, but do not discuss your qualifications or lack thereof.
 - D. State that you would like to lead the project, but you must disclose that your primary domain of expertise is transmission, and that you may need supplementary training in electronics design.

2. A seller started out a project on the basis of a Time and Material contract. The initial contract amount based on the agreed-upon rates and effort was \$ 100,000 over a 1 year period. However, when the project was completed, the total contract value turned out to be \$ 350,000 over a 2 year period. What mechanism could the buyer have used to prevent this unlimited cost growth and schedule change? ?
 - A. Use of a not-to-exceed value and a time limit on the contract.
 - B. A service level agreement.
 - C. A penalty based on the increased cost and timeline.
 - D. Use of a fixed price contract.

3. The Budget at Completion (BAC) for a project is \$50,000. The Actual Costs (AC) to date are \$10,000. The Earned Value (EV) is \$7,000. At this stage, the project management team did a manual bottom-up summation of costs and forecast an Estimate to Complete (ETC) of \$50,000. What is the Estimate at Completion (EAC) for the project? ?
 - A. \$57,000
 - B. \$40,000
 - C. \$60,000
 - D. \$53,000

4. Projects, portfolios and programs are different entities in an organization. ?

Which of the following choices states a correct relationship between them?

- A. A portfolio consists of a collection of projects or programs that are grouped together to achieve strategic business objectives. The projects or programs need not be directly related.
 - B. A project is a collection of programs and portfolios that are grouped together to achieve the project objectives.
 - C. A program consists of a collection of projects or portfolios that are grouped together to achieve strategic business objectives.
 - D. A program is a collection of projects that are grouped together for convenience. It may include unrelated work if the work is under the same business division.
5. Carole is managing a hotel refurbishment project. She has identified her project's key stakeholders. Carole now wants to expand this list of stakeholders and convert it to a comprehensive list of project stakeholders. What should Carole do? ?
- A. Do not spend more time on identifying the non-key stakeholders
 - B. Seek expert judgment from the identified key stakeholders
 - C. Request the project sponsor to provide the details of the remaining stakeholders
 - D. Carry out a stakeholder analysis with the identified key stakeholders
6. The Risk Management plan will usually contain the definitions of risk probability and impact. Which of the following has the highest impact (negative) on a project? ?
- A. A rating of 1.1 on the impact scale
 - B. A rating of 0.8 on the impact scale
 - C. A rating of 0 on the impact scale
 - D. A rating of 0.1 on the impact scale
7. You are the project manager of a project and are about to conduct a risk identification exercise in a few days' time. You would like to proactively remind the participants in the exercise of the various sources from which risk may arise in the project. What could you use to help you do this? ?
- A. A Risk Breakdown Structure (RBS)
 - B. A Risk Simulation Structure (RSS)
 - C. A Risk Register
 - D. An Impact Matrix
8. Ron is a project manager handling an Alternate water-supply project. During a project performance review, he notices the following: (i) Activity A, on the critical path, is delayed by 4 days. (ii) Activity B, not on the critical path, is delayed by 9 days. (iii) Activity C, on the critical path is delayed by 2 days (iv) Activity D, not on the critical path, is delayed by 5 days. In what sequence should Ron prioritize his efforts in addressing these ?

delays?

- A. Activity A, Activity B, Activity D, Activity C
- B. Activity A, Activity C, Activity B, Activity D
- C. Activity B, Activity D, Activity A, Activity C
- D. Activity B, Activity A, Activity D, Activity C

9. Which of the following statements about products and projects is true? ?

- A. Adding new functionality to an existing product cannot be considered as a project.
- B. A product life cycle is usually contained within a project life cycle.
- C. One product may have many projects associated with it.
- D. The product life cycle usually consists of non-sequential phases whereas the project life cycle consists of sequential phases.

10. Mary has recently finalized her project management plan and has also got it approved. She is managing a complex manufacturing process improvement project. The project stakeholders' continuous support and commitment is an absolute must for the success of the project. Which of the following are the most crucial stakeholder management processes at this stage? ?

- A. Plan Stakeholder Management & Manage Stakeholder Engagement
- B. Identify Stakeholders & Plan Stakeholder Management
- C. Manage Stakeholder Engagement & Control Stakeholder Engagement
- D. Plan Stakeholder Management & Control Stakeholder Engagement

11. An important aspect of project management is the handling of stakeholder expectations. Typically, at what level are the stakeholders with respect to the project manager. ?

- A. At higher levels and with greater authority
- B. At all levels and with varying degrees of authority.
- C. At higher levels but only the project sponsor has authority greater than the project manager.
- D. At the same level with varying degrees of authority.

12. Public recognition of good performance creates positive reinforcement for the team members. When is the best time for a project manager to recognize team members' performance? ?

- A. During the lifecycle of the project
- B. At the end of every phase of the project
- C. At the end of the project
- D. As mandated by the HR department.

13. The requirements elicitation team has obtained a large number of ideas during sessions to gather product and project requirements. Which of the ?

following techniques is best suited to have these ideas sorted into groups for review and analysis?

- A. Control chart
- B. Venn diagram
- C. Affinity diagram
- D. Brainstorming

14. One of the performance requirements of a Company Website development project is that the home page should load in 1 second. Such performance requirements are usually part of: ?

- A. Customer requirements
- B. Business requirements
- C. Project requirements
- D. Product requirements

15. Anna has recently taken over a project as the project manager. The project is early in the executing phase. Although, the project scope statement was signed off by all key stakeholders, Anna finds out that some of the key stakeholders do not fully understand the project scope. Stakeholders' continuous support is very critical for the success of the project. What must Anna do? ?

- A. Email the copy of the scope management plan to the key project stakeholders.
- B. Don't do anything as the scope statement has already been signed by all the key project stakeholders.
- C. Email the copy of the scope statement to the key project stakeholders.
- D. Conduct one-to-one meeting sessions with these key stakeholders to ensure that they understand the project scope.

16. You have just joined a new organization as a project manager. You have heard a number of rumors about the procurement manager having possible underhanded dealings with suppliers. However, you have not been given any proof that these rumors are true. Your project requires a large number of dump trucks. Company policy mandates that all purchases go through the procurement department, rather than being handled by departmental employees. The value of the dump truck purchase is USD \$395,000 and the contract was awarded to a supplier regularly used by your company. Shortly after taking delivery of the dump trucks, you learn that the procurement manager is driving a new car. What should you do. ?

- A. Ask the procurement manager about the purchase of her new car
- B. Report this to the appropriate management.
- C. Talk to the supplier to find out if there was a bribe involved in the project
- D. Do nothing.

17. The project management team expects that during the course of the project, there could be delays in component delivery due to strikes, changes to the permitting processes or extensions of specific engineering durations. What analysis will help come up with contingency and response plans to mitigate these? ?
- A. Contingency analysis
 - B. Variance analysis
 - C. What-If scenario analysis.
 - D. Schedule compression
18. In the earned value management technique, the cost performance baseline is referred to as: ?
- A. Cost Measurement Baseline (CMB)
 - B. Performance Measurement Baseline (PMB)
 - C. Performance Base Value (PBV)
 - D. Performance Cost Baseline (PCB)
19. A seller entered into contract with a buyer. At the end of the project, the seller was reimbursed for the cost of the project, but received a very low fee based on certain subjective criteria that had been laid down in the contract. What type of contract is this likely to be? ?
- A. Cost Plus Fixed Fee (CPFF) contract
 - B. Fixed Price Incentive Fee (FPIF) contract
 - C. Cost Plus Incentive Fee (CPIF) contract
 - D. Cost Plus Award Fee (CPAF) contract
20. You've just completed a solid waste management project in an under-developed country. The contractor you are working for has a strict policy of abiding by local laws and rules, although the local resources working on the project have a much more lax approach to following laws and policies. Now at the end of the project, you are handing over the operational equipment to the local operators and disposing of the leftover inventory and other furniture which was used during the project. More than 50% of the toxic materials used during the project remains in your inventory. There is no law that would prohibit you from disposing of either the type or quantity of remaining materials in the local sewage system. What should you do? ?
- A. Give the material to local resources to dispose of by selling it to a recycling facility.
 - B. Do not dispose of the materials improperly.
 - C. Dispose of the material in the local sewage system, as there is no law applicable here
 - D. Abandon the materials in the project facility you are handing over to the local operators.
21. Progressive elaboration is least applicable to which of the following ?

processes?

- A. Create WBS
- B. Control Schedule
- C. Develop Schedule
- D. Estimate Activity Durations

22. During a cost performance review with certain senior officers from the finance department, you discover that there are certain inconsistencies in the way cost performance reporting is done, and you obtain data that shows these officers are deliberately misleading senior management. What should you do? ?

- A. Write an anonymous letter to senior management about these activities.
- B. Bring this to the notice of senior management even though there are no formal policies in place for whistle-blowers.
- C. Do nothing, but make sure that the data for your project is clean.
- D. Do nothing. The corrupt behavior of the finance department officials has nothing to do with your project.

23. Your company is planning to bid on a project in an application area in which you have never worked before. You are aware that your company does not have any resources with the necessary expertise. Your management is pressurizing you to submit a bid. What should you do? ?

- A. Refuse to do what your company management asks you to do since it violates the code of ethics and professionalism.
- B. Do what your management asks you to do. Your loyalty needs to be with your company. As long as management has the confidence that the project can be done, you can go with the plan.
- C. Do what your management asks you to do, but inform them that you would not like to be associated with the project since it violates the code of ethics and professionalism.
- D. Explain the gaps to your management clearly and also explain that this will be a stretch assignment. You can further explain to them that it is best to reveal to the potential buyer that your company does not possess the necessary skills, but are confident of ramping up the necessary skills and delivering the project successfully, based on your company's track record.

24. Which of the following processes goes beyond the distribution of relevant information and seeks to ensure that the information being communicated to project stakeholders has been appropriately generated, as well as received and understood? ?

- A. Manage Communications
- B. Control Communications
- C. Manage Stakeholder Engagement

D. Control Stakeholder Engagement

25. Eric, a project manager, is a certified PMP. He is responding to an RFP from a buyer and needs to fill in details on the financial performance of his company. His company has performed badly during the current quarter and the results will be published in 2 to 3 days' time. However, the company has done very well in the previous quarters. The RFP is due in 10 days' time and all the other information in the RFP is ready and filled out (except the financial information). What should Eric do? ?
- A. Eric should fill in the financial information for the previous quarter and send out the RFP response before the current quarter results are published.
 - B. Eric should present the previous quarter's results as the latest results. This will give his company a better chance to win the project.
 - C. Eric should fill in the information for the previous quarter and ignore the current quarter. This is an aberration and the company will eventually come out of the bad patch.
 - D. Eric should wait until the current results are out and update the latest financial information before sending out the RFP response.
26. You are managing a project with over 130 procurement contracts. Because of the number of contracts, your project team includes a procurement manager and a procurement assistant. Company policy requires that certain types of procurements be advertised to potential bidders by means of newspaper advertisements. The procurement assistant typically reviews the bids received and short lists the suppliers for further review by the procurement team. During a meeting to review and select a vendor from the short listed suppliers, you discover that one of the suppliers is a company owned by your cousin. Which of the following is the best course of action? ?
- A. Because the short list was prepared by the procurement assistant, not by you, you do not need disclose your relationship with the supplier, and may continue to participate in the selection process.
 - B. Disclose your relationship with the provider and continue to participate in the selection process.
 - C. Ask the procurement manager to lead the vendor selection process for this contract and excuse yourself from the review.
 - D. Remove the supplier from the short list.
27. A buyer and seller are looking at getting into a long-term relationship spanning over 10 years. Both parties would like to be protected from the unstable financial conditions of the country that are beyond their control. What type of contract is appropriate for such a relationship? ?
- A. Fixed Price Incentive Fee (FPIF)
 - B. Firm Fixed Price (FPP)
 - C. Time & Material (T&M)
 - D. Fixed Price with Economic Price Adjustment Contract (FP-EPA)

28. Which of the following quality control tools and techniques may not be used for root cause analysis? ?
- A. Fishbone diagram
 - B. Scatter diagram
 - C. Ishikawa diagram
 - D. Cause and effect diagram
29. Midway through the Collect Requirements process, a project manager finds that there are lots of unresolved issues. Which of the following is usually the best way to discover and resolve issues? ?
- A. Interviewing
 - B. Use of a stakeholder register
 - C. Questionnaires
 - D. Facilitated workshops
30. During a project update meeting, one of the key stakeholders expressed his displeasure over the recently produced deliverables. 1% of the produced deliverables had minor defects. This stakeholder has been a resisting stakeholder so far. What must the project manager do in order to bring the future project performance in line with the approved quality requirements? ?
- A. Investigate the root cause and identify the required defect repair.
 - B. Investigate the root cause and identify the required preventive action.
 - C. Investigate the root cause and identify the required corrective action.
 - D. Ignore the complaint from the resisting stakeholder.
31. A project manager would like to resolve conflicts with a give-and-take attitude rather than using a one-sided approach. Which of these approaches is he likely to use? ?
- A. Forcing
 - B. Problem-solving
 - C. Directing
 - D. Withdrawing
32. A small project with a limited budget is trying to curtail costs. Which of the following processes may be eliminated in such a project? ?
- A. Perform Qualitative Risk Analysis
 - B. Perform Quantitative Risk Analysis
 - C. Identify Risks
 - D. Plan Risk Management
33. A number of deliverables were submitted to the buyer as part of a project. Where would the project manager find documentation on the requirements for formal deliverable acceptance and how non-conforming deliverables ?

can be addressed?

- A. In the SOW
- B. In the lessons learned document
- C. In the deliverable release note.
- D. In the agreement

34. Late in the project cycle, it was discovered that some of the project human resources needed to have been trained on a specific methodology. Ideally, where should these training needs have first been documented? ?

- A. Staffing management plan
- B. In the procurement contract
- C. In the project scope statement
- D. In the company HR policy

35. You are managing an electronic chip design project for a customer. There are a number of engineers and subject matter experts from the customer's organization that have been assigned as resources to the project, as well as several additional design engineers that have been supplied by your company. All the engineers have been involved in the development of a prototype chip; a very time consuming and expensive process. Upon the completion of the prototype, you submit it for review to ensure that there are no patent infringement issues with the design. When the results come back, it is determined that there are multiple issues that could result in an intellectual property dispute with the patent owners, should the prototype design be released commercially. The affected prototype elements were developed by resources from your company as well as your customer's organization. What should you do? ?

- A. Ask the engineers to revise the design and resubmit it.
- B. Notify the project stakeholders immediately.
- C. Request permission to use the copyright material
- D. Submit the prototype as is, as the budget and schedule do not accommodate rework.

36. While managing a large project, the project manager decided to include indirect costs as part of his cost estimate. If indirect costs are included in an estimate which of the following is true? ?

- A. Indirect costs should be included at the activity level or higher levels.
- B. Indirect costs must be included at the activity level only.
- C. Indirect costs should only be included in earned value measurements and not in cost estimates.
- D. Indirect costs should not be included in cost estimates.

37. Which of these is not a legitimate model used to analyze stakeholders? ?

- A. Influence / impact grid
- B. Power / influence grid
- C. Sufficiency model
- D. Saliency model

38. A project manager analyzed the project's communication requirements and decided that 10 out of the 30 stakeholders in the project would only need voicemail updates of certain information. This type of communication method is called: ?

- A. Push communication
- B. Pull communication
- C. Interactive communication
- D. On-demand communication

39. A project involved development of a high speed hard disk drive. As part of its testing, the hard disk was subjected to continuous operation at a high speed and an elevated temperature. At the end of the test, the hard disk was destroyed beyond use. The cost of such testing is usually classified as: ?

- A. Appraisal costs
- B. Internal failure costs
- C. Cost of nonconformance
- D. Prevention costs

40. Identification of new risks, reassessment of old risks and closing of outdated risks are done as part of the Control Risks phase. How often should project risk reassessment be scheduled? ?

- A. It depends on how the project progresses relative to its objectives.
- B. It is left to the discretion of the project manager.
- C. Reassessment needs to be done at the 25%, 50%, and 75% stages of project completion.
- D. Reassessment needs to be done at the 20%, 40%, 60% and 80% stages of project completion.

41. Which of the following is the process of communicating and working with stakeholders to meet their needs and expectations, address issues as they occur, and foster appropriate stakeholder engagement? ?

- A. Manage Stakeholder Engagement
- B. Control Stakeholder Engagement
- C. Manage Communications
- D. Control Communications

42. Rick has just been assigned as the project manager of a project to develop a complex product. The project is in the Define Scope phase. Which of these tools / techniques will not be used by Rick in this phase? ?

- A. Lateral thinking
- B. Process analysis
- C. Product breakdown
- D. Value engineering

43. Teams go through various stages of development. As per the Tuckman ladder of development, the stage during which the least amount of work gets done is usually the: ?

- A. Storming phase
- B. Forming phase
- C. Norming phase
- D. Performing phase

44. A project manager has been asked to manage a research project. By its very nature, this type of project is not very clearly defined and involves a lot of uncertainty. What phase-to-phase relationship should the project manager use for this project? ?

- A. Open-ended relationship
- B. Overlapping relationship
- C. Iterative relationship
- D. Sequential relationship

45. A senior project manager advises a first-time project manager that identifying risks is just one step. On a continuous basis, new risks need to be identified, and existing risks need to be analyzed, tracked and their status reported. All this is done as part of what process? ?

- A. Direct and Manage Project Work
- B. Monitor and Control Project Work
- C. Perform Integrated Change Control
- D. Plan Risk Management

46. A project manager has decided to use a decision tree to make a build or upgrade analysis. The build requires an investment of \$ 200 M (where M represents million). On the build decision branch, there is a 60% probability of strong demand (yielding a revenue of \$ 400 M) and a 40% probability of weak demand (yielding a revenue of \$150 M). What is the expected monetary value (EMV) of the build? ?

- A. \$ 100 M
- B. \$ 300 M
- C. \$ 140 M
- D. \$ 200 M

47. A project management team came up with certain metrics such as defect frequency, failure rate, availability and reliability. These are usually defined ?

as an output of what process?

- A. Plan Quality Management
- B. Define Scope
- C. Collect Requirements
- D. Perform Quality Assurance

48. In order to keep costs low, a project management team decided to apply statistical sampling while inspecting some of the work products. They decided to select 10 out of 50 engineering drawings for inspection. During which process should the sample frequency and sample size be determined? ?

- A. Collect Requirements
- B. Plan Quality Management
- C. Control Quality
- D. Perform Quality Assurance

49. A project manager prepared a presentation that included data on utilization of resources on her project, improvements in efficiency of the staff on the project, and the cost savings. She is doing this as part of what process? ?

- A. Manage Stakeholder Engagement
- B. Monitor and Control Project Work
- C. Control Schedule
- D. Control Quality

50. A very critical resource is on another project team. It is very important you get his time for your project. You have contacted his team's manager multiple times, but have received a poor response. What should you consider doing next? ?

- A. Plan for an alternate resource since this resource is not available.
- B. Try to use management influence to obtain the resource's time.
- C. Contact the manager once again to see if he can help.
- D. Train another resource within your project.

Answers

1. D - State that you would like to lead the project, but disclose that your expertise is in transmission, not electronics design. PMI's Code of Ethics and Professional Conduct mandates that project managers accept only those projects for which they have appropriate qualifications and experience. However, if project stakeholders are fully informed of the areas where you may be lacking skills or knowledge, and they still wish to proceed with you leading the project, this is not a violation of the code. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 2, 4] [Prof. Responsibility]
2. A - Use of not-to-exceed values and time limits placed in T&M contracts help prevent unlimited cost growth or schedule changes. Use of a fixed price contract

is an option, but that is a decision prior to awarding the project and signing the contract. [PMBOK 5th edition, Page 364] [Project Procurement Management]

3. C - When a bottom-up manual forecasting has been done for the ETC, the calculation for EAC is given by: $EAC = AC + \text{bottom-up ETC}$ Hence, $EAC = 10,000 + 50,000 = \$60,000$. Note that the BAC is no longer viable at this stage. [PMBOK 5th edition, Page 220] [Project Cost Management]
4. A - A portfolio is a collection of projects or programs that are grouped together to achieve a strategic business objective. Portfolio management focuses on ensuring that projects and programs are reviewed to prioritize resource allocation and the management of the portfolio is aligned with organizational strategies. The projects or programs need not be directly related. A program is a collection of projects, but they need to have common objectives, so unrelated work cannot be grouped together under a program. [PMBOK 5th edition, Page 4, 5] [Project Framework]
5. B - The project manager is responsible for stakeholder identification; this cannot be delegated to the project sponsor. Identifying and analyzing the key stakeholders is not enough to ensure the success of the project. Other project stakeholders can be identified by interviewing the already identified stakeholders. [PMBOK 5th edition, Page 396, 397] [Project Stakeholder Management]
6. B - The impact scale will contain the probabilities of certain risks occurring, and will contain values from 0 to 1. A value of 0 indicates non-occurrence of the risk while 1 is a certainty. Hence, a risk impact of 0.8 represents the highest impact among the choices presented. [PMBOK 5th edition, Page 317] [Project Risk Management]
7. A - The Risk Breakdown Structure (RBS) is a hierarchically organized depiction of identified project risks arranged by risk category and subcategory. This may be based on a previously prepared categorization framework The RBS serves to remind participants in the risk identification exercise of the different sources from which risk may project arise. [PMBOK 5th edition, Page 317] [Project Risk Management]
8. B - An important part of schedule control is to decide if schedule variation requires corrective action. Activities on the critical path are given the first priority for immediate action. Larger delays on activities not on the critical path may not require immediate attention since they may not affect the overall project schedule. Hence Ron will first look into the delays on the critical path and then tackle the delays on the other paths. [PMBOK 5th edition, Page 176, 188] [Project Time Management]
9. C - One product can have multiple projects associated with it. For example: the development of a new product could be a project. Similarly, adding new functions or features could be a project. Other possibilities are conducting a feasibility study, conducting a product trial in the market, running an advertising campaign, etc. [PMBOK 5th edition, Page 3] [Project Framework]
10. C - Since the project management plan has been approved, this marks the closure of the planning phase of the project. The stakeholder management processes from the executing and monitoring & controlling process groups should be the center of attention now. [PMBOK 5th edition, Page 61, 404, 409] [Project Stakeholder Management]
11. B - Project stakeholders are persons and organizations having a stake in the project. They typically exist at different levels and have varying degree of

authority. For example, the project sponsor will be at a higher level and have a greater authority than the project manager. In contrast, a team member may be at a lower level and have lesser authority. [*PMBOK 5th edition*, Page 394] [Project Stakeholder Management]

12. A - A good strategy for project managers is to give the team all possible recognition during the life cycle of the project rather than after the project is completed. This will keep the team members motivated through the duration of the project. [*PMBOK 5th edition*, Page 277] [Project Human Resource Management]
13. C - The affinity diagram allows large numbers of ideas to be sorted into groups for further review and analysis. It is a tool used in gathering of requirements. [*PMBOK 5th edition*, Page 115] [Project Scope Management]
14. D - Performance requirements such as the loading time of websites are usually considered as part of product requirements/scope. Project requirements include business requirements, project management requirements and delivery requirements whereas product requirements include technical, security, and performance requirements. [*PMBOK 5th edition*, Page 105] [Project Scope Management]
15. D - It's Anna's duty to ensure that all key project stakeholders understand the project scope and are aligned with the project management plan. Anna must conduct one-to-one meetings with the key stakeholders that are not fully aware of the project scope. Just emailing the copies of the plans is not sufficient. [*PMBOK 5th edition*, Page 406] [Project Stakeholder Management]
16. D - No action is required in this situation. Although PMI's Code of Ethics requires project managers to report illegal or unethical activity to the appropriate management, you have no evidence that there has been any wrongdoing in this situation. Therefore, reporting or investigating the procurement manager's new car purchase is unwarranted. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 3] [Prof. Responsibility]
17. C - What-If scenario analysis is used to assess the feasibility of the project schedule under adverse conditions. This is an analysis of the question "What if the situation represented by scenario 'X' happens?" It is used in preparing contingency and response plans to mitigate the impact of the unexpected conditions. [*PMBOK 5th edition*, Page 180] [Project Time Management]
18. B - The cost performance baseline is an authorized time-phased budget at completion (BAC). It is used to measure, monitor, and control overall cost performance on the project. In the earned value management technique, it is referred to as the performance measurement baseline (PMB). [*PMBOK 5th edition*, Page 218, 223] [Project Cost Management]
19. D - This is likely to be a Cost Plus Award Fee (CPAF) contract. In such a contract, the seller is reimbursed for all legitimate costs, but the fee is based on the satisfaction of certain broad subjective performance criteria defined in the contract. It is generally not subject to appeals. [*PMBOK 5th edition*, Page 364] [Project Procurement Management]
20. B - Although there is no law restricting disposal, the material is still toxic and must not be disposed of improperly. Abandoning it or giving it to local recyclers may also result in improper disposal. PMI's Code of Ethics and Professional Conduct requires project managers to make decisions based on the interests of public safety and the environment. Failing to ensure proper disposal of toxic

materials is a violation of this code. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 3] [Prof. Responsibility]

21. B - Progressive elaboration applies when only a certain amount of information is available initially and additional information is obtained as the project or phase progresses. It is the progressive detailing of the project management plan and relates more closely to the processes from the planning process group. [*PMBOK 5th edition*, Page 55] [Project Time Management]
22. B - As practitioners in the global project management community, it is our responsibility to report unethical or illegal conduct. We may recognize that it is difficult to report such happening since they may have negative consequences, yet we need to do so. [*PMI Code of Ethics* section 2.3.2, page 2] [Prof. Responsibility]
23. D - Since you are aware that your company lacks the necessary skills, you need to be truthful while bidding. Rather than outright refusing to do what your company management asks you to do, it is better to explain the reasons to them and ensure that all stakeholders involved are aware that this will be a stretch assignment but you and your company are willing to put in the necessary effort to make the project a success. [*PMI Code of Ethics* section 2.2.2, page 2] [Prof. Responsibility]
24. A - The Manage Communications process goes beyond the distribution of relevant information and seeks to ensure that the information being communicated to project stakeholders has been appropriately generated, as well as received and understood. [*PMBOK 5th edition*, Page 298] [Project Communications Management]
25. D - As a PMP, Eric cannot behave in a manner that will mislead the buyer. Hence, given that there are still a sufficient number of days available before the RFP is due, it is his responsibility to wait for the current quarter results to be published and truthfully provide this information in the RFP. [*PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
26. C - Asking the procurement manager to lead the selection process and excusing yourself from the review is the best choice. As per the *PMI Code of Ethics and Professional Conduct*, project managers must disclose any potential conflict of interest situation to the appropriate stakeholders, who will determine if it is appropriate for the project manager to continue participating the impacted processes. Project managers must also act fairly towards others; removing the supplier from the list because of a possible conflict of interest on the part of the project manager is unfair to the vendor. [Reference: *PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
27. D - The FP-EPA contract is used whenever the buyer-seller relationship spans across years. It is a fixed price contract with a special provision allowing for pre-defined final adjustments to the contract price due to changed conditions. It is intended to protect both the buyer and the seller from external conditions beyond their control. [*PMBOK 5th edition*, Page 363] [Project Procurement Management]
28. B - Of the tools listed, scatter diagram is used to study and identify the possible relationship between two variables. The others can be used for root-cause analysis. [*PMBOK 5th edition*, Page 236, 238] [Project Quality Management]
29. D - Facilitated workshops bring key cross-functional stakeholders together to define product requirements. Because of their interactive nature, well-facilitated sessions lead to increased stakeholder consensus. This ensures that issues can be

discovered and resolved more quickly than in other forums. [*PMBOK 5th edition*, Page 114] [Project Scope Management]

