



## Milestone Training Center

### PMP ANSWER (1)

1. Daniel is managing the development of an e-commerce website for his organization. Daniel enjoys coercive powers. He has assigned Julie, a project team member, to facilitate the team meetings. During any team meeting, Julie must:

#### Correct Response

d- Remain neutral and facilitate the meetings

#### Reason

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management

**Process Group:** Executing

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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 could exceed the budget and scope of the project, and could result in the cancellation of the project. What should you do?

#### Correct Response

a- Submit a change request to incorporate the missed requirements in the project's scope.

#### Reason

All regulatory requirements must be met. Doing nothing or considering this a scope creep are not valid options. You would have to request additional funds, but first you need to submit a change request for approval. A change request can be submitted as a part of the Direct and Manage Project Work process. [PMBOK 5th edition, Page 85]

**Knowledge Area / Topic Area:** Project Integration Management

**Process Group:** Executing

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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 is called:

#### Correct Response

d- A composite organization

#### Reason

This organization is called a composite organization. [PMBOK 5th edition, Page 25]

**Knowledge Area / Topic Area:** Project Framework

**Process Group:** Initiating

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4. As you are creating the Activity List, which technique is recommended for subdividing the project into smaller components called activities?

**Correct Response**

a- Decomposition

**Reason**

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]

**Knowledge Area / Topic Area:** Project Time Management

**Process Group:** Planning

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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 to stakeholder management to ensure success of this project. First, she needs to develop her stakeholder register. To produce the project stakeholder register, which of the following processes must Linda start?

**Correct Response**

c-Identify Stakeholders

**Reason**

The stakeholder register is developed during the Identify Stakeholders process. [PMBOK 5th edition, Page 392]

**Knowledge Area / Topic Area:** Project Stakeholder Management

**Process Group:** Initiating

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6. The Create WBS process identifies the deliverables at the \_\_\_\_\_ level in the Work Breakdown Structure (WBS).

**Correct Response**

a- Lowest

**Reason**

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, which represent the work that is necessary to complete the work package. [PMBOK 5th edition, Page 126]

**Knowledge Area / Topic Area:** Project Time Management

**Process Group:** Planning

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7. What is the primary risk when including reserves or contingency allowances in your cost estimate?

**Correct Response**

c- Overstating the cost estimate

**Reason**

Contingency funds are used to handle cost

uncertainty due to unforeseen purchases that may be needed during a project. These funds are generally used for items that are likely to occur but are not certain to occur. [PMBOK 5th edition, Page 206]

**Knowledge Area / Topic Area:** Project Cost Management  
**Process Group:** Planning

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8. Which of the following statements most accurately describes a project scenario?

**Correct Response**

c- Staffing peaks during the execution phase of a project.

**Reason**

Staffing is typically 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 highest during the start of the project and declines as the project moves to completion. [PMBOK 5th edition, Page 40]

**Knowledge Area / Topic Area:** Project Framework  
**Process Group:** Initiating

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9. Which of the following is not an organizational process asset that is used during the Plan Human Resource Management process?

**Correct Response**

d- Standardized stakeholder list

**Reason**

Standardized stakeholder list is not a valid organizational asset used in the Plan Human Resource Management process. The other choices are valid assets. Other assets include historical information on organizational structures that have worked in previous projects and organizational processes and policies. [PMBOK 5th edition, Page 260]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Planning

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10. With the establishment of a PMO in an organization, employees are adopting project management jargon. However, a few employees are still struggling with project management terminologies. One of the most common sources of confusion is the difference between a project stakeholder and a key stakeholder. Who are the key stakeholders?

**Correct Response**

a- Individuals, groups or organizations in a decision making position.

**Reason**

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Initiating

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11. The Perform Integrated Change Control process includes several configuration management activities. Which of the following is not a configuration management activity?