30. C - If any stakeholder, resisting or supporting, identifies any issue, it must be addressed. Since the defects have already been identified and the scenario is talking about an action that would bring the future project performance in line to the approved quality requirements, this is a corrective action. [*PMBOK 5th edition*, Page 413] [Project Stakeholder Management]
31. B - Problem-solving involves treating conflict as a problem to be solved by examining alternatives. This requires a give-and-take attitude. In contrast the other alternatives listed - directing, forcing and withdrawing are more one-sided. [*PMBOK 5th edition*, Page 283] [Project Human Resource Management]
32. B - Availability of budget and time is a key factor that determines the need for the Perform Quantitative Risk Analysis process. A small project with a limited budget may decide to do away with this process if the project management team decides that quantitative statements about risk and impacts are not needed. [*PMBOK 5th edition*, Page 335] [Project Risk Management]
33. D - Requirements for formal deliverable acceptance and how to address non-conforming deliverables are usually defined in the agreement. [*PMBOK 5th edition*, Page 377, 378] [Project Procurement Management]
34. A - Training needs are captured and documented in the project's staffing management plan. [*PMBOK 5th edition*, Page 266] [Project Human Resource Management]
35. B - Notifying the project stakeholders immediately is the best choice. Unauthorized use of the intellectual property of others is unethical, and is prohibited by the PMI Code of Ethics and Professional Conduct. Once the project stakeholders are notified of the situation, a plan forward can be developed. This plan may include licensing the previously patented technology from the patent owner or it may include reworking the design. However, this mitigation plan must involve the input of the appropriate project stakeholders. [*Reference: PMI Code of Ethics and Professional Conduct*, Page 3] [Prof. Responsibility]
36. A - Activity cost estimates are quantitative assessments of the probable costs required to finish project work. If included in project estimates, indirect costs should be included at the activity level or higher levels. [*PMBOK 5th edition*, Page 207] [Project Cost Management]
37. C - The sufficiency model is not a valid model. The others are valid models used to analyze stakeholders. [*PMBOK 5th edition*, Page 396] [Project Stakeholder Management]
38. A - Use of voice mails is push communication. In this communication, information is distributed to specific recipients who need to know the information. However, this method does not certify that it actually reached or was received by the intended audience. [*PMBOK 5th edition*, Page 295] [Project Communications Management]
39. A - This type of testing is called destructive testing and it is classified under appraisal costs. Along with other tests and inspections, they help in assessing the quality of the product. [*PMBOK 5th edition*, Page 235] [Project Quality Management]
40. A - The number of project risk reassessments scheduled depends on the progress of the project relative to its objectives. [*PMBOK 5th edition*, Page 351] [Project Risk Management]

41. A - Manage Stakeholder Engagement is the process of communicating and working with stakeholders to meet their needs and expectations, address issues as they occur, and foster appropriate stakeholder engagement. [*PMBOK 5th edition*, Page 404] [Project Stakeholder Management]
42. B - Process Analysis is a tool / technique used in the Perform Quality Assurance process and not in the Define Scope process. The rest of the choices are valid techniques of the Define Scope process. [*PMBOK 5th edition*, 122, 123] [Project Scope Management]
43. B - The forming phase is the phase where the team gets to know each other and learns about the project. Teams are usually on their "best Behavior" and little tangible work gets accomplished. The project manager needs to guide the team and move them through this phase into the performing phase. [*PMBOK 5th edition*, Page 276] [Project Human Resource Management]
44. C - An iterative relationship is one where only one phase is carried out at any given time. Planning for the next phase is carried on as work progresses on the current phase. This type of relationship is suitable in case of projects with unclear scope or changing environments. Hence, in a research type of project, an iterative relationship is used. [*PMBOK 5th edition*, Page 45] [Project Framework]
45. B - Identifying new risks, and analyzing, tracking and monitoring existing project risks is done in the Monitor and Control Project Work phase. This phase also makes sure the status of the risks is properly reported and appropriate risk response plans are executed. [*PMBOK 5th edition*, Page 88] [Project Integration Management]
46. A - The payoff for the strong demand scenario is: $\$ 400 \text{ M} - \$ 200 \text{ M} = \$ 200 \text{ M}$ (since the initial investment is $\$ 200 \text{ M}$). The payoff for the weak demand scenario is: $\$ 150 \text{ M} - \$ 200 \text{ M} = - \$ 50 \text{ M}$. Hence the EMV is computed as: $(0.6 \times 200) + (0.4 \times -50)$ where 0.6 represents the 60% probability of the strong demand and 0.4 represents the 40% probability of the weak demand scenario. $= 120 - 20 = \$ 100 \text{ M}$. Hence the expected monetary value is $\$ 100 \text{ M}$. [*PMBOK 5th edition*, Page 339] [Project Risk Management]
47. A - Quality metrics are operational definitions that describe a project or product attribute in very specific terms. They also define how the quality control process will measure it. These metrics are output of the Plan Quality Management process. [*PMBOK 5th edition*, 242] [Project Quality Management]
48. B - Sample frequency and sizes are determined during the Plan Quality Management process so that the cost of quality includes the number of tests, expected scrap etc. [*PMBOK 5th edition*, Page 240] [Project Quality Management]
49. B - Activities such as project performance analysis and tracking are done as part of the Monitor and Control Project Work process. This involves tracking, reviewing and regulating the progress to meet performance objectives. [*PMBOK 5th edition*, Page 88] [Project Integration Management]
50. B - Contacting the manager once again will not help since you have already had a poor response. The best option is to try and use management influence to obtain the resource's time for your project. Planning for an alternate resource or training another resource are steps that need to be done as last steps after all options have been exhausted. [*PMBOK 5th edition*, Page 268] [Project Human Resource Management]

Risk Test Questions

1. Which of these is a valid response to negative risks and not positive risks? ?
 - A. Exploit
 - B. Mitigate
 - C. Enhance
 - D. Share

2. Which of these is accurate regarding risk management? ?
 - A. Organizations are not likely to perceive risk as a threat to project success
 - B. It has its origins in the uncertainty present in all projects
 - C. The attitudes of individuals and organizations must not be a factor affecting risk management
 - D. It is a passive activity in project management

3. As the project manager, of a project to construct a city park, you have yourself identified 39 risks on the project, determined what would trigger the risks, rated them on a risk rating matrix, tested the assumptions and assessed the quality of the data used. You now plan to move to the next step of the risk management process. What have you missed? ?
 - A. Overall risk ranking for the project
 - B. Involvement of other stakeholders
 - C. Risk Mitigation
 - D. Simulation

4. Your project sponsor has asked you to present your project's high-level risk register to him in the next project update meeting. Which of the following processes must be started to have your high level risk register? ?
 - A. Plan Risk Management
 - B. Perform Qualitative Risk Analysis
 - C. Identify Risks
 - D. Control Risks

5. Which of these is an input of the Control Risks process? ?
 - A. Risk audits
 - B. Change requests
 - C. Work performance information
 - D. Work Performance Reports

6. Which of the following is true about risks? ?
 - A. The risk register documents all the identified risks in detail
 - B. Risk impact should be considered, but probability of occurrence is

- not important
- C. Risks always have negative impact and not positive
- D. Risk Response Plan is another name for Risk Management Plan.
7. During which stage of risk planning are risks prioritized based on their relative probability and impact? ?
- A. Perform Qualitative risk analysis
- B. Identify Risks
- C. Perform Quantitative risk analysis
- D. Plan Risk Responses
8. If a project has a 60% chance of a U.S. \$100,000 profit and a 40% chance of a U.S. \$100,000 loss, the expected monetary value of the project is? ?
- A. \$20,000 profit
- B. \$40,000 loss
- C. \$100,000 profit
- D. \$60,000 loss
9. Which of these statements about Risk in a project is correct? ?
- A. Risks are always negative in nature and are threats that need to be managed well
- B. A risk is always induced external to the project.
- C. Risk responses reflect an organization's perceived balance between risk taking and risk avoidance
- D. Risks need not be planned for in all projects
10. The Manage Communications process belongs to which of the following process groups? ?
- A. Planning
- B. Monitoring & Controlling
- C. Closing
- D. Executing

Answers

1. B - Risk mitigation is a valid response to negative risks. [*PMBOK 5th edition*, Page 344, 345, 356] [Project Risk Management]
2. B - Risk management does indeed have its origins in the uncertainty present in all projects. [*PMBOK 5th edition*, Page 310] [Project Risk Management]
3. B - The project manager is using a good process, however he/she should have involved the other stakeholders to help identify risks. [*PMBOK 5th edition*, Page 321] [Project Risk Management]
4. C - A high-level risk register contains the identified risks only. The risk register is created during the Identify Risks process. [*PMBOK 5th edition*, Page 327]

- [Project Risk Management]
5. D - Work Performance Reports are the inputs to the Control Risks process. [PMBOK 5th edition, Page 349] [Project Risk Management]
 6. A - The risk register contains details of the identified risks. [PMBOK 5th edition, Page 327] [Project Risk Management]
 7. A - Perform Qualitative Risk Analysis assesses the impact and likelihood of identified risks. During this process the risks are prioritized based on their relative probability and impact. [PMBOK 5th edition, Page 329] [Project Risk Management]
 8. A - $EMV = Probability \times Impact$ $.6 \times \$100,000 = \$60,000$... $.4 \times (\$100,000) = (\$40,000)$... $\$60,000 - \$40,000 = \$20,000$ profit. [PMBOK 5th edition, Page 339] [Project Risk Management]
 9. C - Risk responses reflect an organization's perceived balance between risk taking and risk avoidance. The other choices are incorrect. Risks need not be induced only external to the project. For example, adopting a fast track schedule may be a conscious choice and result in some risks. This may however be in balance with the reward gained by taking the risk. Risks need not always be negative in nature. They may be positive as well. All projects need to plan for Risks. [PMBOK 5th edition, Page 310, 311] [Project Risk Management]
 10. D - The Manage Communications process belongs to the Executing process group. [PMBOK 5th edition, Page 61] [Project Communications Management]

Exam 15 Test Questions

1. Your company has been awarded a very large software project by a government agency. This project has an early completion incentive, and your company has a policy of paying a bonus to the project manager if such an incentive is awarded. However, this particular government agency has a reputation for being very difficult to work with; there is a great deal of bureaucracy within this agency and stonewalling and hostile behavior toward contractors is very common. The project manager will need to have excellent political skills to successfully lead this project. You have been asked to lead the project because of your expertise with this type of project. However, you have never worked within such a highly charged and political environment. What should you do? ?
 - A. Decline the project citing lack of experience.
 - B. Accept the project but disclose your lack of experience in this type of environment.
 - C. Accept the project and request that a corporate liaison be assigned to your project.
 - D. Accept the project.

2. As part of a strategy to handle negative risk, a project manager decided to adopt less complex processes, conduct more tests and choose a more stable supplier. What strategy would this be classified as? ?
 - A. Acceptance
 - B. Transference
 - C. Mitigation
 - D. Avoidance

3. Bill is the project manager of an external project for a customer. The project is expected to take about a year to complete. Six months into the project, the customer informs Bill that the project needs to be scrapped. During which of the following processes would procedures be developed to handle early termination of a project? ?
 - A. Develop Project Charter
 - B. Close Project or Phase
 - C. Define Scope
 - D. Close Procurements

4. During a discussion with the quality department, a project manager was given to understand that both prevention and inspection meant the same as applied to projects. However, he had a different understanding of the terms. What would you comment on this situation? ?
 - A. The project manager is correct. Prevention is about keeping errors out of the process whereas inspection is about keeping errors out of the hands of the customer.

- B. The project manager is correct. Inspection is about keeping errors out of the process whereas prevention is about keeping errors out of the hands of the customer.
 - C. The project manager is wrong. Both inspection and prevention are about keeping errors out of the hands of the customer. They are used in different contexts.
 - D. The project manager is wrong. Both inspection and prevention are about keeping errors out of the process. They are used in different contexts.
5. Mark is managing an airport construction project. He is currently identifying his project stakeholders and he has already got a huge list of stakeholders. Managing expectations of each and every project stakeholder is not practical. What should be done in this situation? ?
- A. Project stakeholders should be prioritized based on their influence and interest.
 - B. Stakeholder analysis should be outsourced.
 - C. Non-key stakeholder should be dropped from the stakeholder register.
 - D. Stakeholder management processes should not be followed for such complex projects.
6. While preparing a human resource plan, a project manager documented that one of the senior programmers in the team would make decisions on whether the quality of deliverables from the project met the project's documented standards. Which of the following aspects of a human resource plan does this address? ?
- A. Competency
 - B. Responsibility
 - C. Authority
 - D. Role
7. Prioritization matrices are an important quality planning tool. They provide a way of ranking a diverse set of problems and/or issues by order of importance. How is this list usually generated? ?
- A. Through control charts
 - B. Through PERT analysis
 - C. Through brainstorming
 - D. Through variance analysis
8. Sally, a project manager was reconciling expenditure of funds with funding limits on the commitment of funds for the project. She found a large variance between the funding limits and planned expenditures. As a result, she decided to reschedule work to level out the rate of expenditures. This is known as: ?

- A. Funding limit reconciliation
- B. Funding limit constraints
- C. Funding limit expenditure
- D. Funding limit appropriation

9. A project manager used the services of a trained moderator during the Collect Requirements process. Which of the following is likely to have required the services of a trained moderator?

?

- A. Interviews
- B. Prototypes
- C. Questionnaires
- D. Focus groups

10. Jessica is managing an office refurbishment project. All of the project stakeholders have been identified and classified. The stakeholder management plan has also been approved. Jessica is managing a project for the first time in her life and she is relying on the PMBOK guide as a reference to deliver a great project. Which of the following processes would provide guidance to Jessica regarding how to execute the approved stakeholder management plan?

?

- A. Control Stakeholder Engagement
- B. Manage Stakeholder Engagement
- C. Identify Stakeholders
- D. Plan Stakeholder Management

11. As part of stakeholder analysis, a project manager drew up a power / interest grid. The project manager identified that a stakeholder could be classified low on the "interest" scale, and also as low on the "power" scale. What strategy should be used for such a stakeholder?

?

- A. Monitor
- B. Manage closely
- C. Keep informed
- D. Keep satisfied

12. Which of the following statements accurately describes how the completion of project scope and product scope is measured?

?

- A. The completion of project scope and product scope are both measured against the product requirements.
- B. The completion of project scope is measured against the project management plan whereas the completion of product scope is measured against the product requirements.
- C. The completion of project scope is measured against the product requirements whereas the completion of product scope is measured against the project management plan.
- D. The completion of project scope and product scope are both

measured against the project management plan.

13. Bill and Jake are two team members in a project. They do not get on well, and are constantly involved in verbal fights. The project manager steps in to resolve the situation. As an experienced project manager, he understands the characteristics of conflict and the conflict management process. Which of the following is not a characteristic of conflict? ?
- A. Openness resolves conflict
 - B. Conflict is natural and forces a search for alternatives
 - C. Conflict is inevitable in a project environment.
 - D. The project manager is not responsible for conflict management.
14. The Identify Risks process involves determining which risks may impact a project. It is considered an iterative process. What is the frequency of the iteration? ?
- A. Every month
 - B. Every fortnight
 - C. The frequency of iteration will vary based on the situation
 - D. Every week
15. William is managing a high priority project for his organization. The project has recently lost the support of the key stakeholders. Despite a number of efforts, William has failed to realign the stakeholders and regain their support. What should he do now? ?
- A. Terminate the project
 - B. Continue trying to regain the support but keep progressing on the project
 - C. Seek the project sponsor's assistance
 - D. Remove the stakeholders from the stakeholder register
16. A project manager manages a distributed team with team members located in five countries. Due to time-zone differences, he is unable to find a time that is acceptable to all team members. Which conflict resolution technique is best suited for this situation? ?
- A. Compromise
 - B. Force
 - C. Withdraw
 - D. Avoid
17. Acceptance is a strategy adopted because it is not possible to eliminate all risks from a project. This strategy indicates that the project management team has decided not to change the project management plan to deal with a risk. What action does passive acceptance require? ?
- A. Passive acceptance is no longer adopted in projects and is a poor

project management practice.

- B. Passive acceptance requires no action except to document the strategy and come up with a risk management strategy.
 - C. Passive acceptance requires no action.
 - D. Passive acceptance requires no action except to document the strategy, leaving the project team to deal with the risks as they occur.
- 18.** A buyer and seller fixed up the rates for junior engineers, senior engineers, architects, and other predefined roles. In what type of a contract would this be applicable? ?
- A. Fixed price with economic price adjustment contract
 - B. Fixed price incentive contract
 - C. Fixed-price contract
 - D. Time and material contract
- 19.** A project manager is estimating project costs and needs to decide whether the estimates will include only direct costs, or whether the estimates will also include indirect costs. In which of the following phases does this decision need to take place? ?
- A. Define Scope
 - B. Estimate Costs
 - C. Plan Expenses
 - D. Determine Budget
- 20.** After conducting a bidder conference, you receive an email from one of the bidders requesting additional information. The information was neither included in your Request for proposal, nor asked by any one during the bidder conference. You realize that answer to this question is critical to understanding the scope of the project. If not communicated to bidders, they will not be able to accurately size their teams and estimate the total duration of the project, and may also have a large impact on cost. However, the answer contains some proprietary information that, if disclosed to a competitor, may reveal the future product strategy of your company. Such a disclosure could be disastrous for a major product launch you are planning in the next year. So you decide to send the answer to all of the bidders, but realize that one of the bidders is also working closely with one of your competitors on a similar project. What should you do? ?
- A. Don't send this information in writing; instead telephone each bidding company.
 - B. Send this information to all bidders except the bidder working with your competitor.
 - C. Send this information to only the supplier that requested it.
 - D. Require all bidders to sign a non-disclosure agreement. You may then send the information to each company that has signed the NDA.

21. During a project status meeting, a project manager presented sensitive information related to the project. However, this information was not intended to be available to the audience. Which of the following processes was incorrectly done resulting in the project manager communicating sensitive information to the wrong audience? ?
- A. Control Communications
 - B. Manage Stakeholder Engagement
 - C. Plan Communications Management
 - D. Identify Stakeholders
22. A project manager drew up a resource histogram. On plotting the histogram, he found that some bars extended beyond the maximum available hours. What does this usually signify? ?
- A. This means that the resources on those bars are being underutilized.
 - B. This means that a resource optimization strategy needs to be applied
 - C. This means that the resources are producing outputs at a rate faster than the average rate.
 - D. This means that resources need to be reduced from the project.
23. A project manager is planning out the availability of resources as part of the Acquire Project Team process. He needs to acquire resources that report to a functional manager. What technique will he likely use to obtain these resources? ?
- A. Pre-assignment
 - B. Authority
 - C. Negotiation
 - D. Coercion
24. Which of the following statements about project teams is incorrect? ?
- A. The project management team is usually a team external to the project team.
 - B. The project management team is a subset of the project team.
 - C. For smaller projects, the project management responsibilities can be shared by the entire team.
 - D. For smaller projects, the project management responsibilities can be administered solely by the project manager.
25. You are just about to present your project's status to your company's executive team. One of your resources hands you an updated report on the progress of a critical deliverable as you are leaving your desk for the meeting. You review the report as you are walking to the conference room and notice that there is an error in the report. What do you do? ?
- A. Do not report on that part of the project.
 - B. Disclose that you have just discovered that there is an error in some

of the information that you had intended to present, and only present the information that you know to be true.

- C. Cancel the meeting.
 - D. Present the information as-it-is and revise it in the meeting minutes, which will be sent after 2 days
- 26.** Sheila has been assigned as the project manager of a project. After a detailed discussion with the project management team, she decides to come up with a quality management plan that is informal and broadly framed. What would your comment on this be? ?
- A. This is incorrect. A quality management plan should be formal but broadly framed.
 - B. This is incorrect. A quality management plan should be formal and highly detailed.
 - C. This is fine. The style and detail of the quality management plan is determined by the requirements of the project.
 - D. This is incorrect. A quality management plan should be informal and highly detailed.
- 27.** A project manager was involved in preparation of the project charter for an external project. One of the inputs to the project charter was a statement of work (SOW). The SOW may have been received from the customer as part of all of the following except: ?
- A. As part of a request for information
 - B. As part of the business case
 - C. As part of a request for proposal
 - D. As part of a contract
- 28.** A project manager is determining dependencies that will require a lead or a lag to accurately define the logical relationship. Which of the following correctly describes leads or lags? ?
- A. A lead allows a successor activity to be delayed.
 - B. A lag directs a delay in the predecessor activity.
 - C. A lag allows an acceleration of the successor activity.
 - D. A lead allows an acceleration of the successor activity.
- 29.** Which of the following scenarios is likely to occur in a project? ?
- A. Cost and staffing levels are low at the start of the project.
 - B. Stakeholders' influence on the project is lowest at the start of the project.
 - C. Risk and uncertainty are lowest at the start of the project.
 - D. Cost of changes are the highest at the start of the project.
- 30.** A project manager is updating her project team over the new project management approach selected for the project. This new approach is the ?

industry best practice. The project manager is also discussing the potential stakeholder impact of trying the new approach. The key stakeholders support and involvement is very crucial for the success of the project. If the key stakeholders don't buy-in the idea of trying the new approach, the new approach will have to be dropped. What must the project manager do in order to reduce the probability of this risk?

- A. Drop the idea of trying the new approach
- B. Identify preventive actions to reduce the risk
- C. Identify the corrective actions to reduce the risk
- D. Convince the project sponsor and use his coercive power to force the decision

31. A project manager estimated that a project would require 4375 person hours of effort. The project ended up using 6250 person hours of effort. The difference between these two figures is called a: ?

- A. Variance
- B. Control Limit
- C. Threshold
- D. Standard Deviation

32. Projects can deliver products that vary in quality and grade. Which of the following people is responsible for managing the tradeoffs involved to deliver the required level of quality and grade? ?

- A. The customer
- B. The project sponsor
- C. The quality team
- D. The project manager and the project team

33. A project manager is considering risk in a project. When does risk come into play in a project? ?

- A. During the SWOT (strengths, weaknesses, opportunities, and threats) analysis.
- B. During the Identify Risks phase.
- C. As soon as the Plan Risk Management phase begins
- D. As soon as a project is conceived

34. The scope of work in a project could not be clearly defined. There was also a strong possibility that the scope would be altered during the course of the project. Which type of contract would suit this type of situation? ?

- A. Fixed price with economic price adjustment contract
- B. Fixed-price contract
- C. Cost-reimbursable contract
- D. Fixed price incentive contract

35. You are managing a project with a large multi-national staff. One of the engineers was originally tasked to deliver her part of the work on Oct 19, but due to the change in the critical path, her deliverable will be needed 2 days sooner. However, as the new deadline is still 2 weeks away and she is ahead of schedule, you are confident that her delivery will be on time. During a staff meeting, you learn from her functional manager that this engineer celebrates a religious holiday on Oct 17. He tells you that the engineer is not particularly religious, however, and if pushed a bit and offered some incentive she may forego celebrating this holiday and come to work. What should you do? ?
- A. Check if one of her colleagues can share some of her workload this week
 - B. Increase her project incentive if she agrees to deliver her presentation on 17th.
 - C. Let the critical path remain the same.
 - D. Ask her boss to request her to skip the holiday.
36. Jackie is the project manager of large project. During the Determine Budget process, she identifies that contingency reserves need to be made for unplanned but potentially required changes that could result from realized risks identified in the risk register. Which of the following is true about reserves? ?
- A. Management Reserves are not a part of project cost baseline, but will be included in the total budget for the project
 - B. Contingency Reserves are not a part of project cost baseline, but will be included in the total budget for the project
 - C. Both the Management Reserves and the Contingency Reserves are not part of project cost baseline, and they are also not included in the total budget for the project
 - D. Both the Management Reserves and the Contingency Reserves are not part of project cost baseline, but they are included in the total budget for the project
37. The legal nature of the contractual relationship between a buyer and a seller requires that appropriate legal counsel be involved in the project, for specific activities. Which of the following phases requires legal counsel to be involved. ?
- A. Control procurements
 - B. Plan procurement management
 - C. Conduct procurements
 - D. Each procurement management process
38. A project manager is looking at a make-or-buy analysis as part of the Plan Procurement Management process. What type of costs should the project manager consider for this analysis? ?
- A. Direct costs

- B. Indirect costs
- C. Out-of-pocket costs
- D. Both direct as well as indirect costs

39. Which of the following is not an input to the Conduct Procurements process? ?

- A. Proposal evaluation techniques
- B. Seller proposals
- C. Source selection criteria
- D. Procurement statement of work

40. During the execution of a project, a large number of defects were discovered. The project manager ensured that the issues, defect resolution and action item results were logged into a defects database. What would the defect database be considered a part of? ?

- A. Expert Judgment
- B. Deliverables
- C. Change Requests
- D. Organizational Process Assets

41. The WBS structure can be created in a number of forms except which of the following? ?

- A. Using work packages as the second level of decomposition, with the project deliverables inserted at the third level.
- B. Using major deliverables as the second level of decomposition.
- C. Using phases of the project life cycle as the second level of decomposition, with the product and project deliverables inserted at the third level.
- D. Using subcomponents which may be developed by organizations outside the project team, such as contracted work.

42. A project manager is currently ensuring that the stakeholders clearly understand the project goals, objectives, benefits and risks. This relates to which of the following processes? ?

- A. Control Stakeholder
- B. Identify Stakeholders
- C. Plan Communications Management
- D. Manage Stakeholder Engagement

43. Which of the following may not be considered an attribute of a project? ?

- A. Repetitive elements may be present in some project deliverables.
- B. The impact of a project usually ends when the project ends.
- C. A project can involve a single person.