**Correct Response**

a- Change request

**Reason**

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, Pages 96, 97]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Monitoring & Controlling

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

**Correct Response**

d- Probability and impact matrix

**Reason**

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]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

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

**Correct Response**

c- Control Costs

**Reason**

Control Costs is the process of managing the project's costs and the changes that threaten the bottom line. [PMBOK 5th edition, Page 215]

**Knowledge Area / Topic Area:** Project Cost Management

## Process Group: Monitoring & Controlling

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

### Correct Response

a- Fixed-price

### Reason

The fixed-price contract works best with a well-defined project scope. [PMBOK 5th edition, Page 362]

**Knowledge Area / Topic Area:** Project Procurement Management

**Process Group:** Planning

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15. All of the following are interpersonal skills except:

### Correct Response

a- Resisting change

### Reason

Resisting change is not a valid interpersonal skill. The other choices are examples of interpersonal skills. [PMBOK 5th edition, Page 407]

**Knowledge Area / Topic Area:** Project Stakeholder Management

**Process Group:** Executing

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

### Correct Response

c- Plan Scope Management, Collect Requirements, Define Scope, Create WBS, Validate Scope, and Control Scope

### Reason

The logical sequence of the six scope management processes is: Plan Scope Management, Collect Requirements, Define Scope, Create WBS, Validate Scope and Control Scope. [PMBOK 5th edition, Page 105]

**Knowledge Area / Topic Area:** Project Scope Management

**Process Group:** Planning

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17. The most detailed level of the WBS is called the \_\_\_\_\_ .

### Correct Response

b- Work package

### Reason

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]

**Knowledge Area / Topic Area:** Project Scope Management

## Process Group: Planning

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

### Correct Response

d- Risk Breakdown Structure

### Reason

The Risk Breakdown Structure (RBS) is a hierarchical presentation of the project risks sorted by risk categories. [PMBOK 5th edition, Page 560]

**Knowledge Area / Topic Area:** Project Risk Management

**Process Group:** Planning

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

### Correct Response

a- Expert Judgment

### Reason

Expert Judgment is a tool or technique used in the Monitor and Control Project Work process. [PMBOK 5th edition, Page 86]

**Knowledge Area / Topic Area:** Project Integration Management

**Process Group:** Monitoring & Controlling

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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 on additional materials were discovered. The project manager gave approval for the tech staff doing the implementation to 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?

### Correct Response

c- Notify the project stakeholders immediately of the additional expenses incurred and follow project and company procedures for budget variances.

### Reason

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 follow all organizational rules and policies. [PMI Code of Ethics and Professional Conduct, Page 2]

**Knowledge Area / Topic Area:** Prof. Responsibility

**Process Group:** Monitoring & Controlling

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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.

**Correct Response**

b- buy

**Reason**

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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Planning

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22. Which of these types of precedence relationships is least commonly used in the Precedence Diagramming Method?

**Correct Response**

d- Start to Finish

**Reason**

Start to Finish relationships indicate that the next task cannot be completed until the one preceding it has started. This type is not commonly used. [PMBOK 5th edition, Page 157]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

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23. A RACI chart is an example of a \_\_\_\_\_.

**Correct Response**

c- Responsibility assignment matrix

**Reason**

A RACI chart outlines in matrix form, the project tasks and for each task, who is responsible, who is accountable, whom to consult, and whom to inform. [PMBOK 5th edition, Page 226]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Planning

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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?

**Correct Response**

b- The cost variance is 5,000

**Reason**

The cost variance (CV) equals  $EV - AC$ . In this case, the  $CV = \$5,000$ . [PMBOK 5th edition, Page 224]

**Knowledge Area / Topic Area:** Project Cost Management  
**Process Group:** Monitoring & Controlling

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25. Your company has assigned you to serve temporarily as a project manager at a company location outside your home country. On your first day on the job, while meeting with a vendor 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 and local custom may differ. How should you respond?

**Correct Response**

c- respectfully Tell the vendor that you are not sure of corporate policy and will need to ask your management before you can accept gifts of any size.

**Reason**

While organizational and cultural differences can cause conflict, the project manager is bound by the code of ethics to practice honesty, respect, and professionalism, and to follow policies, regulations, and laws pertaining. The best choice is to decline the gift and confer with management about gift policies. [PMI Code of Ethics and Professional Conduct, Pages 2, 3]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Executing

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

**Correct Response**

c- Formal and vertical

**Reason**

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]

**Knowledge Area / Topic Area:** Project Communications Management  
**Process Group:** Monitoring & Controlling

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

**Correct Response**

b- Delphi technique

**Reason**

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]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

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

**Correct Response**

a- Cost-reimbursable

**Reason**

A cost-reimbursable contract will allow the contract to change as the project scope changes. [PMBOK 5th edition, Page 363]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Planning

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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?

**Correct Response**

d- Develop Project Management Plan

**Reason**

This statement describes the Develop Project Management Plan process. [PMBOK 5th edition, Page 72]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Planning

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30. Mary is currently focusing on controlling 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 used during this process?

**Correct Response**

b- Project management processes selected for the project

**Reason**

All of the given choices are the components of the project management plan that can be used during the Control Stakeholder Engagement process. However, the key project stakeholders are typically not interested in the minor details of the project; they are more interested in the project's objectives, its current progress, and 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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Monitoring & Controlling

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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?

**Correct Response**

b- Phase planning

**Reason**

Stage Gates, Phase Gates and Kill Points all refer to a phase end review with the objective of obtaining authorization to close the current phase and start the next one. This is a retrospective review of the current phase. Phase planning, on the other hand, is performed early during the planning phase of the project. [PMBOK 5th edition, Page

**Knowledge Area / Topic Area:** Project Framework  
**Process Group:** Closing

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32. Measuring the quality of items in a sample on a pass/fail basis is called:

**Correct Response**

a- Attribute sampling

**Reason**

Attribute sampling measures the quality of items in a sample on a pass/fail basis; variable sampling measures the quality on a continuous scale. [PMBOK 5th edition, Page 250]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Monitoring & Controlling

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

**Correct Response**

d- Requirements to project risk

**Reason**

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, Pages 117, 118]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

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

**Correct Response**

a- Bill of Material (BOM)

**Reason**

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]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

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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, your friend tells you that his job is on the line if his company does not win the contract. What should you do?

**Correct Response**

**Reason**

a- Notify the project stakeholders that you have social ties with one of the vendors, and excuse yourself from the selection committee.

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, Pages 3, 4]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Executing

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36. Which term best describes the Identify Risks process?

**Correct Response**

**Reason**

c- Iterative

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]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

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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.

**Correct Response**

**Reason**

d- risk categories

Risk categories provide a structure that ensures a comprehensive process of systematically identifying risks and that contributes to the effectiveness and quality of the process. [PMBOK 5th edition, Page 317]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

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38. Which of these processes is not a Project Time Management process?

**Correct Response**

**Reason**

a- Create WBS

Create WBS is a process in the Project Scope Management area. The other options are all Project

Time Management processes. [PMBOK 5th edition, Pages 105, 141]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

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39. The technique most commonly used by project management software packages to construct a project schedule network diagram is:

**Correct Response**

a- Activity-On-Node (AON)

**Reason**

The method used by most project management software packages to construct a project schedule network diagram is Activity-On-Node (AON). This method uses boxes or rectangles, called nodes, to represent activities. It connects the nodes with arrows showing the logical relationships among them. [PMBOK 5th edition, Page 156]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

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40. Which of the following defines the total scope of the project and represents the work specified in the current approved project scope statement?

**Correct Response**

a- Work Breakdown Structure (WBS)

**Reason**

The WBS is a hierarchical decomposition of the work to be performed by the project team. It defines the total scope of the project. It represents the work specified in the currently approved project scope statement. [PMBOK 5th edition, Page 126]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

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41. If you are creating a new WBS for your project, what should you do to save time during the creation process?

**Correct Response**

c- Use a previous WBS from a similar project as a template.

**Reason**

Creating the WBS is a very important process, but often a previous WBS can be used as a template to save time and avoid the risk of forgetting something important. [PMBOK 5th edition, Page 127]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

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42. Which of these precedence relationships is most commonly used in the Precedence Diagramming Method?