- D. There is uncertainty about the product that the project creates.
44. Which of the following structures is helpful in tracking project costs and can be aligned with the organization's accounting system? ?
- A. Project breakdown structure (PBS)
 - B. Matrix breakdown structure (MBS)
 - C. Work Breakdown Structure (WBS)
 - D. Organizational breakdown structure (OBS)
45. A first-time project manager is advised by an experienced project manager that he needs to plan for cost of quality. The first-time project manager is not sure of what costs are included in the cost of quality. What would your advise be? ?
- A. Cost of quality only includes cost of nonconformance
 - B. Cost of quality includes cost of conformance and cost of nonconformance
 - C. Cost of quality only includes prevention costs and internal failure costs.
 - D. Cost of quality only includes cost of conformance
46. Miranda is an experienced project manager. As part of the Collect Requirements phase, she decides to use a group creativity technique. This technique is expected to enhance brainstorming with a voting process, and can be used to rank the most useful ideas for further brainstorming or prioritization. Which of the following will she likely use? ?
- A. Normal group technique
 - B. Minimal group technique
 - C. Unanimous group technique
 - D. Nominal group technique
47. In which of the following situations would it be better to avoid using Analogous Estimating? ?
- A. When the project team members have the needed expertise
 - B. When an accurate estimate is required
 - C. When a low value estimate is required
 - D. When the previous activities are similar in fact and not just appearance
48. A group of people were discussing multiple alternatives during the Collect Requirements process. One of the individuals in the group made the decision for the group. This method of reaching a group decision would be termed as: ?
- A. One Thinking Hat
 - B. Dictatorship

- C. Plurality
- D. Autonomy

49. Which of the following processes will determine the correctness of deliverables? ?

- A. Plan Quality Assurance
- B. Plan Quality Management
- C. Control Quality
- D. Perform Quality Assurance

50. All of the monitoring and control processes and many of the executing processes produce change requests as an output. Change requests include corrective action and preventive action. Which of the following are normally affected by corrective and preventive actions? ?

- A. Defect repair
- B. Regressive baselines
- C. The project baselines
- D. The performance against baselines

Answers

1. B - Accept the position, but disclose your lack of experience with this type of environment. PMI's Code of Ethics and Professional Responsibilities requires that project managers accept only those projects for which they have the appropriate qualifications and background. However, if the project stakeholders receive full disclosure and still give their consent, it is permissible to accept a stretch assignment. [*PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
2. C - Actions such as adopting less complex processes, more testing, or choosing a more stable supplier would be considered as mitigation. These actions reduce the probability and/or impact of risks. [*PMBOK 5th edition*, Page 345] [Project Risk Management]
3. B - The Close Project or Phase process establishes the procedures to investigate and document the reasons for actions taken if a project is terminated before completion. [*PMBOK 5th edition*, Page 101] [Project Integration Management]
4. A - The project manager is correct. Prevention is about keeping errors out of the process whereas inspection is about keeping errors out of the hands of the customer. This is an important that the project management team needs to be aware of. [*PMBOK 5th edition*, Page 250] [Project Quality Management]
5. A - When the stakeholders list becomes unmanageable, the project stakeholders should be prioritized to ensure the efficient use of effort and time to manage their expectations. [*PMBOK 5th edition*, Page 396] [Project Stakeholder Management]
6. C - Authority is the best choice. Authority is the right to apply project resources and make decisions within the project. These decisions could include quality acceptance, selection of the method for completing an activity, and how to respond to project variances. [*PMBOK 5th edition*, Page 264] [Project Human

Resource Management]

7. C - Prioritization matrices provide a way of ranking a set of problems and/or issues that are usually generated through brainstorming. The rest of the choices are not valid techniques for the development of a priority matrix. [*PMBOK 5th edition*, Page 246] [Project Quality Management]
8. A - This is known as funding limit reconciliation. It can be accomplished by placing imposed date constraints for work into the project schedule. [*PMBOK 5th edition*, Page 212] [Project Cost Management]
9. D - Focus groups bring together prequalified stakeholders and subject matter experts to learn about their expectations and attitudes about a proposed product, service or result. Typically a trained moderator is used to guide the group through an interactive discussion. [*PMBOK 5th edition*, Page 114] [Project Scope Management]
10. B - The question is asking about the stakeholder management process from the executing process group. The Manage Stakeholder Engagement process executes the stakeholder management strategy developed during the Plan Stakeholder Management process. The Control Stakeholder Engagement process is all about making the necessary adjustments to the stakeholder management strategy. [*PMBOK 5th edition*, Page 404] [Project Stakeholder Management]
11. A - Power/Interest grids are used to group stakeholders based on their level of authority ("power") and their level of concern ("interest") regarding project outcomes. A stakeholder classified as low on the "interest" scale, and low on the "power" scale will be classified in the "Monitor" quadrant. This involves minimum effort. [*PMBOK 5th edition*, Page 397] [Project Stakeholder Management]
12. B - The completion of project scope is measured against the project management plan whereas the completion of product scope is measured against the product requirements. The work of the project results in delivery of the specified product scope. [*PMBOK 5th edition*, Page 106] [Project Scope Management]
13. D - Project team members are initially responsible for resolution of their conflicts. If conflict escalates, the project manager should help facilitate a resolution. [*PMBOK 5th edition*, Page 283] [Project Human Resource Management]
14. C - Identify Risks is an iterative process as new risks evolve or become known in a project. The frequency of iteration, and who participates in each cycle, will vary by the situation. [*PMBOK 5th edition*, Page 321] [Project Risk Management]
15. C - If the key stakeholders support has been lost, this could lead to a major disaster. Since a number of efforts by the project manager have already failed, the matter should immediately be escalated to the project sponsor. [*PMBOK 5th edition*, Page 406] [Project Stakeholder Management]
16. A - A compromise requires searching for options that bring some degree to satisfaction to all parties in order to temporarily or partially resolve the conflict. This would be the best way to handle the current situation as the difference of time zone is not under the control of anyone. [*PMBOK 5th edition*, Page 283] [Project Human Resource Management]
17. D - Acceptance is a strategy adopted because it is not possible to eliminate all risks from a project. This strategy indicates that the project management team has decided not to change the project management plan to deal with a risk. Passive acceptance requires no action except to document the strategy, leaving the project team deal with the risks as they occur. [*PMBOK 5th edition*, Page 345] [Project

Risk Management]

18. D - Unit labor or material rates are usually fixed up between the buyer and seller in case of Time and Material contracts. Specific categories such as junior or senior engineers at specific hourly rates are agreed upon by both parties. [*PMBOK 5th edition*, Page 364] [Project Procurement Management]
19. B - This is done in the Estimate Costs process. The project manager works in accordance with the organization's guidelines and decides whether the estimates will be limited to direct project costs only or whether the estimates will also include indirect costs. Indirect costs are those that cannot be traced to one specific project, and are usually allocated equitably over multiple projects. [*PMBOK 5th edition*, Page 202] [Project Cost Management]
20. D - The best choice is to require all vendors to sign a non-disclosure agreement before sending out this additional information, then provide the additional information to each bidder that has signed an NDA. Project managers are required to act fairly and provide equal access to information to all authorized parties. Sending the information to only some of the bidding companies is a violation of the PMI Code of Ethics and Professional Conduct. *PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
21. C - Deciding what information is relevant to an audience is an activity done in the Plan Communications Management process. Improper communication planning will lead to problems such as delay in message delivery or communication of sensitive information to the wrong audience. [*PMBOK 5th edition*, Page 290] [Project Communications Management]
22. B - If the bars in a resource histogram extend beyond the maximum available hours, it means that a resource optimization strategy needs to be applied, such as adding more resources or modifying the schedule. [*PMBOK 5th edition*, Page 265] [Project Human Resource Management]
23. C - Staff assignments are negotiated on many projects. The project manager will negotiate with functional managers to ensure that the project receives competent staff in the required time-frame. [*PMBOK 5th edition*, Page 270] [Project Human Resource Management]
24. A - The project management team is a subset of the project team and is responsible for the project management and leadership activities such as initiating, planning, executing, monitoring, controlling, and closing the various project phases. For smaller projects, the responsibilities can be shared by the entire team, or taken up solely by the project manager. [*PMBOK 5th edition*, Page 256] [Project Human Resource Management]
25. B - Disclose that you have just discovered an error in some of the information you had planned to present and only present the information that you know to be accurate. Project managers are obligated to provide accurate and timely project information at all times, as noted in the PMI Code of Ethics and Professional Conduct. [*PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
26. C - The quality management plan may be formal or informal, highly detailed or broadly framed. The style and detail is determined by the requirements of the project as defined by the project management team. [*PMBOK 5th edition*, Page 241] [Project Quality Management]
27. B - The statement of work (SOW) is a narrative description of products or services to be delivered by the project. For an external project, the SOW may be

- received as part of a bid document such as the request for proposal, request for information, request for bid or as part of a contract. It is usually not part of the business case. [*PMBOK 5th edition*, Page 68] [Project Integration Management]
28. D - The project management team determines dependencies that will require a lead or a lag to accurately define the logical relationship. A lead allows an acceleration of the successor activity. [*PMBOK 5th edition*, Page 158] [Project Time Management]
 29. A - Cost and staffing levels are low at the start of the project. The rest of the statements are incorrect. [*PMBOK 5th edition*, Page 40] [Project Framework]
 30. B - If the new approach is the industry best practice, it must be adopted. Further, forcing a decision won't help obtain the key stakeholders' support. Actions that reduce the probability of a risk in the future are preventive actions. The team needs to brainstorm and come up with effective preventive actions in this situation. [*PMBOK 5th edition*, Page 413] [Project Stakeholder Management]
 31. A - Variance is a quantifiable deviation, departure, or divergence away from a known baseline of expected value. [*PMBOK 5th edition*, Page 566] [Project Framework]
 32. D - The project manager and the project management team are responsible for managing the tradeoffs involved to deliver the required level of quality and grade. [*PMBOK 5th edition*, Page 228] [Project Quality Management]
 33. D - Project risk exists in a project the moment the project is conceived. The risks are identified as part of specific processes, but the risk always exist. The Plan Risk Management process should begin when a project is conceived and should be completed early during the planning phase. [*PMBOK 5th edition*, Page 314] [Project Risk Management]
 34. C - A cost-reimbursable contract gives the project flexibility to redirect a seller whenever the scope of work cannot be precisely determined at the start of the project and needs to be altered, or when high risks may exist in the effort. [*PMBOK 5th edition*, Page 363] [Project Procurement Management]
 35. A - Checking to see if one of her colleagues could share some of her workload this week is the best choice. If another resource can assist with the completion of this task, the engineer may celebrate the holiday without impacting the delivery of her work item. PMI's Code of Ethics and Professional Conduct mandates that project managers not only respect the religious beliefs of others, but they must use their position or expertise to influence the decisions or actions of others to benefit at their expense. [*PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
 36. A - Management Reserves are not a part of project cost baseline, but will be included in the total budget for the project. [*PMBOK 5th edition*, Page 213] [Project Cost Management]
 37. D - Project procurement management includes processes necessary to purchase or acquire products or services needed from outside the project team. If the legal nature of a contractual relationship between a buyer and a seller requires that appropriate legal counsel is involved with a procurement, the assistance of the legal counsel will be required for every phase of the procurement management. [*PMBOK 5th edition*, Page 355] [Project Procurement Management]
 38. D - The make-or-buy analysis needs to be as comprehensive as possible. Hence it should consider all possible costs - both direct and indirect costs. [*PMBOK 5th edition*, Page 365] [Project Procurement Management]

39. A - Proposal evaluation techniques are the tools and techniques of the Conduct Procurement process. The rest of the choices are the valid inputs to this process. [PMBOK 5th edition, Page 371] [Project Procurement Management]
40. D - Issue and defect management databases are considered part of the organizational process assets. They typically contains historical issue and defect status, control information, issue and defect resolution, and action item results. [PMBOK 5th edition, Page 28] [Project Framework]
41. A - The work packages are at the last level of a WBS. The rest of the statements are correct regarding the structure of the WBS. [PMBOK 5th edition, Page 129] [Project Scope Management]
42. D - This is done in the Manage Stakeholder Engagement process. It involves ensuring that the stakeholders clearly understand the project goals, objectives, benefits and risks. [PMBOK 5th edition, Page 406] [Project Stakeholder Management]
43. B - The impact of a project may far outlast the project itself. The other choices are valid attributes of projects. A project may involve a single person, a single organizational unit, or multiple organizational units. Repetitive elements may be present in some project deliverables, but this does not change the fundamental uniqueness of the project work. Additionally because of the unique nature of the work, there are usually uncertainties about the work involved. [PMBOK 5th edition, Page 3] [Project Framework]
44. C - The Work Breakdown Structure (WBS) provides the framework for the cost management plan. WBS contains control accounts that links directly to the performing organization's accounting system. [PMBOK 5th edition, Page 199] [Project Cost Management]
45. B - Cost of quality (COQ) includes all costs incurred over the life of a product related to quality management activities and quality issues. It includes cost of conformance (prevention and appraisal costs) as well cost of nonconformance (internal and external failure costs) [PMBOK 5th edition, Page 235] [Project Quality Management]
46. D - Miranda likely intends to use the Nominal group technique. This enhances brainstorming with a voting process to rank the most useful ideas for further brainstorming or prioritization. [PMBOK 5th edition, Page 115] [Project Scope Management]
47. B - Analogous estimating is generally less costly than other techniques and are generally less accurate. It is most reliable when previous activities are similar in fact, and the project team members have the needed expertise. This method cannot be used when an accurate estimate is required. [PMBOK 5th edition, Page 169] [Project Time Management]
48. B - The method where a single individual makes the decision on behalf of a group is termed as Dictatorship. Other group decision making techniques are Unanimity (everyone agrees on a course of action), Majority (Support from more than 50% of the members of the group) and plurality (The largest block in a group decides even if a majority is not achieved). [PMBOK 5th edition, Page 115] [Project Scope Management]
49. C - An important goal of quality control is to determine the correctness of deliverables. The results of the execution of quality control processes are validated deliverables. These are then an input to the Validate Scope process for formalized acceptance. [PMBOK 5th edition, Page 248] [Project Quality]

Management]

- 50.** D - Corrective and preventive actions do not normally affect the project baselines, only the performance against the baselines. [*PMBOK 5th edition*, Page 81]
[Project Integration Management]

Exam 16 Test Questions

1. You are a certified PMP, and have been contact by PMI as part of an investigation they are conducting into allegations of improper conduct by your manager, also a PMP. A complaint has been filed stating that your manager has received bribes related to a large procurement contract on another project. PMI has asked if you would be able to provide information regarding this situation. What should you do? ?
 - A. Confront your manager.
 - B. Send PMI project documentation and emails related to the allegations to assist with their investigation.
 - C. Notify the appropriate management immediately.
 - D. Do nothing, citing a conflict of interest.

2. As part of the Estimate Costs process, a project manager obtained access to certain commercially available databases to get resource cost rate information. What type of input is such published commercial information considered as? ?
 - A. Enterprise environmental factor
 - B. Historical information
 - C. Organizational process asset
 - D. HR Input

3. A project needed to monitor the technical performance of the project and capture data related to how many errors or defects had been identified, and how many remained uncorrected. Which of the following techniques should the project use? ?
 - A. Scatter diagram
 - B. Flowchart
 - C. Histogram
 - D. Control chart

4. Which of the following is not an example of parametric estimating? ?
 - A. Activity duration estimated based on the number of drawings multiplied by the number of labor hours per drawing.
 - B. Activity duration estimated based on the number of labor hours per meter for cable installation.
 - C. Activity duration estimated based on the square footage in construction.
 - D. Activity duration estimated based on the actual duration of a similar, previous project.

5. Nancy's project has got a huge number of key positive and negative stakeholders. It is very important to closely manage the influential negative stakeholders to ensure project's success. Do the key positive stakeholders ?

need to be managed as well?

- A. No; more attention needs to be given to the key negative stakeholders.
 - B. The positive stakeholders need to be closely managed as well since stakeholders' needs and expectations change over time.
 - C. Project stakeholders should not be classified as positive and negative stakeholders.
 - D. Yes; positive stakeholders should be more closely managed than the negative stakeholders.
6. Which of the following is not an example of a work performance report? ?
- A. Status report
 - B. Project charter
 - C. Project update memo
 - D. Project recommendations
7. A project charter that formally authorized a project was created. The project charter documented the initial requirements to satisfy stakeholders' needs and expectations. How often should the project charter ideally be revised? ?
- A. At the beginning, middle and end of a project.
 - B. Once a month
 - C. Never
 - D. As required by the PMO.
8. Kelly, the project manager of a large project, found that she did not have the necessary number of resources required for some activities in the project. To account for the limited resources, she decided to apply the critical chain method. Which of the following would she use to protect the critical chain from slippage along the feeding chains? ?
- A. Feeding buffers
 - B. Standby buffers
 - C. Overflow buffers
 - D. Dependent buffers
9. A statement of work (SOW) is a narrative description of the products or services to be delivered by the project. It usually references all of the following except: ?
- A. The business case
 - B. The product scope description
 - C. The strategic plan
 - D. The business need
10. Nancy's project is in execution. Nancy is currently planning to execute the Manage Stakeholder Engagement process. She has gathered the stakeholder ?

management plan, the recent change log, and the necessary organizational process assets. Which of the following is a key input to this process that is still missing from this list?

- A. Communications methods
- B. Stakeholder register
- C. Stakeholder management strategy
- D. Communications management plan

11. A project manager needed to shorten a project schedule. He decided to apply crashing, a schedule compression technique. Which of the following activities would not be an example of crashing? ?

- A. Bringing in additional resources
- B. Reducing project scope
- C. Paying to expedite delivery activities
- D. Approving overtime

12. A project can be authorized by any of the following except: ?

- A. The project manager
- B. The PMO
- C. The sponsor
- D. The portfolio steering committee

13. A research project needed to be carried out under largely undefined, uncertain and rapidly changing environmental conditions. If this project is carried out as a multi-phase project, which of the following phase-to-phase relationships best suits it? ?

- A. Overlapping relationship
- B. Sequential relationship
- C. Iterative relationship
- D. Boxed relationship

14. A first-time project manager created a Work Breakdown Structure (WBS) where the deliverables had different levels of decomposition. What would your comment on this be? ?

- A. This is incorrect. All deliverables need to have the same level of decomposition.
- B. This is incorrect. Only deliverables under different branches can have different levels of decomposition.
- C. This is fine. Different deliverables can have different levels of decomposition depending on the work involved.
- D. This is fine. The focus of the WBS is not the deliverables, but the tasks involved.

15. Stanley's project is in execution. Stanley has a monthly stakeholder update ?

meeting set up where he presents the project's progress and current issues to the key stakeholders. During the last stakeholder update meeting, the stakeholders requested Stanley to provide bi-weekly project updates instead of monthly updates. The communication management plan has been broadly framed and it doesn't restrict Stanley from doing bi-weekly updates. What should Stanley do?

- A. Start providing bi-weekly updates instead of monthly updates.
- B. Update the communication management plan prior to providing the bi-weekly updates.
- C. Disregard the stakeholders' request and continue with the monthly updates.
- D. Request the stakeholders to submit a change request.

16. Decision tree analysis is used to calculate the average outcome when the future includes scenarios that may or may not happen. What is the input and output in a decision node? ?

- A. Input: Cost of each decision Output: Probability of occurrence
- B. Input: Cost of each decision Output: Decision made
- C. Input: Scenario probability Output: Expected Monetary Value (EMV)
- D. Input: Cost of each decision Output: Payoff

17. Sensitivity analysis helps to determine which risks have the most potential impact on the project. A project manager prepared a display chart of sensitivity analysis for his project. The diagram contained a series of bars with the length of the bars corresponding to the risk impact on the project. The longer the bars, the greater was the risk presented. Such a diagram is likely to be: ?

- A. An assessment diagram
- B. A triangular distribution
- C. A tornado diagram
- D. A funnel distribution

18. Which of the following is neither an input nor an output of the Direct and Manage Project Work process? ?

- A. Approved change requests
- B. Change requests
- C. Approved deliverables
- D. Deliverables

19. As part of the Plan Risk Management process, a project manager is looking at the activity of preparing a risk management plan. Which of the following is true about risks? ?

- A. A risk may have one or more causes and, if it occurs, may have one

or more impacts.

- B. A risk usually has a single cause and, if it occurs, may have one or more impacts.
 - C. A risk usually has a single cause and if it occurs usually has a single impact.
 - D. A risk usually has more than one cause, and if it occurs, may have one or more impacts.
- 20.** You have just taken over a project from another project manager about 6 months into a 12-month project. As you get to know the staff on the project, you become aware that 5 staff members are relatives of the previous project manager. What do you do? ?
- A. Notify your project stakeholders there is a possibility that nepotism was behind some of the staffing decisions made on your project.
 - B. Check recruitment records of all employees
 - C. Report the HR manager to PMI.
 - D. Interview these 5 employees
- 21.** A seller organization was executing work for a project under a contract. During the course of the project, a number of disputes arose over the scope and quality of work. Which of the following is the preferred method of resolving these claims? ?
- A. Alternative dispute resolution (ADR)
 - B. Claims court
 - C. Appeals court
 - D. Negotiation
- 22.** Which of the following is incorrect regarding a bidders conference? ?
- A. Questions from each seller should be handled confidentially and not shared with other sellers.
 - B. No bidders should receive preferential treatment, even if they are part of the company's existing list of approved suppliers.
 - C. Bidders conferences should not involve individual face-to-face meetings
 - D. All prospective sellers should be allowed to have a common understanding of the procurement.
- 23.** The Actual Cost (AC) is the total cost actually incurred and recorded in accomplishing work performed for an activity or work breakdown structure component. What is the upper limit for the AC? ?
- A. 50% over and above the Planned Value (PV)
 - B. The Actual Cost (AC) is limited to the Planned Value (PV).
 - C. 100% over and above the Planned Value (PV)
 - D. There is no upper limit for the Actual Cost (AC).

24. You are the project manager of a project executing work under a contract signed with a buyer organization. Just after the project has started, you notice that the buyer organization had made a mistake in the financial terms and your organization stands to benefit considerably through this oversight. What should your stance be? ?
- A. Do not take any action since a contract is a binding and legal document.
 - B. Discuss with your management on how you could gain a bonus due to the increased revenue your company stands to gain.
 - C. Informally check with your counterpart in the buyer organization to see if they have noticed this error.
 - D. Bring the error to the notice of the buyer organization and have an amendment made to the contract since this was in good faith.
25. You are managing a project to design microprocessor control systems. The design work was estimated to complete in 3.5 months, with seven milestones. The sixth milestone is the prototype to be handed over to manufacturing. All milestones before prototyping have been completed ahead of schedule with 6th one being delayed for 4 months as the prototype has been sent back several times, due to conflicts between departments. You are now planning to hold a meeting to review the design specifications, and handle conflicts between design and manufacturing. Who is at fault? ?
- A. The scheduler.
 - B. The project manager.
 - C. The manufacturer.
 - D. The design engineer.
26. Why are the approved change requests input to the Direct and Manage Project Work process? ?
- A. Approved change requests may be rejected by the project team during the Direct and Manage Project Work process.
 - B. Approved change requests are implemented by the project team during the Direct and Manage Project Work process.
 - C. Approved change requests are sent to the Change Control Board during the Direct and Manage Project Work process.
 - D. Approved change requests are reviewed by the project team during the Direct and Manage Project Work process.
27. Sheila is a project manager managing a global project. She has stakeholders located in various parts of the globe. Due to the nature of the project, she also has large volumes of information that needs to be shared with the recipients. What type of communication method should she prefer for this purpose? ?
- A. Pull communication
 - B. Push communication
 - C. Request based communication

D. Interactive communication

28. Dan is a project manager in an organization and conducts a workshop on project management. Which of the following statements made by him about projects is incorrect? ?
- A. Projects exist within an organization and operate as a closed system.
 - B. Project processes usually generate information that helps improve the management of future projects.
 - C. Successful project management includes meeting sponsor, customer, and other stakeholder requirements.
 - D. Project management is an integrative undertaking.
29. Rick, a project manager, is updating the status of his project. Based on the performance indices, he expects the project to finish a month earlier than the planned finish date. However, he expects the project to exceed the budgeted costs. What can you say about the schedule performance index (SPI) of the project? ?
- A. The SPI is less than 1.0.
 - B. The SPI equals the CPI.
 - C. The SPI is greater than 1.0.
 - D. The SPI is equal to 1.0.
30. A project team is currently planning to perform the Control Stakeholder Engagement process to reassess the project stakeholders' current engagement levels and review the current stakeholder management strategy. Which of the following is an output of this process? ?
- A. Project documents updates
 - B. Information management system
 - C. Work performance data
 - D. Approved change requests
31. Variance Analysis is an important tool used in the Control Costs Process. Which of the following statements regarding variances is correct? ?
- A. The percentage range of acceptable variances will tend to increase as more work is accomplished
 - B. The percentage range of acceptable variances will tend to decrease as more work is accomplished
 - C. The percentage range of acceptable variances is high at the start of a project, tends to decrease in the middle of a project, and then tends to increase as the project nears completion
 - D. The percentage range of acceptable variances is a constant all through the project
32. As part of risk planning, some responses are designed for use only if certain events occur. A project manager of a multi-year project decided to trigger ?

one such set of responses during the Control Risks process. Which of the following is likely to have triggered the responses?

- A. Late receipt of status reports
- B. A key employee going on vacation for three days.
- C. Errors found in a deliverable document
- D. Missing an intermediate milestone

33. Stakeholder analysis is an important technique in the Identify Stakeholders process. One of the steps involved is to identify the potential impact of each stakeholder and classify them appropriately. Which of the following is not a valid model used for this purpose? ?

- A. Salience model
- B. Tolerance model
- C. Power / interest grid
- D. Influence / impact grid

34. A key project in an organization has been ignored due to high travel expenses associated with the movement of subject matter experts and other specialists across various project locations. Which of the following will permit such a project to be taken up in a cost-efficient manner? ?

- A. Management sign-off
- B. Negotiation
- C. Virtual teams
- D. Co-location

35. Your company took over the management of a project from another company that went out of business. To minimize disruptions related to the transition, your company hired a number of the employees from the other company. One of these employees has delivered a 300 page document a week ahead of schedule. However, while walking past his desk you notice he has a document opened on his computer with the logo of his former employer. You suspect that some of his work may have been taken from documentation that is the property of the other company. What do you do? ?

- A. Report this to your project stakeholders immediately.
- B. Determine if any materials belonging to the other company have been copied.
- C. The copyright material is owned by the client, for whom you are working so this is not a copyright issue.
- D. Do nothing. Because the company is now out of business, out no one now owns the copyright on that material.

36. A project manager is performing a set of processes in the Initiating Process Group. Which of the following is likely to be part of the Initiating Process Group? ?

- A. Develop Project Management Plan
- B. Define Scope
- C. Develop Project Charter
- D. Plan Quality Management

37. During the course of the project, the project management team developed a forecast for the estimate at completion (EAC) based on the project performance. Which of the following statements about EAC is correct? ?