**Correct Response**

a- Finish-to-Start

**Reason**

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

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

**Correct Response**

a- The functional managers

**Reason**

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. To obtain the required resources from the functional managers, you need to use the “Negotiation” tool and technique from the Acquire Project Team process. [PMBOK 5th edition, Page 270]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Executing

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44. An effective quality audit should be:

**Correct Response**

a- Structured and independent

**Reason**

To provide the best results, a quality audit should be a structured process performed by an independent entity. [PMBOK 5th edition, Page 247]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Executing

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

**Correct Response**

c- Hierarchical-type charts

**Reason**

A hierarchical-type organization chart can clearly show roles and reporting relationships within a team. [PMBOK 5th edition, Page 165]

**Knowledge Area / Topic Area:** Project Human Resource Management

**Process Group:** Planning

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

**Correct Response**

d- A project sponsor or initiator external to the project

**Reason**

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]

**Knowledge Area / Topic Area:** Project Integration Management

**Process Group:** Initiating

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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?

**Correct Response**

a- The project manager needs to intervene and manage the stakeholders' expectations. The stakeholders may have different objectives and interests.

**Reason**

The project manager needs to recognize that the stakeholders may have conflicting interests and objectives. It is the responsibility of the project manager to manage the stakeholders' expectations successfully. [PMBOK 5th edition, Page 404]

**Knowledge Area / Topic Area:** Project Stakeholder Management

**Process Group:** Executing

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48. Project risks should be identified by:

**Correct Response**

d- All project personnel

**Reason**

While it is not feasible to invite everyone to the risk identification meetings, everyone should be encouraged to identify risks as they encounter them. [PMBOK 5th edition, Page 321]

**Knowledge Area / Topic Area:** Project Risk Management

**Process Group:** Planning

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49. A control chart should always contain:

**Correct Response**

c- Upper and lower control limits

**Reason**

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]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Planning

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

**Correct Response**

a- You should use Rolling Wave Planning to help you achieve the appropriate level of detail in each work package at the right time.

**Reason**

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

51. You are managing a multi-million dollar project, and discover that several critical pieces of data in the project information repository have been modified without authorization. What should you do?

**Correct Response**

b- Determine the extent of the data breach and notify the appropriate project and company staff of the incident.

**Reason**

Notifying the appropriate staff of an information security breach and providing details 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, in accordance with the code of ethics. Failing to notify project or corporate staff that there has been unauthorized access to critical information violates the PMI code. [PMI Code of Ethics and Professional Conduct, Pages 2, 3]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Executing

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52. If you are developing a Project Management Plan, how should you determine the level of detail to be included in the plan?

**Correct Response**

d- Provide the level of detail based on the project complexity

**Reason**

The level of detail required in a Project Management Plan would vary by project and

and application area

would include only the details necessary for the project. [PMBOK 5th edition, Page 78]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Planning

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53. 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?

**Correct Response**

**Reason**

b- Hold a bidder conference

A bidder conference is a good way to ensure that 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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Executing

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54. 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?

**Correct Response**

**Reason**

d- 28 channels

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]

**Knowledge Area / Topic Area:** Project Communications Management  
**Process Group:** Planning

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55. 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?

**Correct Response**

**Reason**

a- These people are negative stakeholders and they have to be closely managed.

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Initiating

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56. 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?

**Correct Response**

b- Project initiator or sponsor

**Reason**

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]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Initiating

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57. In general, Perform Qualitative Risk Analysis is:

**Correct Response**

d- quick and cost-effective

**Reason**

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]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

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58. 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:

**Correct Response**

b- Variance Analysis

**Reason**

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]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Monitoring & Controlling

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59. Two efficiency indicators that reflect the cost and schedule performance of a project are:

**Correct Response**

d- Cost Performance Index (CPI) and Schedule Performance Index (SPI)

**Reason**

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.