- A. The EAC forecast based on the Bottom-up estimate to complete (ETC) requires a new estimate.
- B. The EAC forecast is best estimated using the estimate to complete (ETC) work performed considering both SPI and CPI factors.
- C. The EAC forecast is best estimated using the estimate to complete (ETC) work performed at the present CPI.
- D. The EAC forecast is best estimated using the estimate to complete (ETC) work performed at the budgeted rate.

38. A project manager is confused about the perspective of the buyer-seller relationship in the context of project procurement management. How would you clarify this? ?

- A. The buyer-seller relationship exists only between organizations external to the acquiring organization.
- B. The buyer-seller relationship exists only between organizations internal to the acquiring organization.
- C. The buyer-seller relationship is applicable only when a performing organization is involved.
- D. The buyer-seller relationship can exist at many levels on one project, and between organizations internal to and external to the acquiring organization.

39. It was found that there were a large number of hidden requirements to be uncovered in the Collect Requirements phase. Which of the following tools should a project manager use to identify them? ?

- A. Participant observer
- B. Questionnaires
- C. Surveys
- D. Interviewing

40. Stakeholder identification is a continuous process. Which of the following statements about stakeholders is incorrect? ?

- A. Positive stakeholders benefit from the outcome of a project
- B. A project manager needs to focus on the positive stakeholders since their needs are best served by the project
- C. Overlooking negative stakeholders can result in an increased likelihood of failure

D. Stakeholders can have conflicting or differing objectives

41. Which of the following is not an enterprise environmental factor influencing the Develop Project Management Plan process? ?

- A. Project management body of knowledge
- B. Governmental or industry standards
- C. Project Management Plan template
- D. Project management information system

42. A project manager in a seller organization discovered that certain deliverables had been handed over to the buyer without undergoing proper testing. Recalling the deliverables will result in a cost overrun to the project. What should the project manager do in such a case? ?

- A. Recall the deliverables even though there will be a cost overrun.
- B. Terminate the project.
- C. Approach management to obtain additional funding to handle the potential cost overrun.
- D. Wait for the procuring organization to get back with their list of defects in the deliverables.

43. Matt is the project manager of a project that involves a buyer-seller relationship. The source selection criteria is an input to which of the following processes? ?

- A. Control Procurements
- B. Conduct Procurements
- C. Close Procurements
- D. Plan Procurement Management

44. A project manager is estimating the project duration and finds that the only information available to him is a previous project that was quite different from the current one. However, some portions of the previous project were similar to the current one. Which of the following tools is the project manager likely to use? ?

- A. Analogous estimating
- B. Program Evaluation and Review Technique (PERT)
- C. Three-point estimates
- D. Parametric estimating

45. During the Conduct Procurements process, the procuring organization found that there were significant differences in the pricing by different sellers. What is the best course of action in such a scenario? ?

- A. Award the project to a supplier who is already on the procuring organization's preferred supplier list.
- B. Cancel the procurement activity.

- C. Investigate whether the project statement of work was defective or ambiguous.
 - D. Award the project to the highest bidder.
- 46.** A first-time project manager was of the opinion that all training activities need to be planned. He discussed this with an experienced project manager, and understood that some training was necessarily unplanned. Which of the following correctly lists examples of unplanned training? ?
- A. Training by observation, conversation, and project management appraisals
 - B. Training by mentoring, on-the-job training, and online courses
 - C. Training by conversation, coaching, and classroom training
 - D. Training by mentoring, observation, and coaching
- 47.** A project manager used a control chart to determine whether a process was stable or not, and to determine if its performance was predictable. He determined the upper and lower specification limits based on the contractual requirements. A set of eighteen data points were taken. Of these, 8 consecutive data points were above the mean. What can you say about such a process? ?
- A. A process is considered as out of control if five consecutive data points are above or below the mean. Hence the process is out of control.
 - B. A process is considered as out of control if six consecutive data points are above or below the mean. Hence the process is within control.
 - C. A process is considered as being within control if less than half the data points are above or below the mean. Hence the process is within control.
 - D. A process is considered as out of control if seven consecutive data points are above or below the mean. Hence the process is out of control.
- 48.** While analyzing the risks in a project, a project manager came up with a Risk Urgency Assessment document. In which process would this be done? ?
- A. Close Risks
 - B. Control Risks
 - C. Perform Qualitative Risk Analysis
 - D. Plan Risk Management
- 49.** A project manager is looking at various classification methods to share information among project stakeholders. Which of the following correctly classifies the different methods used? ?
- A. Pull communication - Meetings; Push communication - Newsletters; Interactive communication - E-learning repository

- B. Interactive communication - Meetings; Push communication - E-learning repository; Pull communication - Newsletters
 - C. Push communication - Meetings; Pull communication - Newsletters; Interactive communication - E-learning repository
 - D. Interactive communication - Meetings; Push communication - Newsletters; Pull communication - E-learning repository
50. Which of the following roles in a project is more likely to be involved in negotiations on procurements during the Conduct Procurements phase? ?
- A. Procurement administrator
 - B. Project coordinator
 - C. Project manager
 - D. Project sponsor

Answers

1. C - Notifying the appropriate management of the PMI investigation and their request for your assistance is the best choice. Sharing confidential information with an outside party without approval from your management is a violation of the PMI Code of Ethics and Professional Conduct. Once the appropriate management have been notified, they will let you know the best way to proceed with this investigation. [*PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
2. A - Such published commercial information is considered as part of enterprise environmental factors that influence the Estimate Costs process. [*PMBOK 5th edition*, Page 204] [Project Cost Management]
3. C - Histograms are bar charts and are also used to show the frequency distributions of different variables. [*PMBOK 5th edition*, Page 238] [Project Quality Management]
4. D - Activity duration estimated based on the actual duration of a similar, previous project is an instance of Analogous estimating. The other three choices are examples of parametric estimating. [*PMBOK 5th edition*, Page 170] [Project Time Management]
5. B - Managing both the positive and the negative stakeholders is equally important. Stakeholders' expectations and interests change over time. In order to ensure the success of the project, the positive stakeholders should be closely managed in order to retain their support and commitment to the project. [*PMBOK 5th edition*, Page 394] [Project Stakeholder Management]
6. B - The project charter is a high level document that authorizes a project. It is not a work performance report. The rest of the choices are valid examples of work performance reports. [*PMBOK 5th edition*, Page 93] [Project Integration Management]
7. C - The project charter is a high level document that authorizes a project. It documents a broad understanding of the project and usually does not need to be updated during the course of the project. [*PMBOK 5th edition*, Page 71] [Project Integration Management]
8. A - In the critical chain method, additional buffers known as feeding buffers, are

placed at each point that a chain of dependent tasks not on the critical chain feeds into the critical chain. These buffers protect the critical chain from slippage. [PMBOK 5th edition, Page 178] [Project Time Management]

9. A - The statement of work (SOW) usually does not reference the business case. The business case may contain cost sensitive information that may not be made available to a wider audience. Note that the business case also includes the business need. [PMBOK 5th edition, Page 68] [Project Integration Management]
10. D - The stakeholder register and the stakeholder management strategy are essential inputs to this process. However, they are already included in the stakeholder management plan. Communications methods are the tools and techniques of the Manage Stakeholder Engagement process. The missing input is the communications management plan. [PMBOK 5th edition, Page 404] [Project Stakeholder Management]
11. B - Schedule compression techniques such as crashing and fast tracking shorten the project schedule without changing the project scope. Approving overtime, bringing in additional resources and paying to expedite delivery activities are valid examples of crashing. Reducing project scope is not a valid example of crashing. [PMBOK 5th edition, Page 181] [Project Time Management]
12. A - Projects are authorized by someone external to the project such as a project sponsor, PMO or portfolio steering committee. A project manager does not authorize the project. [PMBOK 5th edition, 68] [Project Integration Management]
13. C - An iterative relationship is best suited for projects to be carried out in uncertain conditions as may be the case in research. In this methodology, only one phase is carried on at any time, and the planning for the next phase is carried out as work progresses in the current phase. Sequential and overlapping relationships are not suitable for these types of projects. Boxed relationship is not a valid choice. [PMBOK 5th edition, Page 45] [Project Framework]
14. C - This is fine. All deliverables need not have the same level of decomposition. This will depend on the work involved in coming up with the deliverable. [PMBOK 5th edition, Page 131] [Project Scope Management]
15. A - The key stakeholders' concerns and requests can never be disregarded. Since the communication management plan is flexible and it doesn't restrict Stanley from doing bi-weekly updates, Stanley must immediately accept the key stakeholders' request. Since this is not impacting the communication management plan, there is no need to go through the formal change control. [PMBOK 5th edition, Page 407] [Project Stakeholder Management]
16. B - Decision tree analysis is used to calculate the average outcome when the future includes scenarios that may or may not happen. In a decision node, the input is the cost of each decision while the output is a decision made. [PMBOK 5th edition, Page 339] [Project Risk Management]
17. C - The chart is likely to be a tornado diagram. Tornado diagrams are very useful for comparing relative importance and impact of variables that have a high degree of uncertainty to those that are more stable. The charts are positioned vertically, with the bars running out horizontally. The longer bars are at the top of chart, and the shorter bars are the bottom. This appears like the shape of a tornado, and hence the name. [PMBOK 5th edition, Page 338] [Project Risk Management]
18. C - Approved deliverables are neither an input nor an output of the Direct and Manage Project Work process. Approved or accepted deliverables are outputs of the Validate Scope process and are the inputs of the Close Project or Phase

- process. [*PMBOK 5th edition*, Page 79] [Project Integration Management]
19. A - A project risk is an uncertain event or condition that, if it occurs, has an effect on the objectives of the project. A risk may have one or many causes and, if it occurs, may have one or more impacts. [*PMBOK 5th edition*, Page 310] [Project Risk Management]
 20. A - Notify your project stakeholders of the situation. Once they are aware of the circumstances, a plan of action can be developed. It is possible the stakeholders may already be aware of the situation and had actually approved the hiring of these resources. Thus it is important to involve your stakeholders to resolve this issue. [*PMI Code of Ethics and Professional Conduct*, Page 3] [Prof. Responsibility]
 21. D - When a buyer and seller enter into a dispute over the execution of work under the terms of a contract, negotiation is the preferred method of resolution of all claims and disputes. [*PMBOK 5th edition*, Page 384] [Project Procurement Management]
 22. A - A key objective of a bidders conference is to ensure that all bidders have the same level of understanding of the procurements. Hence, in order to be completely fair, buyers must ensure that all sellers hear every question from any individual prospective seller and every answer from the buyer. [*PMBOK 5th edition*, Page 375] [Project Procurement Management]
 23. D - There is no limit to the Actual Cost (AC). Whatever is spent to achieve the Earned Value (EV) is measured as the Actual Cost. [*PMBOK 5th edition*, Page 218] [Project Cost Management]
 24. D - The correct thing to do would be to bring this to the notice of the buyer organization and have an amendment to the contract made. [*PMI code of ethics and professional conduct*, Page 2] [Prof. Responsibility]
 25. B - The project manager is at fault for failing to effectively mediate and resolve conflict and control the project schedule. The project manager is ultimately responsible for the project, and as per the PMI Code of Ethics must take ownership and be accountable for his or her errors and omissions during all project phases. [*PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
 26. B - Approved change requests are implemented by the project team during the Direct and Manage Project Work process. The rest of the choices are incorrect statements regarding the Direct and Manage Project Work process. [*PMBOK 5th edition*, Page 82] [Project Integration Management]
 27. A - Pull communication is suited for this purpose. It is used for very large volumes of information, or for very large audiences and requires the recipients to access communication content at their own discretion. [*PMBOK 5th edition*, Page 295] [Project Communications Management]
 28. A - Projects exist within an organization and cannot operate as a closed system. They require input data from the organization and beyond, and deliver capabilities back to the organization. [*PMBOK 5th edition*, Page 48] [Project Framework]
 29. C - A project that is ahead of schedule will have a SPI value greater than 1.0 since it indicates that more work was completed than was planned. [*PMBOK 5th edition*, Page 219] [Project Cost Management]
 30. A - The information management system is a tool and technique of the Control Stakeholder Engagement process; while the work performance data is the input of this process. Change requests are produced during this process but these are not

approved during this process. The correct answer is project documents update which is the output of this process. [*PMBOK 5th edition*, Page 410] [Project Stakeholder Management]

31. B - Variances assess the magnitude of variation to the original cost baseline. The percentage range of acceptable variances will tend to decrease as more work is accomplished and the project nears completion. [*PMBOK 5th edition*, Page 222] [Project Cost Management]
32. D - Responses designed for use only if certain events occur are known as contingent response strategies. These responses are triggered by events such as missing intermediate milestones. The other events listed may not warrant triggering of contingency responses. [*PMBOK 5th edition*, Page 346] [Project Risk Management]
33. B - Tolerance model is not a valid classification model. The other three models are valid approaches and classify stakeholders based on power / interest, influence / impact or power / urgency and legitimacy as in the case of salience model. [*PMBOK 5th edition*, Page 396] [Project Stakeholder Management]
34. C - Virtual teams overcome the hurdle of high travel expenses by forming teams of people based in different geographical areas. It might appear that management sign-off or co-location may also permit the project to take off. However, they will not be as cost-efficient as virtual teams. [*PMBOK 5th edition*, Page 271] [Project Human Resource Management]
35. B - Determine if any materials belonging to the other company have been copied. The fact that the other company has gone out of business does not necessarily mean that the other company no longer owns intellectual property. Once you know if materials from the other company have been used, you can develop a plan to move forward. [*PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
36. C - The Initiating Process Group consists of those processes performed to define a new project or phase. The Develop Project Charter process is part of this group and it creates the project charter that formally authorizes a project or a phase. The other choices listed are part of the Planning Process Group. [*PMBOK 5th edition*, Page 61] [Project Integration Management]
37. A - The EAC forecast based on the Bottom-up estimate to complete (ETC) requires a new estimate. There is no best method for EAC calculation as it varies from situation to situation. [*PMBOK 5th edition*, Page 220] [Project Cost Management]
38. D - Project procurement management is usually looked at within the perspective of buyer-seller relationships. The buyer-seller relationship can exist at many levels on one project, and between organizations internal to and external to the acquiring organization. [*PMBOK 5th edition*, Page 357] [Project Procurement Management]
39. A - A hidden requirement is the one that the user or the customer fails to communicate or take for granted. Hidden requirements can be identified by a "participant observer" who actually performs a process or procedure to experience how it is done. Interviewing, questionnaires and surveys are requirements collection techniques but they won't help in identifying hidden requirements. [*PMBOK 5th edition*, Page 116] [Project Scope Management]
40. B - A project manager needs to take into consideration all types of stakeholders - positive and negative. Focusing only on positive stakeholders will increase the

probability of failure of the project. [*PMBOK 5th edition*, Page 32] [Project Stakeholder Management]

41. C - The project management plan template is an organizational process asset. The rest of the choices are valid enterprise environmental factors that influence the Develop Project Management Plan process. [*PMBOK 5th edition*, Page 74] [Project Integration Management]
42. A - It is the project manager's primary responsibility to ensure that deliverables are tested and have gone through the process outlined in the project management plan. Hence the project manager should recall the deliverables, even it involves a cost overrun. Approaching management may be the next step. Terminating the project is not called for, and it will be unethical to wait for the procuring organization to do their testing and find out the defects in deliverables. [*PMI Code of Ethics & Professional Conduct*, Page 2] [Prof. Responsibility]
43. B - The source selection criteria is an input of the Conduct Procurements process. [*PMBOK 5th edition*, Page 371] [Project Procurement Management]
44. A - Analogous duration estimating is used when there is limited available information about a project. This is especially true in the early phases of a project. In such instances, a previous similar project is used as a basis for estimating. [*PMBOK 5th edition*, Page 169] [Project Time Management]
45. C - If there are significant differences in pricing by sellers, it usually indicates that the procurement statement of work was defective or ambiguous, or that the sellers misunderstood or failed to respond completely to the procurement statement of work. In such instances, an investigation needs to be launched to understand the reasons for the differences. [*PMBOK 5th edition*, Page 376] [Project Procurement Management]
46. A - Unplanned training takes place in a number of ways that include observation, conversation, and project management appraisals conducted during the controlling process of managing the project's team. [*PMBOK 5th edition*, Page 275] [Project Human Resource Management]
47. D - A process is considered as out of control if a data point exceeds a control limit or if seven consecutive data points are above or below the mean. Hence the process is out of control. [*PMBOK 5th edition*, Page 238] [Project Quality Management]
48. C - The Risk Urgency Assessment is a tool used in the Perform Qualitative Risk Analysis process. It identifies risks requiring near-term responses that may be considered urgent to address. [*PMBOK 5th edition*, Page 333] [Project Risk Management]
49. D - Examples of Interactive communication are meetings, phone calls, video conferences. Examples of Push communication are newsletters, memos, emails, faxes. Examples of pull communication are intranet sites, e-learning and knowledge repositories. [*PMBOK 5th edition*, Page 295] [Project Communications Management]
50. A - The project manager, a team member or the project sponsor do not typically perform the role of lead negotiator on procurements. Due to the legal nature of the contractual relationship involved, a legal representative or a procurement administrator are involved. [*PMBOK 5th edition*, Page 380] [Project Procurement Management]

Procurement Test Questions

1. Which of these is not an input to the Control Procurements process? ?
 - A. Agreements
 - B. Change requests
 - C. Work performance data
 - D. Work performance reports

2. Which of the following is not a tool or technique of the Control Procurements process? ?
 - A. Payment system
 - B. Configuration management system
 - C. Contract change control system
 - D. Records management system

3. You have received a proposal against a RFP that was sent to vendors. One of the vendors has indicated that they can do the project for \$12,500. The cost for the project is \$10,000 and their profit will be \$2,500. Which type of the contracts is most suitable to be used in this situation? ?
 - A. Cost Plus Fixed Fee
 - B. Cost Plus Percentage of Cost
 - C. Fixed price
 - D. Cost Plus Incentive Fee

4. Your company requires that before you purchase any routers or switches for the data center you are building, you need to solicit quotes from three separate suppliers prior to submitting the purchase request to the finance department. This policy belongs to? ?
 - A. Organizational Process Assets
 - B. Enterprise Environmental Factors
 - C. Procurement Management Knowledge Area
 - D. Make-or-Buy Decision

5. Which process involves verification and acceptance of all project deliverables, and hence supports the Close Project or Phase process? ?
 - A. Perform Integrated Change Control
 - B. Validate Scope
 - C. Estimate Activity Durations
 - D. Control Costs

6. Which of the following is accurate regarding agreements in the Project Procurement Management? ?
 - A. Agreements can never be terminated.

- B. Terms and conditions never include the seller's proposal
 - C. Agreements are informal documents.
 - D. Agreements are legal documents between a buyer and a seller.
7. What is the purpose of a bidder conference? ?
- A. Awarding a contract to the most suitable vendor
 - B. Pre-qualifying the potential sellers
 - C. Ensuring all vendors have a clear understanding of the procurement
 - D. Developing a comprehensive sellers list
8. The types of contracts that can be used in a project are documented in the: ?
- A. Request for Proposal (RFP)
 - B. Procurement management plan
 - C. Procurement statement of work
 - D. Work breakdown structure (WBS)
9. Different types of contracts are appropriate for different types of purchases. Which of these is not one of the three broad categories of contracts? ?
- A. Cost-reimbursable
 - B. Time and Material
 - C. Fixed-price or lump-sum
 - D. Fixed-assessment
10. You are building a mansion that will have copper roofs. The duration of the project will be approximately three years, so you have built into the contract that as the price of copper increases the contract allows for price increases as a percentage of the cost copper. However, all other costs are fixed. This is an example of what type of contract? ?
- A. Fixed Price with Economic Price Adjustment
 - B. Fixed Price Incentive Fee
 - C. Unit Price
 - D. Time and Materials

Answers

1. B - Change requests are not the inputs of the Control Procurement process. The rest of the choices are valid inputs of this process. [*PMBOK 5th edition*, Page 379] [Project Procurement Management]
2. B - The configuration management system is not a tool and technique of the Control Procurements process. The rest of the choices are valid tools and techniques of this process. [*PMBOK 5th edition*, Page 379] [Project Procurement Management]
3. C - Apparently it looks like the vendor is asking for a cost plus fixed fee contract. However, the vendor is actually looking for a fixed price contract when they

asked for a fixed \$12,500. The cost and fee are just the components the vendor has estimated to come up with a final price. [*PMBOK 5th edition*, Page 362, 363] [Project Procurement Management]

4. A - Any type of corporate policy or formal procurement procedure is an organizational process asset. [*PMBOK 5th edition*, Page 27] [Project Procurement Management]
5. B - The Validate Scope process formalizes the acceptance of the completed project deliverables and hence supports the Close Project or Phase process. [*PMBOK 5th edition*, Page 133] [Project Scope Management]
6. D - Agreements are legal and formal documents between buyers and sellers. [*PMBOK 5th edition*, Page 357] [Project Procurement Management]
7. C - Bidder conferences are also called contractor conferences or vendor conferences. Their purpose is provide all vendors with an understanding of the project requirements and give all vendors equal time to get their questions answered. [*PMBOK 5th edition*, Page 375] [Project Procurement Management]
8. B - The types of contracts that can be used in a project are documented in the Procurement Management Plan. [*PMBOK 5th edition*, Page 366] [Project Procurement Management]
9. D - Fixed-assessment is not a category of contracts. [*PMBOK 5th edition*, Page 362] [Project Procurement Management]
10. A - Since the price increases are tied only to the rising costs of the copper, this is a Fixed Price with Economic Price Adjustment (FP-EPA) contract. This is common with multiple year contracts. [*PMBOK 5th edition*, Page 363] [Project Procurement Management]

Exam 17 Test Questions

1. You are working for a large project organization, with several project managers, working on 15 projects. All project managers submit their status reports at month end. One of your colleague project manager has reported an error in last 2 months. Discussing the issue with one of her project's team members, who is also working on one of your projects, you realize that she is deliberately misreporting the project's status, to pump-up her performance as the annual performance appraisal is due next month. The month-end review meeting will be held in 2 days time as you are preparing your presentation for the same. What should you say about her status report? ?
 - A. Report the incorrect status to the appropriate management.
 - B. Since there is no direct relationship between your project and hers, there is no need to intervene in this issue.
 - C. Prepare a brief of what you have discussed with her team member and report the inconsistency in the meeting.
 - D. Send an email to her boss asking to check the contents of her report.

2. You have presented a unique and verifiable product to your customers for their approval. Approval of this product may allow you to move on to your next phase. This unique and verifiable product is also known as: ?
 - A. A plan
 - B. A project
 - C. A portfolio
 - D. A deliverable

3. Experienced project managers always tell that accuracy and precision are not the same. Precise measurements may not be accurate and accurate measurements may not be precise. Which of the following statements about the precision and accuracy are CORRECT? ?
 - A. Accuracy means the degree to which a set of inherent characteristics fulfill requirements and Precision means a category assigned to products or services having the same functional use but different technical characteristics
 - B. Accuracy means the values of repeated measurements are clustered and Precision means the measured value is close to the actual value
 - C. Precision means the degree to which a set of inherent characteristics fulfill requirements and Accuracy means a category assigned to products or services having the same functional use but different technical characteristics
 - D. Precision means the values of repeated measurements are clustered and Accuracy means the measured value is close to the actual value

4. You are in the middle of a risk assessment meeting with key stakeholders, customers and project team leaders. While identifying and assessing risks, ?

you have realized that two key stakeholders are overemphasizing the impact of a risk. What is the BEST step you must take to avoid unfairness or bias when assessing risks?

- A. Implement assumptions analysis to explore the validity of assumptions
- B. Develop a risk response strategy to eliminate threats
- C. Perform qualitative risk analysis to identify risk attitudes
- D. Perform sensitivity analysis to establish which risks have the most impact on the project

5. Which of the following is the best strategy for managing project stakeholders who have high interests in the project but do not have significant powers? ?

- A. Keep them satisfied
- B. Manage them closely
- C. Continuously monitor them
- D. Keep them informed

6. There is a heavy demand for new houses in your city's expensive neighborhood. RECON, a construction company employed you as a project manager to assess the benefit of building new energy efficient houses in that neighborhood although it takes more expensive technology to build such houses. You have started gathering data to perform the detail payback analysis to submit a report to the management. Since the full financial impact of energy efficient house building is difficult to estimate, you would like to prepare a rough cost-benefit analysis and include it with the report. Which of the following describes the effort you are undertaking in this scenario? ?

- A. You are developing a business case to provide as an input to the develop project charter process
- B. You are developing a cost management plan to provide as an input to the estimate costs process
- C. You are developing a risk management plan to provide as an input to the perform quantitative risk analysis process
- D. You are developing a cost-benefit analysis to provide as an input to the plan risk management process

7. Jared is in the execution phase of a residential housing construction project. He has been informed of major scope changes from stakeholders in the middle of the project. These changes involve regulatory requirements from local authorities that may impact not only the scope but also the cost and duration of the project. What should be the FIRST approach from Jared in considering these changes? ?

- A. Meet with the change control board to solicit some ideas on the new project plan
- B. Create a report detailing the impact of scope changes on project

parameters such as cost, quality and schedule

- C. Add new tasks to the project plan and assign resources to account for regulatory changes
 - D. Escalate the scope changes to the sponsor and steering committee for their decision
8. You are working in an Information Technology project as a project manager to develop a shopping website for your customers. Some key stakeholders in the project suggested scope changes to improve the look and feel of the website. Your team has analyzed the impact of these changes and presented to the change control board for approval. What should be your next step if the change control board accepts all proposed changes? ?
- A. Implement the change request and update stakeholders
 - B. Review change control board decisions and inform stakeholders for their input
 - C. Conduct a team status meeting to update the progress on change requests
 - D. Revise cost estimates, schedule dates, resource requirements and planning documents
9. Jane is worried about her project because many of her tasks are slowly moving and two critical tasks may have the chance of slippage. She conducts a thorough resource analysis and finds out that there are five resources who will be free next week. She would like to use this as an opportunity to assign those resources to finish her tasks early and prevent the project completion date from slipping. This is an example of? ?
- A. Management reserves
 - B. Resource leveling
 - C. Crashing
 - D. Fast tracking
10. Andrew is managing a construction project. He is using his communication, interpersonal and management skills to keep the key project stakeholders engaged with the project. Which of the following activities is not related to the Manage Stakeholder Engagement process? ?
- A. Addressing and resolving issues
 - B. Adjusting the stakeholder management strategy
 - C. Confirming the stakeholders' continued commitment
 - D. Negotiating and communicating with the stakeholders
11. You are working on a waste management project that, upon competition, will be handed over to the local municipality for steady state operation. Parking of the trucks and other vehicles has become a major problem because no parking area has been allotted to you on the main dumping site. As a result, your trucks are being parked on nearby roadsides. One of the fleet supervisor tells you that there is a large tract of land very close to the ?

main site, that is owned by a local charity. Many locals park their cars on this tract of land. What should you do?

- A. Since the piece of land is already being used as parking, you can park your trucks over there.
- B. Don't park the trucks on that piece of land as it will be violation of other's property rights.
- C. Check the local parking laws.
- D. Ask the supervisor to get contact information of the local charity.

12. In a textile manufacturing project, a team divided the whole project work into 35 work packages and assigned a few work packages to the design department for review. After the review, the manager of the design department requested the team to further divide the work packages into more manageable work components for estimating and scheduling the resources. In this scenario, which of the following techniques should the team use to complete the manager's request? ?

- A. Decomposition
- B. The parametric estimating
- C. The precedence diagramming method
- D. The bottom-up estimating

13. You are working as a project manager for MALTEX, an IT organization having a projectized organization structure. You have recently started managing a project that involves stakeholders from within and outside your organization. The stakeholders external to your organization are very critical as their interests are negatively affected by the project. You are making serious efforts to gather their expectations and influence levels early in the project to make sure that their voice is heard and proper communication needs can be planned in the future phases of the project. The outcome of your effort can be documented in: ?

- A. The stakeholder management plan
- B. The project scope document
- C. The risk register
- D. The stakeholder communication plan

14. You have been managing a Federal highway construction project which is intended to improve the transportation between north and south regions of a country. Being in the execution phase, the change control board has approved many change requests generated from stakeholders including the highway transportation agency. At least half of those requests were made to bring the quality of the micro texture of the road aligned with the quality levels incorporated in the project management plan. What is the next course of action for you going forward? ?

- A. Initiate a defect repair to repair the road or completely pave a new road
- B. Initiate a preventive action to reduce the probability of negative

- consequences associated with the poor quality of the road
- C. Initiate a change request to bring the road quality in line with the project management plan
 - D. Initiate a corrective action to bring the future quality of the road in line with the project management plan

15. During a key stakeholders update meeting, George's project was challenged. The project is currently in the executing phase. One of the key stakeholders challenged that the project no longer makes any business sense to her. What must George do next? ?

- A. Update the issue log and request the stakeholder to provide more details.
- B. Request the project sponsor to intervene.
- C. Prematurely terminate the project.
- D. Redo the business case for the project.

16. To communicate with stakeholders on the resolved issues and the issues that are hard to resolve, you use an issue log in your project. Since you assign an owner for every issue and resolve it by proactively working on it, your stakeholders actively support all your efforts in managing the project. This method of actively resolving issues and reducing risks to the project is known as: ?

- A. Quality management
- B. Scope Management
- C. Communications management
- D. Stakeholder management

17. You have been assigned as the project manager for a software development project. You are currently communicating with stakeholders and addressing their issues and expectations. Which of the following documents help carrying out this effort? ?

- A. The Issue log, Project charter, and Configuration management system
- B. The stakeholder management plan, communications management plan, and the change log
- C. The Project risk register, Work performance information, and Accepted deliverables
- D. Business case, change requests, and control charts

18. Changes in the projects are inevitable. So, project managers must develop or use a system to manage and control changes. There are four types of changes that need to be controlled in a project. Project changes, deliverable changes, process changes, and baseline changes. The impact of each of these changes must be evaluated and approved or rejected changes must be communicated to all stakeholders as and when required. Which of the ?

following helps controlling the above mentioned changes?

- A. Configuration control and Control chart
- B. Configuration control and Change control
- C. Control chart and Cost control
- D. Change control and Control chart

19. Two of your expert team members have been in a heated argument over the use of a new software product for your research project. Recently you noticed that the argument instead of increasing creativity, is causing conflict between the team members. To prevent the conflict from escalating, you want to resolve it by evaluating alternatives and open dialogue. All of the following statements about a conflict are false EXCEPT: ?

- A. Scarce resource cannot be a source of a conflict.
- B. Conflict is inevitable in a project environment.
- C. Personal work style cannot be a source of a conflict
- D. Reducing the amount of conflict is not desirable.

20. While going through a list of candidates to be hired for your project, you find that your cousin is one the 3 short listed candidates. You know that she was desperately looking for job. After reviewing these resumes, you'll be sending them to the electronics engineer for a technical interview. Having a first look at the 3 short listed resumes, you realize that they have similar qualifications and experiences. What should you do? ?

- A. To avoid conflict of interest, ignore your cousin's resume but forward the other two resumes.
- B. Forward all three resumes.
- C. Call your cousin and conduct an informal interview yourself before forwarding the resumes.
- D. Consult your boss before forwarding the resumes for interview.

21. Which of the following is neither an input to nor an output of the Close Procurements process? ?

- A. Closed procurements
- B. Procurement documents
- C. Procurement audits
- D. Project management plan

22. Some tools or techniques can be used across different project processes to plan, execute or control the characteristics of project elements. Which of the following is used as a tool in both Control Quality and Plan Quality Management processes? ?

- A. Benchmarking
- B. Statistical sampling

- C. Cost of quality
- D. Design of experiments

23. In an underground highway construction project, the project stakeholders have suggested many changes to the project scope. As you have already defined the cost baseline in your project, you would like to revisit the baseline to see how these changes impact the overall cost of the project. So, you have started an impact analysis to determine the impact, and inform the concerned stakeholders of all approved changes and the corresponding costs. You must use the following to carry out such process: ?

- A. Control Scope
- B. Control Risks
- C. Control Costs
- D. Control Communications

24. Which of the following documents the formal or informal assessments of the project team's effectiveness? ?

- A. Team Performance Assessments
- B. Project Performance Appraisals
- C. Observations
- D. Conversations

25. You have recently joined the a new company as a project manager. While reviewing the procurement plans for a project you will be taking over, you see that the company is considering using one of the most expensive manufacturers to provide certain equipment required for the project. While working with your previous employer, you used a different supplier for the same equipment, and paid significantly less for the equipment. Without telling your boss, you call the supplier you worked with previously for a quote. Have you violated the rule of keeping the proprietary information confidential? ?

- A. Maybe. You need to talk to your boss first.
- B. No. There is no harm in sharing the information with your current employer, because you are no longer working for your old employer.
- C. Yes. The supply source is proprietary information and you should not contact the supplier.
- D. You have not violated any rule.

26. Which of the following statements are NOT true considering the planned value, the earned value, the schedule variance and the cost variance of a project? ?

- A. The cost variance is the difference between the earned value and the actual cost
- B. The schedule variance is the difference between the earned value

- and the planned value
- C. The earned value is the value of work to be completed in terms of the approved budget
 - D. The planned value is the budget authorized to the work to be performed

27. You are working as a project manager for a wind-powered vehicle manufacturing project, which is in its planning phase. You carefully gathered all your requirements from your key stakeholders and prepared a system requirements specification and project requirements specification documents. While presenting your documents to the project team, a project team member who is very enthusiastic about the project started talking about the duration estimates for each activity. Which of the following statements indicate your response to your team member? ?

- A. WBS creation and Schedule development must be done after estimating durations
- B. Schedule development and Costs estimation must be done before estimating durations
- C. Scope definition, WBS creation, Quality planning, and Communication planning must be done before estimating durations
- D. Scope definition, WBS creation, Activity definition, and Activity sequencing must be done before estimating durations

28. Rosanne is an experienced project manager working on a pharmaceutical project. This project involves two big vendors to supply chemical products with specific composition for preparing drugs. While reviewing documents to see how the seller is performing, she noticed that some of the contractual terms were not met by the sellers. Since it is first time violation, she would like to initiate a corrective action to bring the performance of the seller consistent with the statement of work. Which of the following are NOT outputs of Rosanne's effort? ?

- A. Work performance data and approved change requests
- B. Work performance information and change requests
- C. Change requests and Organizational process assets update
- D. Change requests and Project management plan updates

29. The project charter defines the overall scope and objectives of a project. Considering different inputs to the project charter, which of the following is NOT a correct statement? ?

- A. Government or industry standards cannot be used as an input to develop a project charter
- B. The project's business case is an input to the Develop Project Charter process
- C. Organizational process assets are input to the Develop Project Charter process
- D. When projects are executed for external customers, a contract or an

agreement is used as an input to the charter

- 30.** Nancy's project is 80% complete. Which of the following is least likely to be updated to the organizational process assets during the Control Stakeholder Engagement process performed at this stage? ?
- A. Project selection criteria
 - B. Project reports
 - C. Feedback from the stakeholders
 - D. Stakeholder notifications
- 31.** Close Project or Phase is the process of completing and concluding all activities across all process groups to officially close the project. Which of the following activities are NOT performed during this process? ?
- A. Actions required to transfer completed products to operations
 - B. Actions required to archive project information
 - C. Actions required to audit project success or failure
 - D. Actions required to accept the deliverables
- 32.** Which of the following activities fall under the planning process group but not under the project time management? ?
- A. Estimating the type of materials and equipment needed to perform project activities
 - B. Developing the Schedule Management Plan
 - C. Identification of various activities to produce the project deliverables
 - D. Developing a detailed description of the project and product being developed
- 33.** James has been managing a hotel construction project in a busy street. He is in the process of estimating activity durations for building walls and calculates the most likely estimate as 15 days. If pre-fabricated material is used, it would take no more than 12 days to finish the work. However, the work may be delayed and could take up to 18 days if less experienced construction workers are used to build the walls. But, the engineer in-charge of the work estimates the duration as 8 days when pre-fabricated material is used. What is the expected duration of building walls using the three-point (PERT) estimate, if the engineer's estimation is assumed correct? ?
- A. 12 days
 - B. 11 days
 - C. 16 days
 - D. 14 days
- 34.** Rodney is in the process of preparing the project performance report for the team meeting. He is expecting many questions from his stakeholders on the ?

budget and schedule. He calculates the following values; Budget at Completion (BAC) = \$22,000, Earned Value (EV) = \$13,000, Planned Value (PV) = \$ 14,000, Actual cost (AC) = \$15,000. What is the Estimate at Completion (EAC) for the project if the work is performed at the budgeted rate?

- A. \$24,000
- B. \$36,000
- C. \$22,500
- D. \$37,000

35. You are reviewing the responses to an RFP issued by your company and realize that a major requirement was not included in the RFP that was released. By chance, however, one of the bidders included that requirement in their response. What is the best course of action? ?

- A. Award the contract to that bidder.
- B. Revise and reissue the RFP.
- C. Select the bid that included the requirement.
- D. Cancel the RFP.

36. Many organizations favor fixed-price contracts because the performance of the project is the responsibility of the seller. Which of the following very important for a firm fixed price contract? ?

- A. The buyer must precisely specify the number of resources to be used for procurement
- B. The buyer must precisely specify the service or product to be procured
- C. The buyer must precisely specify the time for completing the contract
- D. The buyer must precisely specify the price of the contract

37. Decision making is an important skill a project manager must possess to manage and lead the team. Which of the following is NOT a part of the six-phase decision-making model? ?

- A. Solution evaluation planning
- B. Solution action planning
- C. Problem solution generation
- D. Problem solution escalation

38. You applied for a project coordinator position in your organization. You have recently met with your director to learn more about the job functions of that position. Your director indicates that it is the functional managers who control the resources and not you in your new position. Which of the following represents the organization structure that you will be working in if you are chosen as a project coordinator? ?

- A. Projectized
- B. Weak matrix
- C. Balanced matrix
- D. Strong matrix

39. Control charts are used to determine the stability of any process. Which of the following best describes the range of the control limits applied on a control chart? ?

- A. 3 sigma
- B. 6 sigma
- C. Specification limit / 3
- D. Specification limit x 3

40. Chris works as a project manager for UNISTEEL, a steel melting shop. He was assigned by his Executive Project Manager to study and prepare a report on the defects that eroded the blast furnace lining which has caused a drastic decline in production. Since this report will be used by the management to control the process and material quality, Chris performed a careful study and identified two major factors out of many factors related to refractories that caused majority of the lining problems. Which of the following statements BEST illustrate the technique Chris must have used in this scenario? ?

- A. A Pareto chart indicates that the vital few sources of the problem.
- B. A cause and effect diagram indicates how various causes show the history and variation of defects
- C. A Pareto chart identifies the possible relationship between changes observed in two independent variables
- D. A cause and effect diagram indicates how various factors or causes can be linked to potential problems

41. Cindy has been working in a manufacturing project as a project manager. This project is designed to produce high quality semiconductors to use in computers. Since semiconductors are produced from silicon wafers, she contracted a company to provide silicon wafers to the project on an ongoing basis. Due to unknown reasons from the contractor, low quality wafers have been transferred to the project compromising the electrical performance of semiconductors. Overwhelmed by the complaints from the computer division, Cindy is obligated to correct the manufacturing defects to avoid future liabilities. In this scenario, the costs incurred by Cindy is known as: ?

- A. External failure costs or Cost of nonconformance
- B. Appraisal costs or Cost of nonconformance
- C. Prevention costs or Cost of conformance
- D. Internal failure costs or Cost of conformance

42. You, as an independent consultant, are working with a project manager of a spacecraft parts manufacturing project to make sure that the team comply ?

with organizational quality policies and procedures. Since parts made in this project must adhere to high precision and accuracy, you are documenting the gaps within the processes and procedures to improve the quality for customer acceptance. Which of the following best represents the project management activity you are doing?

- A. Statistical sampling
- B. Quality audits
- C. Quality control
- D. Inspection

43. You have been managing a research project that is intended to create Genetically Modified fruits using Genetic Engineering techniques. Since many legal issues are involved in this process, you created contingency allowances by using different quantitative analysis methods to account for cost uncertainty. You have just wrapped-up a brainstorming session with your team in the execution phase to monitor new risks evolved in the project over past few weeks and to establish new risk response plans. What should you do if you want to allocate more contingency reserves to account for new risks? ?

- A. Perform the reserve analysis to compare the amount of contingency reserves remaining to the amount of risk remaining
- B. Perform Monte Carlo analysis to compare the amount of contingency reserves remaining to the amount of risk remaining
- C. Perform the variance and trend analysis to compare planned results to the actual results
- D. Perform the quantitative risk analysis to determine the outstanding risks

44. In a small office construction project, the following activities are scheduled in sequence. i) Digging and pouring footings - 5 days ii) Working on the slab and pouring - 3 days iii) Framing the floor - 5 days iv) Wall framing - 4 days v) Roof framing - 6 days vi) Insulation and drywall - 7 days vii) Interior doors and trim - 3 days viii) Hardware and fixtures - 2 days. What is the minimum time to complete the project if all activities are on a critical path except number viii, and activity iii is delayed by 1 day? ?

- A. 32 days
- B. 33 days
- C. 34 days
- D. 35 days

45. Analyzing the situation, differentiating between wants and needs, and focusing on interests and issues rather than on positions are critical elements in: ?

- A. Project Charter
- B. Estimating
- C. Variance analysis

D. Negotiating

46. In a ship design project, a project manager is in the process of negotiating with a consulting company to ensure that project receives certified and specialized consultants for creating the hull design. The project manager wants to make certain that the consultants will be able to work until their assignments are completed. He is using all his negotiation skills and interpersonal skills to get competent staff on time. Based on the scenario described above, the project manager is engaged in: ?
- A. Acquire Project Team process
 - B. Resource leveling process
 - C. Plan Human Resource Management process
 - D. Manage Project Team process
47. You have recently acquired a project to develop Organic products for a retail store. You are making informal conversations and luncheon meetings with all your senior functional managers to understand various factors that impact the allocation of resources to the project. Which of the following BEST describes the activity you are undertaking? ?
- A. You are using organizational process assets to manage your project team
 - B. You are using the observation and conversation to manage your project team
 - C. You are using the networking technique to develop the human resource plan
 - D. You are making use of your interpersonal skills to develop your project team
48. The organization's safety and health policy, ethics policy, project policy, and quality policy can be used in a project to influence it's success. All these policies are a part of: ?
- A. Organizational process assets
 - B. The project management plan
 - C. Enterprise environmental factors
 - D. Historical databases
49. Velvet is working for a chemical industry and her management proposed two different projects to manufacture Benzene for commercial use. After doing financial analysis, the financial advisor provided her the following statistics about the projects. Project-1-60% probability of success with a profit of \$500,000 and 20% probability of failure with a loss of \$200,000; Project-2-30% probability of success with a profit of \$300,000 and 30% probability of failure with a loss of \$400,000; Based on the information above, Velvet must choose: ?
- A. Either project-1 or project-2

- B. Neither project-1 nor project-2
- C. Project-2
- D. Project-1

50. You are managing a highly complex drug manufacturing project and your sponsor is highly motivated and influential. You are optimistic about the outcome of the project, however, you are not sure about the project approval requirements that measure the success of the project. So, you would like to document the name of the person who signs off on the project, and the criteria that constitutes the success of the project. Which of the following documents should you use first to incorporate project approval requirements? ?
- A. The scope document
 - B. The project charter
 - C. The approval requirement plan
 - D. The project management plan

Answers

1. A - Report the incorrect status to the appropriate management. Project managers are required by PMI's Code of Ethics to provide truthful and accurate information, and to report the errors and omissions of others to the appropriate management. [*PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
2. D - A unique and verifiable product produced in each phase or end of the project is known as a deliverable. [*PMBOK 5th edition*, Page 537] [Project Integration Management]
3. D - Accuracy and Precision are not the same. Precision means the values of repeated measurements are clustered and Accuracy means the measured value is close to the actual value. [*PMBOK 5th edition*, Page 228] [Project Quality Management]
4. C - After identifying risks, the project manager must prioritize risks for further analysis by assessing and analyzing the impact of each risk. It is often possible that during the risk assessment, risk attitudes may introduce bias into the assessment of identified risks. So project managers must identify and manage risk attitudes during the qualitative risk analysis. So, you must perform the qualitative risk analysis to avoid bias during assessment. [*PMBOK 5th edition*, Page 329] [Project Risk Management]
5. D - The best strategy for managing project stakeholders who have high interests in the project but do not have significant powers is to keep them informed. [*PMBOK 5th edition*, Page 397] [Project Stakeholder Management]
6. A - An organization's business need may arise due to advances in the technology, a demand from the market or a legal requirement. The business need along with the cost-benefit analysis are documented in a business case. A business case determines whether the project worth the investment. Payback analysis is also part of a business case. The business case and other documents are used as an input to the develop project charter process. Hence, you are making efforts to build a business case to provide as an input to the develop project charter process.

- [*PMBOK 5th edition*, Page 69] [Project Integration Management]
7. B - Any scope changes in a project must go through the integrated change control process to determine the impact on project parameters such as cost, quality and schedule. After finding the impact, the changes should be presented to the change control board for their review. Then, all approved changes must be planned and resources must be allocated. Therefore, the first step for Jared is to create a report detailing the impact of scope changes on project parameters such as cost, quality and schedule. [*PMBOK 5th edition*, Page 96] [Project Integration Management]
 8. D - Approved change requests require changes to cost estimates, resource requirements, schedule dates and activity sequences. You should incorporate these revisions first before asking your team to implement the changes. Stakeholders can be updated after carrying out the changes. So, the first step you should do is to revise the estimates and baselines. [*PMBOK 5th edition*, Page 82] [Project Integration Management]
 9. C - Adding more resources to scheduled tasks in order to compress the task durations is called crashing. [*PMBOK 5th edition*, Page 181] [Project Time Management]
 10. B - Adjusting the stakeholder management strategy is an activity related to the Control Stakeholder Management process. The rest of the choices are the activities carried out during the Manage Stakeholder Engagement process. [*PMBOK 5th edition*, Page 405, 409] [Project Stakeholder Management]
 11. D - You must not use someone's property without permission, even if others are doing the same thing. The best option is to call the charity and ask for their permission. [*PMI Code of Ethics and Professional Conduct*, Page 3] [Prof. Responsibility]
 12. A - The manager requested to divide the work packages into more manageable components for estimating the resources. The define activities process is used to divide the work packages into more manageable activities for estimating, scheduling, and executing the project work. Decomposition is the technique used during this process to divide the work packages into activities. [*PMBOK 5th edition*, Page 151] [Project Time Management]
 13. A - The stakeholder management plan is a component of the project management plan and identifies the management strategies required to effectively engage stakeholders. [*PMBOK 5th edition*, Page 403] [Project Stakeholder Management]
 14. B - Change requests are initiated and submitted to the change management board. Once change requests are approved, the project manager must give a documented direction to prevent, correct or repair based on the approved changes. In this scenario, the project performance seems to be deviated from the project management plan. So, you must initiate a preventive action to assure future performance aligns with the project management plan. [*PMBOK 5th edition*, Page 81] [Project Integration Management]
 15. A - If a key stakeholder has some reservations, these need to be addressed. George must first understand these concerns and determine the root cause before taking any action. He must request the objecting stakeholder to provide further details so that he can analyze the situation. Taking an immediate action without understanding the problem and determining the root cause is poor project management. Further this issue must be recorded in the issue log. [*PMBOK 5th edition*, Page 408] [Project Stakeholder Management]
 16. D - Proactively working with project stakeholders and resolving their issues relate

to project stakeholder management. [*PMBOK 5th edition*, Page 391] [Project Stakeholder Management]

17. B - Communicating with stakeholders to address their issues is done during Manage Stakeholder Engagement process. The documents used as an input to this process are the stakeholder management plan, communications management plan, change log and organizational process assets. [*PMBOK 5th edition*, Page 404] [Project Stakeholder Management]
18. B - Configuration control is focused on the specification of both the processes and deliverables where as change control is focused on project changes and the product baselines. So, a configuration control with a change control system must be implemented to handle all those changes. [*PMBOK 5th edition*, Page 96] [Project Integration Management]
19. B - Conflict is inevitable in a project environment. The rest of the statements are incorrect. [*PMBOK 5th edition*, Page 282] [Project Human Resource Management]
20. B - Send all three candidate's resumes Since all the candidates have similar profiles, all three deserve a full chance of evaluation. Because you have neither short listed the resumes nor will you be the interviewer or make the final decision, there is no question of discrimination, impartiality or conflict of interest. [*PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
21. C - Procurement audits are the tools and techniques of the Close Procurement process. The rest of the choices are either the inputs or the outputs of the process. [*PMBOK 5th edition*, Page 386] [Project Procurement Management]
22. B - Statistical sampling is a tool and technique common to both the Plan Quality Management and Control Quality processes. [*PMBOK 5th edition*, Page 230] [Project Quality Management]
23. C - The Control Costs process involves many activities such as influencing the factors that change the cost baseline, managing the actual changes, and informing stakeholders of approved changes and corresponding costs. Since you are in the process of managing the cost changes and informing them to the stakeholders, you are in the Control Costs process. [*PMBOK 5th edition*, Page 215] [Project Cost Management]
24. A - Team Performance Assessments documents the formal or informal assessments of the project team's effectiveness. [*PMBOK 5th edition*, Page 278] [Project Human Resource Management]
25. D - No rule has been violated, as you have not disclosed any proprietary or confidential information. [*PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
26. C - Earned value is the value of the work already completed. This value is often expressed in terms of the approved budget assigned to the work completed. The earned value is measured against the performance measurement baseline. [*PMBOK 5th edition*, Page 218] [Project Cost Management]
27. D - Estimating activity durations is done during planning phase of a project. Since project manager has just developed requirements, the scope must be defined and the WBS must be created immediately. Based on the WBS, activities must be defined and sequenced. After sequencing, resources and duration for each activity must be estimated. So, the team member must know that many activities need to be done before estimating durations. Therefore, 'Scope definition, WBS creation, Activity definition, and Activity sequencing must be done before estimating

- durations' is the correct response from you in this situation. [*PMBOK 5th edition*, Page 105, 141] [Project Time Management]
28. A - Evaluating the performance of the seller is done during the Control Procurements process. If the contractual terms are not met by the seller, a corrective action can be initiated. If there are severe violations, contract can be terminated based on the language used in the contract. Work performance information, change requests, project management plan updates, project document updates and organizational process updates are the outputs of this process. Work performance data and approved change requests are inputs to this process. [*PMBOK 5th edition*, Page 379] [Project Procurement Management]
 29. A - Government or industry standards are part of enterprise environmental factors and are used as inputs to the Develop Project Charter process. [*PMBOK 5th Edition*, Page 70] [Project Integration Management]
 30. A - All of the choices are the organizational process assets that might get updated during the Control Stakeholder Engagement process. However, since the project is in execution, the project selection criteria are least likely to be updated at this stage. The rest of the choices are more likely to be updated during the Control Stakeholder Engagement process. [*PMBOK 5th edition*, Page 415] [Project Stakeholder Management]
 31. D - Actions required to transfer completed products to operations, actions required to archive project information, and actions required to audit project success or failure are carried out in the Close Project or Phase process. But, actions required to accept the completed deliverables are executed in the Validate Scope process. The completed deliverable are then transferred to the Close Project or Phase process. Therefore, actions required to accept the deliverables are not done in the Close Project or Phase process. [*PMBOK 5th edition*, Page 101] [Project Integration Management]
 32. D - Identification of various activities to produce the project deliverables is done in Define Activities process of the project time management. Estimating type of materials and equipment needed to perform activities is done during Estimate Activity Resources process. This is also a part of the project time management. Developing the schedule management plan is done during the Plan Schedule Management process, which is also a time management process. Developing a detailed description of the project and product being developed is done during the Define Scope process. This is also a planning activity, however, it falls under project scope management. [*PMBOK 5th edition*, Page 105, 141] [Project Scope Management]
 33. D - If the engineer is correct, the optimistic estimate can be taken as 8 days. The pessimistic estimate is still 18 days and the most likely estimate is 15 days. Using the PERT or the three-point technique, the expected activity duration is calculated using the formula $T_e = (T_o + 4T_m + T_p)/6$, where T_e is the estimated duration, T_o is optimistic duration, T_m is the most likely duration and T_p is the pessimistic duration. Hence, $T_e = (8 + 60 + 18)/6 = 14$ days (approximately.) Therefore, 14 days is the correct answer. [*PMBOK 5th edition*, Page 170, 171] [Project Time Management]
 34. A - If the project work is performed at the budgeted rate, the Estimation at Completion can be determined using the formula $(EAC) = AC + (BAC - EV)$; Substituting all these values in the equation $EAC = \$ 15,000 + (\$22,000 - \$13,000) = \$24,000$. [*PMBOK 5th edition*, Page 220] [Project Cost Management]