**Knowledge Area / Topic Area:** Project Cost Management  
**Process Group:** Monitoring & Controlling

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60. 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?

**Correct Response**

**Reason**

a- Organizational process assets

Neither the project charter nor the project management plan contains any project document templates. Templates are organizational process assets. [PMBOK 5th edition, Page 395]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Initiating

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

**Correct Response**

**Reason**

b- Crashing and Fast Tracking

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Monitoring & Controlling

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

**Correct Response**

**Reason**

d- Advertising

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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Executing

---

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

**Correct Response**

**Reason**

b-Statistical Sampling

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]

**Knowledge Area / Topic Area:** Project Quality Management

**Process Group:** Planning

---

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

**Correct Response**

**Reason**

d- Fishbone diagram

A fishbone diagram, also called a cause-and-effect diagram, helps identify potential causes of an issue or problem. [PMBOK 5th edition, Page 236]

**Knowledge Area / Topic Area:** Project Quality Management

**Process Group:** Monitoring & Controlling

---

65. 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?

**Correct Response**

**Reason**

b- Record the issue in the issue log

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management

**Process Group:** Executing

---

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

**Correct Response**

**Reason**

d- The project saves money by releasing people from the project at the right time and morale is also improved.

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]

**Knowledge Area / Topic Area:** Project Human Resource Management

**Process Group:** Planning

---

67. 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?

**Correct Response**

a- Crashing

**Reason**

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]

**Knowledge Area / Topic Area:** Project Time Management

**Process Group:** Monitoring & Controlling

---

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

**Correct Response**

a- Zero

**Reason**

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]

**Knowledge Area / Topic Area:** Project Cost Management

**Process Group:** Monitoring & Controlling

---

69. Quantitative risk analysis should be performed:

**Correct Response**

c- only on prioritized risks

**Reason**

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]

**Knowledge Area / Topic Area:** Project Risk Management

**Process Group:** Planning

---

70. 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?

**Correct Response**

b- Notify the project stakeholders and sponsor that the project scope has changed without

**Reason**

The best choice is to notify the stakeholders that the scope has changed without authorization. Intentionally not following project process and

proper authorization.

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]

**Knowledge Area / Topic Area:** Prof. Responsibility

**Process Group:** Executing

---

71. 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?

**Correct Response**

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

**Reason**

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]

**Knowledge Area / Topic Area:** Project Cost Management

**Process Group:** Monitoring & Controlling

---

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

**Correct Response**

d- Critical Path Estimation

**Reason**

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]

**Knowledge Area / Topic Area:** Project Time Management

**Process Group:** Planning

---

73. 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?

**Correct Response**

a- Analogous Estimating

**Reason**

Analogous estimation relies on comparing a

project to previous such projects that were similar in nature. [PMBOK 5th edition, Page 169]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

---

74. 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?

**Correct Response**

a- Scatter Diagram

**Reason**

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]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Planning

---

75. 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?

**Correct Response**

c- Advise the executive team of the situation exactly as you know it to be at that moment.

**Reason**

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Executing

---

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

**Correct Response**

b- Problem statement

**Reason**

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]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Planning

---

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

**Correct Response**

a- Changes to project scope

**Reason**

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]

**Knowledge Area / Topic Area:** Project Framework  
**Process Group:** Planning

---

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

**Correct Response**

b- Project scope statement

**Reason**

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]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

---

79. 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?

**Correct Response**

c- Milestone chart

**Reason**

A milestone chart displays only the key deliverables and is simple and easy to understand. [PMBOK 5th edition, Page 182]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Executing

---

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

**Correct Response****Reason**

c- Project documents

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Monitoring & Controlling

---

81. Which of these items are important to address when determining each person's role in the project team?

**Correct Response****Reason**

a- Role, authority, responsibility, and competency

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 264]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Planning

---

82. 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?

**Correct Response****Reason**

c- Statistical Sampling

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]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Monitoring & Controlling

---

83. When beginning a new outsourcing project, what is the best way to determine which companies you should request a bid from?