35. B - Revise and reissue the RFP. Not only is in the best interest of both the bidders and the project to use an accurate requirements list to develop procurement plans, PMI's Code of Ethics prohibits project managers from intentionally providing incorrect information. [*PMI Code of Ethics and Professional Conduct*, Page 4] [Prof. Responsibility]
36. B - In a firm fixed price contract, the buyer must precisely specify the product or service to be procured. Any changes in the contract require additional cost to the buyer. So, buyers must be careful while preparing the statement of work. [*PMBOK 5th edition*, Page 363] [Project Procurement Management]
37. D - In a six-phase decision making model, the project manager must define the problem first. After defining, he/she must generate problem solution, generate ideas to action, plan solution action and plan solution evaluation. Once the solution is implemented, he must evaluate the outcome and process. Therefore, except problem solution escalation all other phases are part of this model. [*PMBOK 5th edition*, Page 516] [Project Human Resource Management]
38. B - In a weak matrix organization structure, project manager works more like a coordinator to organize different activities and do not have direct control over the resources. Project team members report to functional managers and their progress is measured by the functional managers. Therefore, weak matrix is the correct answer. [*PMBOK 5th edition*, Page 23] [Project Framework]
39. B - The control limits of a control chart are set at plus/minus 3 sigma. Hence the range is 6 sigma. [*PMBOK 5th edition*, Page 238] [Project Quality Management]
40. A - In this scenario, Chris is using a quality control technique to carry out his study. A Pareto chart identifies the vital few sources that are responsible for causing most of a problem's effects. [*PMBOK 5th edition*, Page 237] [Project Quality Management]
41. A - In this scenario, Cindy is performing warranty work to correct manufacturing defects. These defects are identified by external customers and the costs are known as external failure costs. These costs are also known as costs of nonconformance because the product did not meet the quality requirements. The cost of nonconformance is a part of the cost of quality. Therefore, Cindy is incurring external failure costs or cost of nonconformance. [*PMBOK 5th edition*, Page 235] [Project Quality Management]
42. B - Making sure that the project team comply with organizational quality policies and procedures is done in the Perform Quality Assurance process. Quality audits are one of such techniques in which a structured review is performed by independent consultants or contractors to identify all shortcomings in carrying out quality policies and procedures. These efforts should be used later to improve the product quality and reduce the cost of quality. [*PMBOK 5th edition*, Page 247] [Project Quality Management]
43. A - Many risks evolve over the course of any project. Project managers must monitor and control those risks and plan risk responses. The reserve analysis is used as a tool in the Control Risks process. This technique is used to compare the amount of contingency reserves remaining to the amount of risk remaining throughout the execution of the project. Hence, you must perform the reserve analysis first to decide on the contingency allowances. [*PMBOK 5th edition*, Page 352] [Project Risk Management]
44. C - A critical path has a zero total float. That means, any delay in the critical path activity delays the project finish date. In other words, critical path gives the

minimum time required to complete a project. So, adding the duration for all critical path activities give the minimum time required as 33 days. If activity iii is delayed by one day, the total duration or the minimum time required to complete the project will also be delayed by one day, thus making it 34 days. [*PMBOK 5th edition*, Page 176] [Project Time Management]

45. D - Negotiation is a strategy used to bring compromise between two parties with opposing interests. Analyzing the situation, differentiating between wants and needs, focusing on interests and issues rather than on positions, asking high and offering low, and listening are very important skills in negotiation. [*PMBOK 5th edition*, Page 517] [Project Human Resource Management]
46. A - Negotiation skills are used by project managers throughout the project. In this scenario, the project manager is negotiating with vendors to get talented consultants in sufficient number within the scheduled time. This process ensures the availability of scarce resources during critical phases of the project. This effort is done during the Acquire Project Team process. [*PMBOK 5th edition*, Page 267] [Project Human Resource Management]
47. C - Networking is a technique used to develop the project human resource plan. This technique is used by many project managers to understand the factors that impact the allocation of resources. Luncheon meetings, conferences and events are various forms of networking. [*PMBOK 5th edition*, Page 263] [Project Human Resource Management]
48. A - Organizational process assets can be used to influence project's success. Organizational standards and policies such as safety and health policy, ethics policy, quality policy, and project management policy are a part of the organizational process assets. [*PMBOK 5th edition*, Page 27] [Project Framework]
49. D - Profit or loss from a project = (Expected profit * probability of profit) - (Expected loss * probability of loss). So, for project-1, the profit or loss = $(500000 * 0.6 - 200000 * 0.2) = 300000 - 40000 = \$ 260,000$ profit. For project-2, the profit or loss = $(300000 * 0.3 - 400000 * 0.3) = 90000 - 120000 = \$ - 30,000 = \$30,000$ loss. Hence, Velvet must select project-1 which can yield profit. [*PMBOK 5th edition*, Page 339] [Project Risk Management]
50. B - Project approval requirements must be documented early in the project during the initiation phase. These requirements show the requisites for project success, the names of persons signing off the project and deliverable requirements. Since the project charter is created in the initiation phase of the project, the project manager must include these requirements in the charter. [*PMBOK 5th edition*, Page 72] [Project Integration Management]

Exam 18 Test Questions

1. To assist with the selection of a supplier for a large procurement on your project, you've hired a consultant. The consultant has prepared an independent estimate to be used as a benchmark while reviewing bids on the RFP. The independent estimate is confidential and is not shared with any bidders. When the sealed bids are opened, you discover that only 1 supplier, has submitted a quote lower than the independent estimate. All other quotes are 45% to 70% higher than the benchmark. While discussing this development with members of the project team, you learn that the company with the lowest bids is owned by a distant relative of the consultant you hired to create the benchmark. What is the best course of action? ?
 - A. Confirm that the lowest bidder has understood the requirements and award them the contract'.
 - B. Since one of the supplier knows more than others, you must disclose the independent estimate to all others to be fair.
 - C. Disqualify the lowest bidder.
 - D. Review the RFP specifications and requirements.

2. A project to construct a high-rise building is progressing very well. Stakeholders are proactive in identifying issues related to the quality of the structure, walls and floors. As a project manager, you are conducting meetings to clarify or resolve their issues. Although, you are committed to manage stakeholders concerns, you learned that some critical issues need to be deferred to the next phase of the project for resolution. What should you do in this situation? ?
 - A. You must not defer any stakeholder issues but look for alternate methods
 - B. You must escalate these issues to the sponsor for his advice
 - C. You must work with stakeholders to defer those issues
 - D. You must request the stakeholders to retract their issues

3. Marvin has been working for a retail company as a project manager. With his positive thinking and good managerial skills he turned many potentially disastrous projects into successes. Because of his expertise, the company high level executives offered him a group project manager position for a newly started environmental project. However, Marvin learned that in his newly assigned project he may have to offer bribes to get the Government licenses. What should Marvin do in such a situation? ?
 - A. Reject the offer because project managers should not engage in an unethical conduct
 - B. Accept the offer because project managers must obey their higher-ups
 - C. Accept the position and offer bribes because project managers must complete projects on time and within budget

- D. Investigate to find out if it is customary to offer bribes in that part of the country
4. Which of the following is not an example of soft skills? ?
- A. Emotional intelligence
 - B. Intelligence quotient
 - C. Group facilitation
 - D. Negotiation
5. Julia is managing a complex industrial process reengineering project. She has identified all of her key project stakeholders and has conducted individual interviews with them to identify other project stakeholders as well. However, Julia is still not comfortable with her project's stakeholders list as she believes there would be more key external stakeholders still missing from the list. What can help Julia in this situation? ?
- A. Use stakeholder register templates from the organizational process assets.
 - B. Conduct more meetings with the key stakeholders.
 - C. Julia needs to get over her fear and finalize the project stakeholder register.
 - D. Seek expert judgment from subject matter experts.
6. You are in the final phase of a low cost car manufacturing project. This project, as designed, has delivered a low cost car that runs on the battery. However, to close this project, many administrative standards are required to be followed in order to avoid auditing from Government authorities. Since your organization possesses experts who have tremendous knowledge in closing procedures and standards, you would like to use them to close this project. This effort is an instance of: ?
- A. Using enterprise environmental factors in closing the project
 - B. Using expert judgment in closing the project
 - C. Using organizational process assets in closing the project
 - D. Poor project management practice
7. Nancy is engaged in the construction of three unique office buildings. Although construction sites are located in various places, she has been managing each team very efficiently to complete the work on time and within the budget. Which of the following statements describe the effort that Nancy is doing? ?
- A. Construction of each building is an operational work because it is repetitive in nature
 - B. The building construction is considered neither as a project nor as an operational work
 - C. Construction of all three buildings is considered as one project
 - D. Construction of each building is a project because each building is

unique in nature

8. There are several communication methods used to share and distribute information to stakeholders, team members and management. Which of the following communication methods are used during execution phase to notify the public about environmental changes your project is going to cause after implementation? ?
- A. Pull communication
 - B. Interactive communication
 - C. Informal communication
 - D. Push communication
9. Lesley is managing a software development project for the World Climate Control Organization. Since her team members are dispersed across the globe, she would like to set up online conferences in next two months to let everyone in her project know what is going on and what their role is within the project. She wants to use these conferences as team development activities to learn and exchange information in the project. To schedule such activities, which of the following should she use to know the availability of team members? ?
- A. Project charter
 - B. Resource calendars
 - C. Responsibility assignment matrix
 - D. Project staff assignments
10. Bill is managing a healthcare software development project using state-of-the-art technology. Stakeholder management is very crucial for the success of this project. The stakeholder involvement and influence is significant on this project. During which of following project stages, stakeholder management will be the most challenging task for Bill? ?
- A. Early during the project execution
 - B. Towards the end of the project execution
 - C. Towards the closure of the project
 - D. Halfway through the project execution
11. Which of the following statements is NOT true considering the management of risks in a project? ?
- A. The affect of various risks on project scope, cost and quality is numerically analyzed in the perform quantitative risk analysis process
 - B. Positive risks are mitigated during the plan risk responses process.
 - C. Analytical techniques are used during the plan risk management process
 - D. The risk register is updated in all risk management processes except

in plan risk management

12. You have been chosen by a program management office (PMO) to write a purchase order for your expertise in business writing. You have learned that the PMO has already selected a seller for a software product and would like to award the procurement contract to the selected seller as a purchase order which you must prepare. In this scenario, the PMO is administering: ?
- A. The close procurements process
 - B. The control procurements process
 - C. The plan procurement management process
 - D. The conduct procurements process
13. Randy, a senior project manager, is using a lessons learned knowledge management system to document the findings in a precision instrument manufacturing project. He is using the information from his team which has identified causes of product quality variance using a control chart and the details regarding corrective actions chosen to reduce the variance and improve the product quality. Which of the following should Randy use to add this information to the lessons learned? ?
- A. Organizational process assets in the quality control process
 - B. The process improvement plan in the plan quality process
 - C. Organizational process assets in the quality assurance process
 - D. The process improvement plan in the quality control process
14. Shawn is in the execution phase of his project. He is getting unexpected requests from his stakeholders about the project progress. All of the following can be used by Shawn to respond to their requests EXCEPT: ?
- A. Communications management plan
 - B. The stakeholder register
 - C. Organizational process assets
 - D. Work performance reports
15. Tom is managing a software development project. The buyer of the product is an external entity. During the execution of the project, Tom finds out that a new operations manager has been hired in the customer organization. The new manager is now a key stakeholder of the project. Which of the following documents is least likely to get updated as a result of the addition of this new stakeholder? ?
- A. Stakeholder register
 - B. Risk register
 - C. Stakeholder management plan
 - D. Issue log
16. A drug manufacturing project requires many pharmaceutical chemicals for synthesizing to produce an active ingredient or a drug. You are managing a ?

contractor to supply all these chemicals in your drug manufacturing project. Recent quality testing of the drugs raised concerns over the quality of the materials supplied by the contractor. Which of the following must be done to make sure that all contractual obligations are followed by the contractor?

- A. Escalate this issue to the sponsor and submit all drug testing reports
- B. Reject all poor quality drugs and penalize the contractor
- C. Convene a meeting with stakeholders and communicate the findings
- D. Carryout audits and inspections to verify compliance in the seller's deliverables

17. A project manager is spending majority of the project funding in the current phase of the project. Not only she is spending her money but also managing various resources in the project. What is the stakeholder influence on the project now compared to earlier phases? ?

- A. Cannot be determined
- B. More
- C. Less
- D. Same

18. You are working for FALCON highway construction agency as a project cost estimator. The agency started a highway construction project which is in it's planning phase. The rough order of magnitude (ROM) cost estimate for the project is expected to be between 3 and 5 million dollars in the planning phase with a ROM of -25% to +25%. What will be the ROM estimate in the execution phase if it changes to -10% to +10%? ?

- A. Between 3.1 and 4.1 million dollars
- B. Between 3.6 and 4.4 million dollars
- C. Between 3.9 and 4.1 million dollars
- D. Between 3.4 and 4.4 million dollars

19. Organizations evaluate the need of buying products versus making the items themselves. Which of the following is not a factor that influences the make-or-buy decisions: ?

- A. Core capabilities of the organization
- B. Value delivered by vendors meeting the need
- C. Total duration of the project
- D. Risk associated with meeting the need in a cost-effective manner

20. You are in the 10th month of a year long project and about to deliver the major product of your project. You have already received 75% of the total payment from the client. Your client is a non-governmental organization (NGO). You have just received a fax from the client saying that they are wrapping-up their operations from the region because of a change in the government. The new government has decided to close down this NGO because of fraud allegations. You are shocked to receive this news and call ?

your boss to get a confirmation from him. He has also received the same news from other sources and asks you to terminate the project and release the team. What must you do?

- A. Update lessons learned, release payments of your suppliers, pay all the employees and relieve them from their duties.
- B. Release payments of your suppliers, pay all the employees and relieve them from their duties.
- C. Close all project documents, release payments of your suppliers, pay all the employees and relieve them from their duties.
- D. Release payments, check the termination clause in contract, and relieve employees from their duties.

21. Nancy can bid on two projects. 'Project A' has a 50% return on investment, while the 'Project B' has 20% return on investment. The Project A's scope of work is complex and Nancy's organizations doesn't have the necessary skills and experience to perform this project. However, Project B's scope of work falls within the strengths of Nancy's organizations. Which project must Nancy bid on? ?

- A. None as this is a conflict of interest situation
- B. Both since the overall profit will be higher
- C. Project A since the return on investment is the highest
- D. Project B since the organization has the required skills

22. Debbie, an IT project manager, is in the planning phase of a shopping website development project. A junior project manager, who has been working under her authority, started developing procedures to indicate how the integrity of cost and schedule performance baselines should be maintained in the project. Where should the junior project manager store these procedures? ?

- A. In the project human resource plan
- B. In the project scope statement
- C. In the project management plan
- D. In the project communication plan

23. Your organization has recognized a need to replace the legacy manufacturing system with a modern software application to reduce delivery delays and process downtime. Your IT director anticipates a project to fulfill this business need, however, he warns that the new project's budget cannot exceed \$75,000 due to shortages in the department budget. He also indicates that no additional staff will be allocated to this project other than the existing IT staff. If you are assigned as a project manager to this project, you would document these initial project conditions as: ?

- A. Project assumptions in the project charter
- B. Project restrictions in the project management plan
- C. Project constraints in the project charter

D. Project conditions in the project cost management plan and human resource management plan

24. Which of the following is an output of the Create WBS process? ?

- A. Scope baseline
- B. Project scope statement
- C. Decomposition
- D. Requirements documentation

25. You have just received notice that the organization you've been working for as a project manager has gone bankrupt. All employees have been given 72 hours notice of termination. What is the best course of action for the two projects you are managing? ?

- A. Follow company directives.
- B. Conduct a project closeout meeting.
- C. Leave the office today.
- D. Raise a claim for and on behalf of all the employees and contractors who were participating in the project

26. Jen works as a project manager for the National weather agency. She has been managing a project which was designed to find the impact of climate changes on Northern mountains. The initial study established two months delay for the testing equipment to reach mountains due to road construction. However, a recent assessment has shown a significant drop in the delay time because of rapid progress in construction. Which of the following steps should Jen take next to account for the change in the delay time? ?

- A. Distribute the information
- B. Conduct a stakeholder meeting
- C. Create a new project plan
- D. Update the risk register

27. The method used in the plan quality management process to identify the factors that may influence specific variables of a product under development is known as: ?

- A. The forecasting technique
- B. The control chart
- C. The statistical sampling
- D. The design of experiments

28. A team member in your project is constantly providing incomplete deliverables and not performing well. What should you do first? ?

- A. Discuss the issue with the team member in private
- B. Discuss the issue with the team member in presence of the project sponsor

- C. Discuss the issue with the team member in the presence of other team members
- D. Discuss the issue with the team member in presence of the company's HR manager

29. Dana works for a Federal agency that manages mission critical projects. As a project manager, she is responsible for all communication needs in her data center project, which has started recently. This project involves many stakeholders, customers, external vendors and team members. Since conflicts are inevitable in such a huge project, she has decided to provide her project team the details of the issue escalation process including the names of the chain of command to escalate the issues that cannot be resolved at a lower level. Dana must use the following document to store this information: ?

- A. The project charter
- B. The communication management plan
- C. The issue log
- D. The project scope document

30. Bill is managing a website development project. He has recently received a feedback from one of the key project stakeholders. The feedback is overall positive but it contains some recommendations. After analyzing the recommendations, Bill accepts them, gets them approved and incorporates them into the project management plan. What needs to be done with this feedback now? ?

- A. Discard it as it is no longer required
- B. Publish it on the corporate intranet
- C. Add it to the organizational process assets
- D. Send it back to the stakeholder

31. The project you are working on has received an invoice from a vendor for USD \$17,500. However, your team believes the correct total due is \$15,300. When you notify the vendor of this, the vendor still insists on US\$ 17,500. What is the best course of action now? ?

- A. Pay \$15,300.
- B. Negotiate with the vendor.
- C. File a lawsuit.
- D. Pay \$17,500

32. Project costs are estimated for all project activities and aggregated to establish a cost baseline. Which of the following statements about the cost baseline is NOT true? ?

- A. The project cost performance is measured against the cost baseline
- B. The cost baseline is an output of the determine budget process
- C. The cost baseline includes all authorized budgets including

management reserves

D. The cost baseline is in the form of an 'S' curve

33. The RACI chart is an example for a responsibility assignment matrix (RAM). The letters R and C in RACI chart stand for ?
- A. Responsible and consult
 - B. Resource and consultant
 - C. Responsible and categorize
 - D. Resource and consult
34. The number of communication channels depends on the number of team members in any project. If five team members are released from a team of 25, how many communication channels remain in the project? ?
- A. 300
 - B. 625
 - C. 190
 - D. 400
35. You are managing a project for a customer that has just gone bankrupt and is subject to liquidation proceedings. There are several outstanding invoices that this customer has not paid to your company. What should you do now? ?
- A. Go into alternate dispute resolution
 - B. Do nothing.
 - C. Contact the appropriate management at your company for advice how to proceed.
 - D. Send the invoices to the bankruptcy attorneys.
36. You are in a meeting with your senior manager who has been helping you to organize and manage a team of IT people with numerous backgrounds. While you are discussing the creativity and breakthrough performance your team is demonstrating now, your senior manager indicates that your team has moved from the storming to the performing stage. Which of the following explains the characteristic of the performing stage? ?
- A. In the performing stage, the team completes the work and disbands as a project team
 - B. In the performing stage, the team function as a well organized unit and resolve issues effectively
 - C. In the performing stage, the team members are not collaborative
 - D. In the performing stage, the team starts to work together and adjust their behaviors
37. No matter how good you are in communicating, information distribution to stakeholders as planned is a challenging task. Many tools and techniques are used during the Manage Communications process EXCEPT: ?

- A. Performance reporting
- B. Work performance reports
- C. Communication technologies
- D. Communication models

38. Mary is a project manager for an infrastructure upgrade project in a Government agency. She has recently realized that a critical scheduled task exceeded the deadline and the stakeholders are on top of it. The resource manager has permitted to use three more resources to work and complete the delayed task. Although, the attempt from the resource manager helps her, Mary is concerned about the task because: ?

- A. Allocating more resources may result in rework
- B. Allocating more resources may shorten the duration but results in increased risk or cost
- C. Resources may need training to complete the task
- D. Allocating more resources need stakeholders approval

39. All of the following are tools of the Control Schedule process EXCEPT: ?

- A. Parametric estimating
- B. Modeling techniques
- C. Schedule compression
- D. Leads and lags

40. You are working with your customers on completed deliverables in your electronic parts manufacturing project. Since these parts are exported to other countries, they need more testing before your customers accept them. In this scenario, which of the following statements about the completed deliverables is CORRECT? ?

- A. Completed deliverables not accepted by customers must be forwarded to the close project or phase process
- B. Deliverables formally accepted by customers must be moved to organizational process assets
- C. Deliverables formally accepted by customers are forwarded to the validate scope process
- D. Completed deliverables not accepted by customers must require a change request for defect repair

41. You are managing a heavy equipment manufacturing project that involves many mechanical, electrical as well as IT staff. Your team prepared a schedule network diagram using duration estimates with dependencies and constraints. Your team also calculated the critical path for the project using late and early values. Today, your project office has indicated about the non-availability of some of the resources you planned for the project. Now, you explore the possibility of modifying the schedule to account for limited resources. What is your best possible step in such a situation? ?

- A. Recalculate critical path using the critical chain method
- B. Perform resource leveling to account for limited resources
- C. Use crashing or fast tracking to level resources across the project
- D. Apply leads and lags to develop a viable schedule

42. You are working as a project manager for a high yield crop development project. Data from the weather agency shows an unfavorable weather pattern for next few months. As a senior project manager, you want to assess the feasibility of the schedule under adverse conditions and provide some insights to your team. This way, your team can prepare some reserves and plan risk responses if unfavorable conditions exist during execution. Which of the following techniques should you use to assess the feasibility of the schedule? ?

- A. Pareto charts
- B. Variance analysis
- C. Crashing
- D. Monte Carlo analysis

43. All of the following activities are performed in the Close Project or Phase process EXCEPT ?

- A. Activities that fulfill the exit criteria of the project
- B. Sending the deliverables to the customer for acceptance
- C. Activities which are needed to transfer the completed products to operations
- D. Documenting the reasons for projects terminated early

44. Your project team has recently identified a risk in the software development project and decided not to change the project management plan to deal with the risk. The risk response strategy your team used in this scenario is an example of: ?

- A. Mitigate
- B. Transfer
- C. Avoid
- D. Acceptance

45. Which of the following is neither an input to nor an output of the Develop Project Charter process? ?

- A. A project charter
- B. Professional and technical associations
- C. A business case
- D. A project statement of work

46. Which of the following does not motivate an individual? ?

- A. Achievement and growth

- B. Job satisfaction
- C. Micro-management
- D. Challenging work

47. You have just completed the first phase of a multi-phase project. You have performed the earned value measurements and found out that the current CPI is 0.79, the current SPI is 0.98. Your next phase plan should focus first on which element of the project? ?

- A. Quality
- B. Resources
- C. Schedule
- D. Cost

48. A project manager has just started planning his project. If he has very limited information about the project, he must use the following technique to estimate the duration for each activity: ?

- A. Four-point estimating
- B. Three-point estimating
- C. Analogous estimating
- D. Parametric estimating

49. You are in the Validate Scope process of your electronic goods manufacturing project. While reviewing some products, you have noticed that the tolerance for one product is 0.01% less than what was listed in the requirements documentation. This deviation may not be a problem for the customers and it may not negatively impact the operations. What is your best immediate action in such a situation? ?

- A. Notify the customers about the deviation
- B. Change the project management plan to allow for small deviation
- C. Reject all products and restart the project
- D. Discuss with your team about the quality testing

50. You have recently taken over a troubled automobile project which has gone out of control. The project team missed many deadlines and stakeholders were not happy with the project progress. As an experienced project manager, your first priority is to bring the schedule into alignment with the project plan. You would like to use what-if scenario analysis to see how various factors affected the project schedule so that you can develop a plan to reduce the impact of adverse conditions on the project schedule in future. What would be your next course of action once you determine the factors that created schedule overrun? ?

- A. Prepare a resource breakdown structure to identify resources used
- B. Update activity lists to incorporate new activities into the schedule
- C. Generate change requests for a corrective action
- D. Develop project schedule network diagrams to determine the total

slack

Answers

1. D - Review the RFP requirements and specifications. Such a wide range of quotes indicates that there may be elements that are not stated clearly or correctly. Because there is no evidence of collusion between the consultant and the lowest bidder, the RFP review is the best choice. [*PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
2. C - Project managers must actively communicate and work with stakeholders to meet their needs and address their issues as they occur. However, there might be occasions when some issues need to be resolved outside the project and some need to be deferred to the next phases of the project. In such cases, project manager must work with stakeholders to defer those issues. He must not escalate these issues to the sponsor without talking to the sponsors first. Asking the stakeholders to withdraw their issues is not recommended. [*PMBOK 5th edition*, Page 405, 406] [Project Stakeholder Management]
3. A - Project managers must adhere to code of ethics and professional conduct. They must maintain fairness and honesty. Since the new job requires some illegal and unethical activities, Marvin must reject the offer. [*PMI code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
4. B - Intelligence quotient (IQ) is an assessment of an individual's intelligence. This is not a soft skill. Soft skills are an individual's interpersonal skills and they include emotional intelligence, negotiation and group facilitation etc. [*PMBOK 5th edition*, Page 275] [Project Human Resource Management]
5. D - The stakeholder register template do not contain stakeholders information, it only helps the project manager produce his/her project's stakeholder register. If Julia is not comfortable with the list, she needs to identify more stakeholders until she is satisfied. Interviewing the identified key stakeholders again might not resolve the issue. The best option is to seek an expert's opinion. [*PMBOK 5th edition*, Page 397] [Project Stakeholder Management]
6. B - Projects are closed during the Close Project or Phase process. One of the tools which can be used in this process is the expert judgment. Expert judgment can be obtained from consultants or industry experts. These experts make sure that all project standards are followed when they are closed. In this scenario, you want to use experts from your own organization in closing the project. [*PMBOK 5th edition*, Page 102] [Project Integration Management]
7. D - Projects are temporary and unique in nature where as operational work is repetitive in nature. Since Nancy is working to construct three unique buildings and each has a definitive beginning and a definitive end, each effort is considered as a project. [*PMBOK 5th edition*, Page 3] [Project Framework]
8. A - Push communication is used to send information to specific recipients who need to know. Push communication is done using letters, faxes and memos etc.. Pull communication is used for large volume of information. The methods for this kind of communication include internet sites and blogs etc. Since you want to notify public about the environmental changes, you must use pull communication methods. [*PMBOK 5th edition*, Page 295] [Project Communications Management]

9. B - Resource calendars are used to know the availability of team members for team development activities. The responsibility assignment matrix gives the responsibilities assigned to various team members. Project staff assignments give details of individual assignments and project organization charts display team members and their reporting relationships. The project charter does not give any of that information. Hence, Lesley must use resource calendars to know that information. [*PMBOK 5th edition*, Page 265] [Project Human Resource Management]
10. A - Stakeholders' influence is highest during the early stages of the project and lowest towards the end of the project. [*PMBOK 5th edition*, Page 406] [Project Stakeholder Management]
11. B - Risk mitigation is a negative risk response strategy; it is not applicable to positive risks. [*PMBOK 5th edition*, Page 345] [Project Risk Management]
12. D - Sellers are selected and procurement contracts are awarded to selected sellers in the conduct procurements process. Contracts can be awarded in the form of a purchase order. Since PMO selected you to write the purchase order, it is in the process of conducting procurements. [*PMBOK 5th edition*, Page 371] [Project Procurement Management]
13. A - Since Randy is using product quality variance information and corresponding corrective action information, he and his team are in the process of quality control. In quality control, all quality activities and their results are recorded to assess the quality performance. Corrective actions are taken to bring the quality on track. Lessons learned databases are part of organizational process assets and these assets are updated in the quality control process. Hence, Randy must update organizational process assets during the quality control process. [*PMBOK 5th edition*, Page 254] [Project Quality Management]
14. B - Since Shawn is in the execution phase and stakeholders are requesting project information, he must be in the Manage Communications process. The communications management plan, organizational process assets and work performance reports are inputs to this process. So, Shawn must use any of these documents to respond to their requests. The stakeholder register is an output of identify stakeholders process and it does not give any information about the project progress. Hence, 'The stakeholder register' is the correct answer. [*PMBOK 5th edition*, Page 297] [Project Communications Management]
15. D - The stakeholder register must be updated as now there is a new project stakeholder on the project. Changes to the stakeholder management plan might also be required to ensure that the new key stakeholder is properly engaged with the project. Addition of a new key stakeholder brings some degree of uncertainty to the project; this should also be recorded in the risk register. The issue log is least likely to be updated in this case. [*PMBOK 5th edition*, Page 408, 409] [Project Stakeholder Management]
16. D - Since the drug testing raised doubts over the chemicals supplied by the contractor, you must ensure that contractor is following the quality requirements by inspecting and auditing sellers deliverables. You can also include seller's personnel during auditing. All other actions including meeting with the sponsor and stakeholders can be performed later, if the seller is not following the contractual requirements. Therefore, 'Carryout audits and inspections to verify compliance in the seller's deliverables' is the first action required from you. [*PMBOK 5th edition*, Page 383] [Project Procurement Management]

17. C - Since the project manager is spending the money and managing resources, she is currently in the execution phase of the project. Spending levels are maximum in the execution phase. Stakeholder influences on the project decrease over the life of the project. Hence, stakeholder influence is less now compared to previous phases. [*PMBOK 5th edition*, Page 39, 40] [Project Framework]
18. B - Since the Rough Order of Magnitude (ROM) in the planning phase is -25% to +25%, the estimated mean value is 4 million dollars. If the estimates narrow down to -10% to +10% it becomes 3.6 to 4.4 million dollars. [*PMBOK 5th edition*, Page 201] [Project Cost Management]
19. C - The total duration of the project doesn't influence the organization's make-or-buy decisions. The rest of the choices are valid. [*PMBOK 5th edition*, Page 374] [Project Procurement Management]
20. D - Release payments, check the termination clause in the contract, and relieve employees from their duties. PMI requires project managers to follow all processes and policies, including contracts. [*PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
21. D - Nancy must not bid for the 'project A' since her organization lacks the required skills and experience. This leaves her with only 'project B' to bid on. Project managers are mandated by the PMI's code of ethics and professional conduct to accept only those assignments that are consistent with their background, experience, skills and qualifications. [*PMI Code of Ethics & Professional Conduct*, Page 2] [Prof. Responsibility]
22. C - The baselines change only when a change request is generated. A project management plan documents the instructions to handle changes to performance baselines. These baselines include scope, cost and schedule baselines. Therefore, the junior project manager must store these procedures in the project management plan. [*PMBOK 5th edition*, Page 77] [Project Integration Management]
23. C - The budget restrictions and staffing restrictions must be known early in the project. These restrictions are also known as constraints which form the boundary of the project. Constraints must be documented as early in the project as possible. Since Project charter is the first document prepared in the project, all constraints must be recorded in the project charter to get an agreement from stakeholders. Hence, you must document these conditions as project constraints in the project charter. [*PMBOK 5th edition*, Page 72, 124] [Project Integration Management]
24. A - The scope baseline is an output of the Create WBS process. The rest of the choices are either inputs or tools and techniques of the process. [*PMBOK 5th edition*, Page 125] [Project Scope Management]
25. A - Follow all company directives. The organization management is responsible for developing these directives, which may include specific instructions on closing out work in progress. [*PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
26. D - The delays are considered as risks to the project. In this scenario, the reassessment indicated a drop in the risk (delay time) compared to the initial risk identification. The risk reassessment is done in the control risks process and the outcome of the risk reassessments updates the risk register. Therefore, Jen must take steps to update the risk register. Other steps can be taken after updating the risk register. [*PMBOK 5th edition*, Page 351] [Project Risk Management]
27. D - The design of experiments is a quality planning tool to identify the factors that may influence specific variables of a product under development. This tool is

used to determine the number of quality tests in a project. [*PMBOK 5th edition*, Page 239] [Project Quality Management]

28. A - Discuss the issue with the team member in private. Conflicts should be first addressed in private, using a direct and collaborative approach. [*PMBOK 5th edition*, Page 283] [Project Human Resource Management]
29. B - The issue escalation process must be documented during the planning phase of a project. The issues that cannot be resolved at a lower level can be escalated using a chain of command within a stipulated time frame. This information is part of the communication management plan. [*PMBOK 5th edition*, Page 296] [Project Communications Management]
30. C - The feedback must not be discarded. It needs to be stored in the organizational process assets library. Sending it back to the stakeholder does not make any sense. There is no restriction in publishing it, but updating the organizational process assets should be the project manager's priority. [*PMBOK 5th edition*, Page 415] [Project Stakeholder Management]
31. B - Negotiate with the vendor. Making a unilateral decision is counter to the PMI Code of Ethics, requiring good faith negotiations. Failing to negotiate will not be in the best interest of either the project or the vendor. [*PMBOK 5th edition*, Page 384; *PMI Code of Ethics and Professional Conduct*, Page 3] [Prof. Responsibility]
32. C - The project cost baseline includes all authorized budgets excluding management reserves. Management reserves are not included to measure the cost performance of a project. Therefore, 'The cost baseline includes all authorized budgets including management reserves' is not a true statement. [*PMBOK 5th edition*, Page 212, 213] [Project Cost Management]
33. A - The responsibility assignment matrix (RAM) is used to show the relationship between resources and work packages. A RACI chart is an example for RAM and the letters in RACI chart stands for responsible, accountable, consult, and inform. [*PMBOK 5th edition*, Page 262] [Project Human Resource Management]
34. C - The total number of communication channels in a project can be determined using a formula $n(n-1)/2$ where n represents the number of team members. In this scenario, since 20 team members exist after relieving 5, total number of communication channels left = $20(19)/2 = 190$. Hence 190 is the correct answer. [*PMBOK 5th edition*, Page 292] [Project Communications Management]
35. C - You are responsible for finding the right way of handling this situation. You must contact your management for advice how to proceed. Your company may already have plans in place for this scenario, and if not, they will develop a path forward. [*PMI Code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
36. B - There are five stages of team development: Forming, Storming, Norming, Performing and Adjourning. In the Forming stage, the team works independently; In the Storming stage, the team begins to understand the project work; In the Norming stage, the team begins to learn one another; In the performing stage, they work as a well organized unit and show the maximum performance; In the Adjourning stage, the team completes the work. [*PMBOK 5th edition*, Page 276] [Project Human Resource Management]
37. B - The work performance reports are inputs to the Manage Communications process. The rest of the choices are the valid tools and techniques of the Manage Communications process. [*PMBOK 5th edition*, Page 297] [Project

Communications Management]

- 38. B** - To meet schedule constraints, schedule compression techniques are used to reduce the schedule duration. The crashing and fast tracking are two such techniques. Crashing involves allocation of more resources to reduce the duration. Crashing always does not produce a desirable result and may result in increased risk. Providing training is not a problem from project manager's point of view. Stakeholder's approval is not required when resources are not allocated. So, Mary's concern is only about increased risk or cost due to allocation of more resources to the task. [*PMBOK 5th edition*, Page 181] [Project Time Management]
- 39. A** - Leads and lags, Schedule compression and Modeling techniques are used as tools to the Control Schedule process. Parametric estimating is not a tool of this process. [*PMBOK 5th edition*, Page 185] [Project Time Management]
- 40. D** - Validate scope is the process of formalizing the acceptance of finished deliverables. In this process, stakeholders or customers give formal acceptance to the completed deliverables and deliverables not accepted by them must initiate a change request for defect repair. The accepted deliverables must be forward to the close project or phase process. Therefore, 'Completed deliverables not accepted by customers must require a change request for defect repair' is the correct answer. [*PMBOK 5th edition*, Page 136] [Project Scope Management]
- 41. A** - A critical chain method is used to prepare a schedule network diagram with limited resources. A network diagram is prepared initially and the critical path is then calculated. Availability of resources is entered and resource-limited schedule is prepared. Duration buffers are used in critical chain method. Hence, recalculating the critical path using the critical chain method is the next best step. [*PMBOK 5th edition*, Page 178] [Project Time Management]
- 42. D** - Modeling techniques are used to prepare a schedule under different scenarios. The outcome of these techniques assess the feasibility of the project schedule if adverse conditions exist. Monte Carlo is one of such techniques that involves simulation by calculating multiple project duration with different set of activity assumptions using probability distribution. [*PMBOK 5th edition*, Page 180] [Project Time Management]
- 43. B** - Sending the deliverables to the customer for acceptance is an activity of Validate Scope process. The rest of the choices are activities related to the Close Project or Phase process. [*PMBOK 5th edition*, Page 101] [Project Integration Management]
- 44. D** - When risks cannot be handled or managed in a project, it is advisable to accept them. In this scenario, your team is unable to identify suitable response strategy. Hence, risk acceptance is the correct strategy to plan for. [*PMBOK 5th edition*, Page 345] [Project Risk Management]
- 45. B** - A project statement of work and a business case are inputs to the Develop Project Charter process. A project charter is an output of the Develop Project Charter process. Professional and technical associations are used as tools to gather expert opinions while developing a charter. Hence, 'Professional and technical associations' is the correct answer. [*PMBOK 5th edition*, Page 66] [Project Integration Management]
- 46. C** - Micro-management does not motivate an individual. The motivation factors include: job satisfaction, challenging work, sense of accomplishment, achievement and growth, financial compensation, and other rewards and

recognitions. [*PMBOK 5th edition*, Page 514] [Project Human Resource Management]

47. D - A Schedule Performance Index (SPI) of less than one indicates that less work has completed than planned and a Cost Performance Index (CPI) of less than one indicates a cost overrun for the work completed. In this scenario, cost overrun is more compared to the schedule delay. Therefore, you must focus on the cost of the project to reduce it for next phase. [*PMBOK 5th edition*, Page 219] [Project Cost Management]
48. C - When there is a limited amount of information available about a project, analogous estimating is used to estimate the activity durations. This estimating technique uses parameters such as budget, complexity and size from previous projects to estimate the duration. Since the project manager has just started planning and he has very limited information, he must use analogous estimating. [*PMBOK 5th edition*, Page 169] [Project Time Management]
49. A - When you find a defective product, you must notify customers immediately even if the deviation may not affect customers. As a project manager, you must maintain honesty and should not hide facts. After notifying customers, the project manager must discuss with the team and change project management plan based on the customer's input. Hence, the first step you must take in this process is to notify the customers about the deviation. [*PMI code of Ethics and Professional Conduct*, Page 2] [Prof. Responsibility]
50. C - You are in the process of determining the status of the project schedule and influencing the factors that caused schedule changes. Based on the scenario, you are currently in the Control Schedule process. What-if analysis is used in Control Schedule process to see how various factors influence the schedule. One output of this process is to generate change requests to correct the schedule. Hence you should generate a change request for the required corrective action. [*PMBOK 5th edition*, Page 81, 191] [Project Time Management]

Stakeholder Test Questions

1. Anthony is currently managing a bridge construction project. The project is in the execution phase. During the planning phase of the project, Anthony developed a comprehensive stakeholder management plan for the project. However, the frequency of the plan review has not been defined. How often should the stakeholder management plan be reviewed by Anthony?
A. On a monthly basis.
B. The stakeholder management plan cannot be reviewed during the execution of the project.
C. On a weekly basis.
D. On a regular basis; frequency needs to be decided by Anthony. ?
2. Jim is managing a road network design project for a government agency. He is currently carrying out the Plan Stakeholder Management process for the project. Which of the following documents will provide the list of project stakeholders to Jim for this process?
A. Organizational process assets
B. Enterprise environmental factors
C. Stakeholder register
D. Project management plan ?
3. Gordon is currently developing his project's stakeholder management strategy. All enterprise environmental factors should be considered during this process. Which of the following enterprise environmental factors should be paid special attention during this process?
A. Project templates
B. Lessons learned from past similar projects
C. Commercial databases
D. The organization's culture and structure ?
4. Daniel is the project manager for a factory construction project. Daniel has recently joined this organization and is not fully aware of the organization's culture and structure. In order to manage his project stakeholders, Daniel has to understand his project stakeholders better. Which of the following can provide Daniel some historical information regarding stakeholder management on previous projects?
A. Project management plan
B. Enterprise environmental factors
C. Organizational process assets
D. Project charter ?
5. The Project Stakeholder Management knowledge area is focused on engaging project stakeholders with the project. What is the objective of ?

effectively keeping the project stakeholders engaged with the project?

- A. To manage their expectations so that the project objectives are achieved.
 - B. Using consistent project management methodology across organizational projects.
 - C. To motivate the project team members.
 - D. To demotivate the negative stakeholders.
6. Christine is managing a healthcare software development project. At a PMI conference, she met George who is the project manager at a competitor organization. George is a PMP and has successfully delivered many successful healthcare related software development projects. If George shares his stakeholder management experience with Christine, will that be considered Expert Judgment? ?
- A. No! George is a project manager at a competitor organization.
 - B. Yes! All participants at a PMI conference are experts.
 - C. Yes! George is an expert in managing such projects.
 - D. No! This would be an example of expert opinion and not expert judgment.
7. Sandra is managing a new supersonic aircraft design project. This is a huge project and the success of this project is very critical for her organization. For such mission-critical projects, which of the following is the most desirable engagement level for all major project stakeholders? ?
- A. Resistant stakeholders
 - B. Leading stakeholders
 - C. Neutral stakeholders
 - D. Supportive stakeholders
8. Jennifer has recently been asked to manage an office refurbishment project. She finds out that the chief financial officer of the company is resisting the project. The chief financial officer is a key project stakeholder. What must Jennifer do first? ?
- A. Seek expert judgment from the project initiator.
 - B. Seek support from the project sponsor to force project decisions.
 - C. Conduct a team meeting to discuss this issue.
 - D. Analyze options that might change or influence the chief financial officer's perception.
9. Greg's project is in the initiating stage. The sponsor of the project has asked Greg to present a list of the identified project stakeholders in the next project update meeting. He has also asked Greg to present the project stakeholders current and desired engagement levels so that they can brainstorm on the stakeholder management strategy. Which of the following is a presentation tool that can help Greg summarize all of this ?

information in a tabular format?

- A. Communications management plan
 - B. Stakeholder register
 - C. Stakeholders engagement assessment matrix
 - D. Stakeholder management plan
10. Diana is managing the development of a mobile phone application. Half of the project work has been completed. Diana is currently reviewing her stakeholder management plan. She finds out that some of the resisting stakeholders have now become supportive. How should Diana update her stakeholder management plan? ?
- A. Do not update the stakeholder management plan at this stage as things are getting better.
 - B. Transfer these stakeholders to the project supporters group, and for these stakeholders, adopt the stakeholder management strategy defined for the project supporters.
 - C. For these stakeholders, continue with the defined resisting stakeholder management strategy as this strategy has produced positive results so far.
 - D. Transfer these stakeholders to the project supporters group but continue with the defined resisting stakeholder management strategy with these stakeholders.

Answers

1. D - As projects progress, project stakeholders, their interests, needs, expectations and engagement levels may change. The stakeholder management plan should be regularly reviewed by the project manager. The frequency of the review should be decided by the project manager if that has not been imposed by the top management. [*PMBOK 5th edition*, Page 400] [Project Stakeholder Management]
2. C - The stakeholder register, an output of the Identify Stakeholders process, documents all of the identified project stakeholders and related information. The stakeholder register (an input to the Plan Stakeholder Management process) will provide the necessary information to Jim. [*PMBOK 5th edition*, Page 400] [Project Stakeholder Management]
3. D - The lessons learned and the project templates are not enterprise environmental factors, these are organizational process assets. The commercial databases can provide very limited information to develop the stakeholder management plan. During the Plan Stakeholder Management process, the organization's culture and structure are of particular importance. [*PMBOK 5th edition*, Page 401] [Project Stakeholder Management]
4. C - The project charter and the project management plan do not document lessons learned from previous similar projects. Lessons learned are stored in the organization's process assets library. [*PMBOK 5th edition*, Page 401] [Project Stakeholder Management]
5. A - The core objective for stakeholder engagement management is to ensure that

the project stakeholders are kept satisfied and their expectations are being met throughout the course of the project. Keeping the project team members motivated and using a consistent project management methodology are generic objectives of project management. [*PMBOK 5th edition*, Page 400] [Project Stakeholder Management]

6. C - George is giving an expert opinion; this is analogous to expert judgment. A PMP certified project manager from a competitor would not normally give false information. This can be considered an expert judgment since George has successfully delivered many similar projects. [*PMBOK 5th edition*, Page 401] [Project Stakeholder Management]
7. D - It would be an ideal situation for any project if all of the major stakeholders are supportive of the project. This will ensure smooth project progress and timely resolution of issues. In the real world this might not be achievable; nevertheless, it is the most desirable state for all major stakeholders. On the other hand, if all major stakeholders assume a leading role, this will lead to major and serious conflicts. [*PMBOK 5th edition*, Page 402] [Project Stakeholder Management]
8. D - In this scenario, the chief financial officer is a resistant key stakeholder. The chief financial officer must be turned into a project supporter in order to ensure success. Any of the given choices can be the solution to this problem. However, Jennifer should first identify all the available options and analyze them before selecting the best option. [*PMBOK 5th edition*, Page 402] [Project Stakeholder Management]
9. C - Both the communications and stakeholder management plans are detailed textual documents. They are not presentation tools. On the other hand, both the stakeholder register and the stakeholders engagement assessment matrix contain the required information. However, the stakeholders engagement assessment is the best tool to be selected in this situation as it only presents the information required by the project sponsor in a tabular format. [*PMBOK 5th edition*, Page 402] [Project Stakeholder Management]
10. B - The stakeholder management plan should be reviewed regularly. Since some of the resistant project stakeholders have now become project supporters, this implies that the current stakeholder classification in the stakeholder management plan is no longer accurate. These stakeholders should now be transferred to the project supporters group, and going forward the stakeholder management strategy defined for the project supporters should be adopted for these stakeholders. Although the stakeholder management strategy for the resisting stakeholders has delivered great results, it should only be applied to the current project resistant stakeholders. [*PMBOK 5th edition*, Page 400] [Project Stakeholder Management]

professional and Social Responsibility Practice Questions

1. You have just initiated a project to establish windmills in a developing country. To celebrate the initiation of the project, the customers arranged a party in which a key customer offered valuables to all of your project team members including yourself with a request to complete the project sooner than the actual finish date. What should you do? ?
 - A. Accept the offer and agree to finish the project early
 - B. Reject the offer because it violates the code of ethics and professional conduct
 - C. Accept the offer but refuse to complete the project early
 - D. Reject the offer and do not communicate with that customer

2. You overlooked a high-level risk in an insurance project and failed to document it in the project charter. If the risk shows up during the planning phase, what should be your response as a project manager? ?
 - A. Take the responsibility and evaluate the impact
 - B. Call a customer meeting to inform them that risk has occurred
 - C. Escalate to the sponsor for advice
 - D. Develop the risk response plan and communicate to the team

3. You have recently started working as a project manager for a public school construction project. Your analysis shows that the cost estimate for the project seems to be unreasonable and it could take at least 25% more to complete the project. What should you do if your sponsor wants to carry out the project with another project manager in case you refuse to accept it? ?
 - A. Conduct a customer focus meeting to explain the facts
 - B. Resign from the project and let the sponsor assign new project manager
 - C. Submit detailed facts to the supervisor supporting your argument
 - D. Continue with the project and document the limited budget as a constraint

4. You have recently started working as a project manager for a health insurance portal development project. The project sponsor tells you that due to the critical nature of the project the work must start immediately and complete in two weeks. Based on the instructions, you have started documenting major constraints and assumptions to perform the project feasibility study. What should you do if you are able to prepare only the high-level feasibility study in the given time frame? ?
 - A. Conduct the stakeholder meeting to evaluate other options
 - B. Escalate this issue to the sponsor and explain the need for more detailed study

- C. Submit the high level study and start making plans to prepare the charter
 - D. Submit the high level study and schedule a detailed study in the planning phase
5. Danny has been working as a project manager for a company which provides outsourcing services to banks. Recently, he has sent a proposal to a local bank in response to a bid for a data warehouse project in which his company lacks expertise. Although his company lacks expertise, it has good working relationship with the bank in all other projects. Which of the following statements is correct considering the proposal that Danny submitted? ?
- A. Danny has not violated the PMI code of ethics and professional conduct
 - B. Danny has violated the company policy but not the PMI code
 - C. Danny has violated the procurement code but not the PMI code
 - D. Danny has violated the PMI code of ethics and professional conduct
6. In a software development project, Debby, the project manager completed developing a charter and identification of stakeholders. Since multiple contracts are involved in the project, Debby has collected proprietary information from vendors during the planning process to decide on the contract. What should Debby do when a functional manager from the same organization wants to see this information? ?
- A. Deny the request as the manager is not part of the project
 - B. Accept the request as the manager belongs to the same organization
 - C. Deny the request to protect the confidentiality of the information
 - D. Accept the request but caution the manager to maintain confidentiality
7. You are responsible for developing high-level risks, assumptions, and constraints for your project. You meet with experts in your organization and understand various risks in the project. However, you notice a significant risk to the project based on the historical data from a previous project about which nobody is aware of. What should you do to continue the project? ?
- A. Do not document the risk as it is based on past data
 - B. Document but make it a low-level risk
 - C. Document and make it a high-level risk
 - D. Do not document the risk since nobody knows about it
8. You are using the one-on-one interview technique to gather high-level risks, assumptions, and constraints in an infrastructure development project to set up a bank. During the interview process a key stakeholder tells you that the project might end up in failure due to lack of support from the local people. What should you do in this situation? ?

- A. Escalate stakeholder's comments to the sponsor for his advice
 - B. Investigate the reasons behind stakeholder's comments
 - C. Document stakeholder's comments and continue with the project
 - D. Ignore stakeholder's comments and continue with the project
9. You have started a project to establish a railroad between two neighboring cities. The state agency that sponsors this project is very much committed to complete this project on time and within budget. To support the agency's intention, you have completed the charter and started identifying stakeholders who would support the project. You would like to gather as many stakeholders as possible to successfully complete this project and move on to the planning phase. What should a project manager do while identifying stakeholders in a project? ?
- A. Notify the negative stakeholders to talk to the sponsor
 - B. Identify positive stakeholders and eliminate negative stakeholders to gather maximum support for the project
 - C. Identify positive stakeholders and request negative stakeholders to be out of the project
 - D. Identify both the positive and negative stakeholders and address their concerns
10. Due to shortage of resources, a project manager has made a decision in a 3-year construction project to develop a partial work break down structure (WBS) in the beginning of the planning phase. The WBS will be expanded as more information is known in the near term. What should the project manager do if a key resource criticizes her decision to develop the partial WBS? ?
- A. Ignore the resource's comments
 - B. Remove the resource from the project
 - C. Re-develop the complete work breakdown structure for all 3 years
 - D. Explain to the resource about the Rolling wave planning
11. You are using parametric estimating techniques to estimate costs for each activity and the total budget in your project. However, a project manager who is a colleague of you tells you to bump up each estimate by 20% to account for any unknown risks and submit that as a total budget for the customers. What should you do? ?
- A. Do not inflate the estimate
 - B. Inform the customer and then inflate the estimate
 - C. Inflate the estimate first and inform the customer
 - D. Inflate the estimate but do not inform the customer
12. Two of your team members are in constant argument with each other on work assignments. Due to their attitude, the project is getting delayed and pressure is building on other team members. What should you do? ?

- A. Issue a memo
- B. Meet with them to understand their concerns
- C. Inform the concerned functional manager
- D. Replace the team members

13. After several brainstorming sessions with customers, Kurt established various project deliverables in an IT project. Two weeks later, While reviewing the plan, Kurt identifies two similar deliverables and determines to merge both of them into a single deliverable. What should Kurt do next? ?

- A. Merge the deliverables and inform the customer
- B. Submit the need to merge to the customer
- C. Merge the deliverables but do not inform the customer
- D. Merge the deliverables but do not update the project management plan

14. The management of a retail business unit has just assigned Mario to compare multiple projects and select a best project that will produce most value for the unit. Although Mario has been working as a project manager for a long time, he has a very limited knowledge and understanding on the project selection methods. What should be the first course of action from Mario in this scenario? ?

- A. Select the best project with whatever knowledge he possess
- B. Refuse to take the assignment
- C. Obtain expert's judgment to help select the project
- D. Inform the management about lack of knowledge on project selection methods

15. You are hired by a company to work as a project manager in a foreign country. You discover that you must pay kickbacks to the officials to get licenses in your project. What should you do? ?

- A. Offer kickbacks but inform your management
- B. Resign from the project
- C. Offer kickbacks but document in the project cost management plan
- D. Refuse to pay kickbacks

16. Jack is currently identifying stakeholders in his automobile project. While talking to his senior manager, Jack learns that one of the key stakeholders, who he identified in his project, is so influential that he was able to dismiss an IT project before moving into the planning phase. What should Jack do with such influential stakeholders? ?

- A. Get an approval from sponsor to eliminate them from the project
- B. Involve them from the beginning of the project and manage them closely
- C. Provide limited access to project information compared to other stakeholders

- D. Provide more access to project information compared to other stakeholders
17. While conducting interviews for a project manager position you happen to see your classmate in the list of prospective candidates. What would you do immediately? ?
- A. Encourage your classmate by offering some tips
 - B. Resign from the interview panel
 - C. Remove your classmate from the list
 - D. Inform the interview panel of the relationship
18. While talking to your one of your team leaders you discover that he was in constant criticism from a team member about the allocation of tasks. The team leader also indicates that the specific team member also delays many tasks causing delays in the project schedule. What action should you take as a project manager? ?
- A. Conduct a meeting with the sponsor, team leader, and the team member
 - B. Approach the team member and understand his point of view
 - C. Replace the team member
 - D. Direct your team leader to issue a memo
19. What should you do as a senior project manager if the PMP certification claimed by a recently recruited project manager does not appear in the PMI website? ?
- A. Advise your new recruit to complete his certification
 - B. Report to the PMI
 - C. Report to the sponsor
 - D. Request more information from the new recruit
20. You have recently acquired a project from a PMP certified project manager, who has been removed from the project due to incompetency and lack of skills. When you happen to meet him outside your building, he started rebuking you for taking his project. He even goes so far as to suggest that your religion plays a part in your selection by the management. What should you do FIRST? ?
- A. Report to the customer
 - B. Do nothing
 - C. Report to the Police
 - D. Report to Project Management Institute (PMI)
21. In a manufacturing project, you have requested bids to procure stainless steel products. But, your sponsor insists you to conduct bidder conferences before selecting sellers. What mandatory standard in PMI code of ethics and professional conduct would be satisfied by conducting bidder ?

conferences?

- A. Honesty
- B. Respect
- C. Responsibility
- D. Fairness

22. You are using joint application development (JAD) sessions in a software development project to collect product requirements from stakeholders. Which of the following mandatory standard in the PMI code of ethics and professional conduct is fulfilled with JAD sessions while gathering requirements? ?

- A. Honesty
- B. Fairness
- C. Responsibility
- D. Respect

23. A functional manager in your organization has recently filed a complaint against a junior project manager regarding his project management certification. The functional manager claims that the PMP certification claimed by the junior project manager is false and needs to be verified. What should be your response as a senior project manager? ?

- A. Report to PMI
- B. Suspend the junior project manager
- C. Ask your project manager to provide evidence for his/her PMP certification
- D. Ask your functional manager to provide evidence for his argument

24. While conducting a brainstorming session to identify stakeholders, a process manager disagrees with you on a decision you have made regarding the influence and impact of each stakeholder on the project. He even makes some comments against you in front of other stakeholders. As a senior project manager what should be your immediate response? ?

- A. Do nothing in the meeting but later escalate this issue to the sponsor
- B. Take the help of other stakeholders and present your argument
- C. Propose an immediate meeting between the two of you to resolve the differences
- D. Remove the process manager from the project

25. Which of the following has been identified as one of the single biggest reasons for project success or failure? ?

- A. Communication
- B. Scope
- C. Costs

D. Schedule

26. You have given a chemical manufacturing project that could potentially contaminate the ground water in the neighboring residential community. After detailed analysis, you learn that the impact could be severe over long run. If the sponsor of the project wants to complete this project PMP Focus Area Test: Professional and So as soon as possible, being a senior project management practitioner you must: ?
- A. Undertake the project but not inform the residents
 - B. Refuse to take up the project
 - C. Support the sponsor
 - D. Undertake the project but inform the residents
27. You are working in a software development project in which specialized resources are required to perform some tasks. You estimate that these resources will be required during the executing phase of the project. However, your estimation fails to account for the fact that these resources will be available for only limited hours in the executing phase. What should you do to make schedule changes based on the limited availability? ?
- A. Communicate to customers and update the baseline
 - B. Update the project schedule
 - C. Update the schedule baseline
 - D. Perform an impact analysis
28. A project manager has completed identification of stakeholders and started planning for a flow instruments installation project in a hospital. While developing the project management plan, a team member indicates that a stakeholder in the X-Ray department is missing from the stakeholder's list. Which of the following statements indicate the BEST response from the project manager? ?
- A. Authenticate the information from the team member
 - B. Include and involve the stakeholder immediately
 - C. It is too late to involve a stakeholder in the planning, so ignore the stakeholder
 - D. Wait until the execution phase to involve the new stakeholder
29. While gathering high-level business requirements for a software development project using facilitated sessions, one of your customers proposes a requirement which may not be possible due to technological limitations. If the customer insists on the requirement what should you do? ?
- A. You should not document the requirement
 - B. You should document the requirement and include it as a risk
 - C. You should listen to the customer and understand his view point
 - D. You should document the requirement to meet customer

expectations

30. You have just started leading a World bank health care development project in an developing country in which it is customary to offer lunch when a project is initiated. Although, your team members are willing to accept the offer, you decide to refuse the offer since you are well-aware that the PMI's code of ethics and professional conduct does not allow to take gifts. Which of the following statements are TRUE considering your decision?
- A. Your decision is wrong because you should obey the norms and customs of others as long as you do not favor them
 - B. Your decision is correct because you are engaging yourself in unethical behavior by accepting the lunch
 - C. Your decision is correct because you are following the PMI's code of ethics and professional conduct
 - D. Your decision is wrong because conduct rules only apply to local projects not international projects

Answers

1. B - Since the stakeholder made a request by offering gifts, you should refuse the offer. The PMI's code of ethics and professional conduct indicates that a project manager should never engage in unfairness. Favoring one or more customers by taking gifts is not allowed. Thus, you should reject the offer because it violates the code of ethics and professional conduct. Not communicating with one customer could deteriorate the relationships with other customers as well. If it is customary in that country to offer gifts, you might take it without agreeing to customer's request. [*PMI code of Ethics and Professional responsibility*, Page 3] [Prof. Responsibility]
2. A - According to the PMI code of ethics and professional conduct, project managers must take the ownership of the decisions they make or fail to make. Thus, you should take the responsibility and evaluate the impact first. A risk response plan should be developed only after evaluating the impact. Calling a customer meeting cannot get rid of the risk. You should escalate to the sponsor only if the risk is beyond your control. [*PMI code of Ethics and Professional responsibility*, Page 2] [Prof. Responsibility]
3. C - Project managers have responsibility to present truthful and accurate information regarding costs, schedules, and resources. So, you must submit the facts that substantiate your argument. If your argument is correct, then the sponsor might agree with you. Talking to customers is not appropriate. Continuing the project will make the project fail. It is inappropriate to resign from the project without presenting the facts. [*PMI code of Ethics and Professional responsibility*, Page 3] [Prof. Responsibility]
4. B - Developing a detailed feasibility study is essential to initiate a project. If efforts are not made initially to justify whether or not the project is worth the required investment, it could result in project failure. It is also the responsibility of the project manager to provide accurate and complete information in regard to the feasibility of any project. Thus, you must escalate the issue to the sponsor and

explain the need for more detailed study. Since the project initiation depends on the feasibility of the project, the report cannot be prepared in the project planning phase. Conducting stakeholder meeting is an invalid choice because the stakeholders are not selected yet to conduct a meeting. [*PMI code of Ethics and Professional responsibility*, Page 2] [Prof. Responsibility]

5. D - One of the mandatory standards for a project manager is to maintain responsibility and bid only such projects where his/her company has expertise and skills. Since Danny bid for a project in which his company lacks experience, he violated the PMI code of ethics and professional conduct. There is no procurement code in project management. [*PMI code of Ethics and Professional responsibility*, Page 2] [Prof. Responsibility]
6. C - It is the responsibility of the project manager to maintain the confidentiality of the protected or proprietary information in a project. A project manager should provide the confidential information only to the vendor evaluation committee or whoever is involved in the evaluation process and also to the sponsor. He/she must not provide this information to any other employees within the organization or within the project. [*PMI code of Ethics and Professional responsibility*, Page 2] [Prof. Responsibility]
7. C - As a project manager you have a responsibility to disclose accurate information to all project stakeholders honestly. Project managers must not engage in documenting false information or misleading information. Thus, you must document it as a high-level risk. Even though the risk is based on past data, it must be documented because the risks could also be identified from the past data. Documenting as a low-level risk is a misleading act and a project manager must not do that. [*PMI code of Ethics and Professional responsibility*, Page 3] [Prof. Responsibility]
8. B - You must document the comments from the stakeholder in this case. However, you should not continue the project unless you know the reasons behind his comments. The sponsor might ask you to investigate the reasons, so escalating stakeholder's comments to the sponsor may not yield anything. Ignoring stakeholder's comments is not advisable. Thus, 'Investigate the reasons behind the stakeholder's comments' is the CORRECT step. [*PMI code of Ethics and Professional responsibility*, Page 4] [Prof. Responsibility]
9. D - Project stakeholders are people, organizations, or groups whose interests are positively or negatively impacted by the project. A project manager must identify both the positive and negative stakeholders for successful completion of the project. Eliminating the negative stakeholders or keeping them away from the project will jeopardize the objectives of the project and cause the project to fail. One of the mandatory standards for a project manager is to show fairness and disclose potential conflict of interest situation to stakeholders. He must escalate issues to the sponsor only when he fails in influencing negative stakeholders. Thus, 'Identify both the positive and negative stakeholders and address their concerns' is the correct answer. [*Reference - PMBOK 5th Edition*, pages 393, 394 & *PMI code of Ethics and Professional responsibility*, Page 4] [Project Stakeholder Management]
10. D - One of the mandatory standards for a project manager is to maintain respect by showing high regard to others. A project manager must respect other's viewpoint. A project manager need not develop a complete WBS during the initial stages of planning. In long projects, WBS can be developed partially and can be

extended as more details are known later, which is also known as the rolling wave planning. Thus, the project manager must explain to the resource about the rolling wave planning. Ignoring the comments or removing the resource is not appropriate responses from the project manager. [Reference - PMBOK 5th Edition, page 131 & PMI code of Ethics and Professional responsibility, Page 3] [Project Scope Management]

11. A - Honesty is a mandatory standard for project managers. Project managers are required to provide accurate information to customers regarding budget, resources, and risks. Unknown risks can be accounted using reserves in a project. But, inflating budget or schedule values or making misleading or false estimation is against the PMI code of ethics and professional conduct. Hence, 'Do not inflate the estimate' is the BEST answer in this scenario. [PMI code of Ethics and Professional responsibility, Pages 4, 5] [Prof. Responsibility]
12. B - One of the mandatory standards in the PMI code of ethics and professional conduct is Respect. A project manager must listen to other's point of view and understand it. Hence, you must meet with the team members first to understand their concerns. If the problem continues, you must issue a memo or replace the team members in an extreme situation. Talking to the functional manager may not resolve the problem as they are controlled by you in your project. [Reference - PMBOK 5th Edition, Page 283 & PMI code of Ethics and Professional responsibility, Page 4, 5] [Project Human Resource Management]
13. B - Any corrections made to the deliverables must be informed to the customer because acceptance of deliverables is the key for a successful project. It is the responsibility of the project manager to communicate to the appropriate body before making changes. Thus, Kurt must submit the need to merge to the customer. Once customers accept the change, the deliverables should be merged and customers should be informed. [PMI code of Ethics and Professional responsibility, Page 4] [Prof. Responsibility]
14. D - The management has just assigned Mario to select the best project. One of the mandatory standards for practitioners of project management is Honesty. So, in this scenario, Mario should honestly tell the management about his lack of knowledge on project selection methods. Attempting to select the project without expert knowledge could create problems later. Refusing the assignment is not an appropriate action. Management may suggest taking expert's help for selecting the project, but informing the management is the first step to take and it is up to the management to decide. [PMI code of Ethics and Professional responsibility, Page 4] [Prof. Responsibility]
15. D - Offering kickbacks is against the PMI code of ethics and professional conduct. Resigning from the project is not an appropriate action. Thus, you must refuse to pay kickbacks. [PMI code of Ethics and Professional responsibility, Page 5] [Prof. Responsibility]
16. B - All stakeholders must be identified as early as possible in the project. The stakeholders can be positive or negative. They must be classified based on their influence, interest, expectations, and importance. A project manager must not engage in hiding information. He must provide equal access to all stakeholders who are authorized to have that information. Thus, Jack must involve them from the beginning of the project and manage them closely. [Reference - PMBOK 5th Edition, page 397 & PMI code of Ethics and Professional responsibility, Page 4] [Project Stakeholder Management]

17. D - As a project manager you have a responsibility to disclose to your interview panel about the conflict of interest situation that could arise by interviewing your classmate. It is up to the panel to decide the best course of action including your resignation. So, 'Inform the interview panel of the relationship' is the immediate step. Offering tips to your classmate would violate the fairness standard in PMI code. Removing your classmate is not appropriate. [*PMI code of Ethics and Professional responsibility*, Page 2] [Prof. Responsibility]
18. B - A project manager should manage a conflict by directly approaching the team member, who caused the conflict. According to PMI code of ethics and professional conduct, a project manager must be responsible and show respect. He/she must listen to other's viewpoint, seeking to understand them before making a decision. Replacing the team member or issuing a memo are not appropriate actions. Involving the sponsor in team issues is not an appropriate action unless the issues are beyond control. [*Reference - PMBOK 5th Edition*, pages 282, 283 & *PMI code of Ethics and Professional responsibility*, Page 3] [Project Human Resource Management]
19. D - A project manager must bring violations of the code of conduct or unethical activities to PMI's attention. False certification claims must be reported to PMI. In this case, it is not yet confirmed that the new recruit has made false claim unless you request more information from him. Once you confirm that he has made false claim, you can report to both the PMI and Sponsor. Thus, Request more information is the best answer in this situation. [*PMI code of Ethics and Professional responsibility*, Page 2] [Prof. Responsibility]
20. D - All project managers who are PMP certified, must obey the PMI code of ethics and professional conduct. They must behave well in their profession. All violations should be brought to the PMI's notice. PMI takes disciplinary actions against individuals who knowingly make false allegations against other project managers. Thus, you must report to PMI first. If your life is threatened, then you must report to the police and the management. [*PMI code of Ethics and Professional responsibility*, Pages 2, 3] [Prof. Responsibility]
21. D - Bidder conferences or vendor conferences are used to provide clear understanding on the procurement process for all prospective sellers. This process ensures that the mandatory standard of Fairness is followed in the bidding process. Fairness in this case means making opportunities equally available to qualified candidates. [*Reference - PMBOK 5th Edition*, page 375 & *PMI code of Ethics and Professional responsibility*, Pages 3, 4] [Project Procurement Management]
22. B - Fairness is one of the mandatory standards in the PMI code of ethics and professional conduct. Fairness means not showing favoritism or prejudice. The JAD sessions build trust between the customers and reconcile stakeholder differences since they gives equal opportunity to all stakeholders. [*Reference - PMBOK 5th Edition*, page 114 & *PMI code of Ethics and Professional responsibility*, Page 5] [Project Scope Management]
23. D - One of the mandatory standards in the PMI code of ethics and professional conduct is Respect. A project manager must listen to other's point of view and understand it. But, before asking the junior project manager for evidence, you must ask your functional manager to provide evidence to support his allegations. You can suspend the project manager or report to PMI if he/she is found guilty. [*PMI code of Ethics and Professional responsibility*, Page 3] [Prof.

Responsibility]

24. C - The PMI code of ethics and professional conduct requires you to conduct in a professional manner, even when it is not reciprocated. So, you must not engage in the argument. Removing the process manager will only worsen the situation. You must approach directly those persons with whom you have a conflict or disagreement. Thus, you must propose an immediate meeting between the two of you to resolve the differences. Escalating this issue will not resolve the differences. [*Reference - PMBOK 5th Edition*, page 283 & PMI code of Ethics and Professional responsibility, Page 3] [Project Human Resource Management]
25. A - Communication has been identified as one of the single biggest reasons for project success or failure. Effective communication within the project team and stakeholders is essential. [*PMBOK 5th edition*, Page 515] [Project Communications Management]
26. B - All project management practitioners must follow the code of ethics and professional conduct. One of the aspirational standards that a project manager must follow is the responsibility. Project managers must make decisions based on the best interests of society, public safety, and environment. Projects that work against the interests of the public must not be undertaken. So, of all the given options, Refuse to take up the project is the BEST option. Since you already completed the detailed study, taking up the project is not advisable. [*PMI code of Ethics and Professional responsibility*, Page 4] [Prof. Responsibility]
27. D - A project manager must be responsible and communicate truthful information to the customers. However, a project manager must perform an impact analysis before getting the approval from the customer and making changes. Thus, 'perform an impact analysis' is the correct answer. The schedule and schedule baseline are updated after analyzing the impact. [*Reference - PMBOK 5th Edition*, pages 94, 96 & PMI code of Ethics and Professional responsibility, Page 2] [Project Time Management]
28. A - One aspect of responsibility for a project manager is to take ownership of decisions made. A project manager must identify all stakeholders as early as possible in the project and it is his responsibility. A missing stakeholder could jeopardize the objectives of the project. So, the project manager must involve the newly identified stakeholder as soon as possible. However, the project manager must authenticate the information from the team member first before involving the stakeholder. Thus, 'Authenticate the information from the team member' is the best answer. [*Reference - PMBOK 5th Edition*, pages 393, 394 & PMI code of Ethics and Professional responsibility, Page 2] [Project Stakeholder Management]
29. C - A project manager must communicate honestly and openly with the customer. When customer insists on specific requirements, a project manager should listen to him and understand his point of view. Then, he must gather facts and present to the customer explaining why he is right or wrong. Without factual information project managers should not deny or accept critical requests from the customer. Thus, 'You should listen to the customer and understand his viewpoint' is the correct answer. [*PMI code of Ethics and Professional responsibility*, Page 3] [Prof. Responsibility]
30. A - Although the PMI code of ethics and professional conduct does not allow gift taking, project managers should obey the norms and customs of others as long as they do not show favoritism based on the norms. Therefore, 'Your decision is wrong because you should obey the norms and customs of others as long as you

do not favor them' is the correct answer. The PMI code of conduct applies to both the local and international projects. [*PMI code of Ethics and Professional responsibility*, Page 3] [Prof. Responsibility]

PMP Formulas

Keywords

Formulas

Schedule Performance Index (SPI)

A) $SPI = EV/PV$
EV = Earned Value
PV = Planned Value
[PMBOK® Guide - Fourth Edition - Page 183]

B) < 1 Project is behind
schedule
= 1 Project is on schedule
> 1 Project is ahead of
schedule
[PMBOK® Guide - Fourth Edition - Page 183]

Cost Performance Index (CPI)

A) $CPI = EV/AC$
EV = Earned Value
AC = Actual Cost
[PMBOK® Guide - Fourth Edition - Page 183]

B) < 1 Over budget
= 1 On budget
> 1 Under budget
[PMBOK® Guide - Fourth Edition - Page 183]

Schedule Variance (SV)

A) $SV = EV - PV$
EV = Earned Value
PV = Planned Value
[PMBOK® Guide - Fourth Edition - Page 182]

B) Negative Behind schedule
Zero On schedule
Positive Ahead of schedule
[PMBOK® Guide - Fourth Edition - Page 182]

Cost Variance (CV)

A) $CV = EV - AC$
EV = Earned Value
AC = Actual Cost
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Keywords

Formulas

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B) Negative Over budget

Zero On budget

Positive Under budget

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Estimate at Completion (EAC)

$EAC = (BAC/CPI)$

BAC = Budget at completion

CPI = Cost performance index

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Estimate to Complete (ETC) when original estimates are flawed

$ETC = (EAC - AC)$

EAC = Estimate at completion

AC = Actual cost

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Estimate to Complete (ETC) when variances are typical

$ETC = (BAC - EV)/CPI$

BAC = Budget at completion

EV = Earned value

CPI = Cost performance index

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Estimate to Complete (ETC) when variances are atypical

$ETC = BAC - EV$

BAC = Budget at completion

EV = Earned value

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Number of Communication Channels

$N(N-1)/2$

Where N = Number of project team members

Keywords**Formulas****Expected Value (EV) or PERT Estimation**

$$(O+4M+P)/6$$

O= Optimistic estimate
M= Most Likely estimate
P= Pessimistic estimate
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To-Complete Performance Index (TCPI) based on the BAC

$$TCPI = (BAC - EV) / (BAC - AC)$$

BAC = Budget at completion
AC = Actual cost
EV = Earned value
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To-Complete Performance Index (TCPI) based on the EAC

$$TCPI = (BAC - EV) / (EAC - AC)$$

BAC = Budget at completion
AC = Actual cost
EV = Earned value
EAC = Estimate at completion
[PMBOK® Guide - Fourth Edition - Page 185]

Total Float (or) Total Slack

$$LS-ES \text{ (or) } LF-EF$$

LS = Late start
ES = Early start
LF = Late finish
EF = Early finish

Standard Deviation of a Task

$$(P-O)/6$$

P = Pessimistic estimate
O = Optimistic estimate

Present Value (PV)

Keywords	Formulas
	$PV = FV / (1 + r/100)^n$ N = Number of years r = Discount rate
Net Present Value (NPV)	The higher the better
Internal Rate of Return (IRR)	The higher the better
The Payback Period	The lower the better
The Life Cycle Cost	The lower the better
The Benefit to Cost Ratio (BCR)	The higher the better
Critical Path	Path with longest duration
Rough Order of Magnitude (ROM) Estimate	Estimated value + or - 50% [<i>PMBOK® Guide -Fourth Edition - Page 168</i>]
Variance	(Standard Deviation) * (Standard Deviation)

Exam Taking Tips

PMP Exam Facts

- There are 200 total multiple choice questions which make up the PMP exam
- 25 randomly placed "pretest questions" are included, and do not count towards the pass/fail determination
- Students have 4 hours to complete the exam
- Students must score 61% or higher to pass the exam (106 of 175 questions)
- Students may bring blank "scratch" paper with which to draft responses, such as for formula-based exam questions.

Before the Exam

- Visit the exam location before your exam date so that you are familiar with the address and commute time, especially if you are a nervous test taker.
- Be prepared to fully utilize your blank "scratch" paper in the exam. This means that you have committed important formulas, concepts, and key facts to memory; and you are able to apply them to a blank sheet of paper in less than five minutes.
- Alleviate exam stress and anxiety by taking practice exams that attune you to the pace, subject matter, and difficulty of the real exam.
- On the night before the exam, reduce your study time to one hour or less and get extra sleep. The reduced study time and extra rest will allow your brain to better process the information it has absorbed during earlier, more intense, study sessions.

Taking the Exam

- **IMPORTANT:** Bring your PMI authorization letter, as well as two forms of ID, to the exam center.
- At the beginning of the PMP exam, use your scratch paper to "download" all of the formulas, concepts, and key facts you have committed to memory. To save time, perform this activity immediately after the initial computer tutorial which allots 15 minutes.
- Approach each question from PMI's perspective, not your own experience, even if the most correct response seems contrary to your "on-the-job" knowledge.
- Plan your breaks during the exam. A recommended break pattern during the PMP exam is to stand up and stretch after every 50 questions.
- Smile as you take the exam. It has been proven that smiling alleviates stress and boosts confidence during exceptionally difficult tasks. Use deep breathing techniques to further relax.
- If you have exam time remaining, review the questions you "marked for review". Use all the exam time you have until each question has been reviewed twice.

The PMP exam is a multiple choice test that asks one to recognize correct answers among a set of four options. The extra options that are not the correct answer are

called the "distracters" and their purpose, unsurprisingly, is to distract the test taker from the actual correct answer among the bunch.

Students usually consider multiple choice exams as much easier than other types of exams; this is not necessarily true with the PMP exam. Among these reasons are:

- Most multiple choice exams ask for simple, factual information; unlike the PMP exam which often requires the student to apply knowledge and make a best judgment.
- The majority of multiple choice exams involve a large quantity of different questions – so even if you get a few incorrect, it's still okay. The PMP exam covers a broad set of material, often times in greater depth than other certification exams.

Regardless of whether or not multiple choice testing is more forgiving; in reality, one must study immensely because of the sheer volume of information that is covered.

Although four hours may seem like more than enough time for a multiple choice exam, when faced with 200 questions, time management is one of the most crucial factors in succeeding and doing well. You should always try and answer all of the questions you are confident about first, and then go back about to those items you are not sure about afterwards. Always read *carefully* through the entire test as well, and do your best to not leave any question blank upon submission– even if you do not readily know the answer.

Many people do very well with reading through each question and not looking at the options before trying to answer. This way, they can steer clear (usually) of being fooled by one of the "distracter" options or get into a tug-of-war between two choices that both have a good chance of being the actual answer.

Never assume that "all of the above" or "none of the above" answers are the actual choice. Many times they are, but in recent years they have been used much more frequently as distracter options on standardized tests. Typically this is done in an effort to get people to stop believing the myth that they are always the correct answer.

You should be careful of negative answers as well. These answers contain words such as "none", "not", "neither", and the like. Despite often times being very confusing, if you read these types of questions and answers carefully, then you should be able to piece together which is the correct answer. Just take your time!

Never try to overanalyze a question, or try and think about how the test givers are trying to lead astray potential test takers. Keep it simple and stay with what you know.

If you ever narrow down a question to two possible answers, then try and slow down your thinking and think about how the two different options/answers differ. Look at the question again and try to apply how this difference between the two potential answers relates to the question. If you are convinced there is literally no difference between the two potential answers (you'll more than likely be wrong in assuming this), then take another look at the answers that you've already eliminated. Perhaps

one of them is actually the correct one and you'd made a previously unforeseen mistake.

On occasion, over-generalizations are used within response options to mislead test takers. To help guard against this, always be wary of responses/answers that use absolute words like "always", or "never". These are less likely to actually be the answer than phrases like "probably" or "usually" are. Funny or witty responses are also, most of the time, incorrect – so steer clear of those as much as possible.

Although you should always take each question individually, "none of the above" answers are usually less likely to be the correct selection than "all of the above" is. Keep this in mind with the understanding that it is not an absolute rule, and should be analyzed on a case-by-case (or "question-by-question") basis.

Looking for grammatical errors can also be a huge clue. If the stem ends with an indefinite article such as "an" then you'll probably do well to look for an answer that begins with a vowel instead of a consonant. Also, the longest response is also oftentimes the correct one, since whoever wrote the question item may have tended to load the answer with qualifying adjectives or phrases in an effort to make it correct. Again though, always deal with these on a question-by-question basis, because you could very easily be getting a question where this does not apply.

Verbal associations are oftentimes critical because a response may repeat a key word that was in the question. Always be on the alert for this. Playing the old Sesame Street game "Which of these things is not like the other" is also a very solid strategy, if a bit preschool. Sometimes many of a question's distracters will be very similar to try to trick you into thinking that one choice is related to the other. The answer very well could be completely unrelated however, so stay alert.

Just because you have finished a practice test, be aware that you are not done working. After you have graded your test with all of the necessary corrections, review it and try to recognize what happened in the answers that you got wrong. Did you simply not know the qualifying correct information? Perhaps you were led astray by a solid distracter answer? Going back through your corrected test will give you a leg up on your next one by revealing your tendencies as to what you may be vulnerable with, in terms of multiple choice tests.

It may be a lot of extra work, but in the long run, going through your corrected multiple choice tests will work wonders for you in preparation for the real exam. See if you perhaps misread the question or even missed it because you were unprepared. Think of it like instant replays in professional sports. You are going back and looking at what you did on the big stage in the past so you can help fix and remedy any errors that could pose problems for you on the real exam.