**Correct Response****Reason**

d- Consult the qualified sellers list

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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Planning

---

84. Which of the following is not a general management technique used to generate different approaches to execute and perform the project work?

**Correct Response**

**Reason**

c- Map Out

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]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

---

85. 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?

**Correct Response**

**Reason**

a- Present the estimate to your boss first and explain the basis of estimate.

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Executing

---

86. Where would you find a detailed list and description of specific project assumptions associated with the project?

**Correct Response**

**Reason**

b- Project scope statement

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]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

---

87. The date through which the project has provided actual status and accomplishments is called:

**Correct Response**

**Reason**

a- Data Date (DD)

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]

**Knowledge Area / Topic Area:** Project Communications Management  
**Process Group:** Executing

---

88. Which of these is NOT a risk diagramming technique?

**Correct Response**

**Reason**

c- RACI chart

Risk diagramming techniques can include: cause-and-effect diagrams (also known as the fishbone diagrams), flowcharts, and influence diagrams. [PMBOK 5th edition, Page 325]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

---

89. Which of the following is a tool or technique for the Develop Project Team process?

**Correct Response**

**Reason**

b- Colocation

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]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Executing

---

90. A hierarchical structure of resources organized by resource type category and resource type used in resource leveling schedules is known as:

**Correct Response**

**Reason**

d- Resource Breakdown Structure

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

---

91. A Project Manager's primary professional responsibility is towards:

**Correct Response**

**Reason**

c- All stakeholders

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Initiating

---

92. What does a Cost Performance Index (CPI) of more than 1.0 indicate?

**Correct Response**

**Reason**

c- The project is under budget.

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]

**Knowledge Area / Topic Area:** Project Cost Management

## Process Group: Monitoring & Controlling

---

93. Which of the following statements is correct?

### Correct Response

a- A collection of unrelated programs can constitute a portfolio.

### Reason

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]

**Knowledge Area / Topic Area:** Project Framework

**Process Group:** Initiating

---

94. 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 original color scheme and the color palette were approved by the customer. 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?

### Correct Response

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.

### Reason

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]

**Knowledge Area / Topic Area:** Project Scope Management

**Process Group:** Monitoring & Controlling

---

95. Which of the following items needs to be kept in mind when relying on risk identification checklists?

### Correct Response

b -They are not exhaustive.

### Reason

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]

**Knowledge Area / Topic Area:** Project Risk Management

**Process Group:** Planning

---

96. 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?

**Correct Response**

c- Communicate the current status to the customer and indicate the potential changes to cost and schedule.

**Reason**

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]

**Knowledge Area / Topic Area:** Project Framework  
**Process Group:** Monitoring & Controlling

---

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

**Correct Response**

d- To serve as a comparison point for incoming estimates

**Reason**

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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Executing

---

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

**Correct Response**

b- Use of bidder conferences

**Reason**

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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Executing

---

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

**Correct Response**

c- Create an issue log

**Reason**

An issue log allows you to communicate, track, and resolve project issues. [PMBOK 5th edition, Page 305]

**Knowledge Area / Topic Area:** Project Communications Management  
**Process Group:** Monitoring & Controlling

---

100. 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?

**Correct Response**

d- Yes, include them in the Project Management Plan.

**Reason**

These are subsidiary plans and should be included in the Project Management Plan. [PMBOK Page 78]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Planning

101. 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?

**Correct Response**

d- Inform the customer of the impacts, then crash the project.

**Reason**

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Planning

---

102. What is the difference between a histogram and a Pareto chart?

**Correct Response**

c- A Pareto chart is a type of histogram.

**Reason**

A Pareto chart is a type of histogram where the causes are ordered by frequency. [PMBOK 5th edition, Page 237]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Monitoring & Controlling

---

103. 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.

**Correct Response**

b- Grade relates to the customer requirements

**Reason**

The grade of a product relates to the technical characteristics of the product. [PMBOK 5th edition, Page 228]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Planning

---

104. Which of the following processes produces a work breakdown structure as an output?

**Correct Response**

a- Create WBS

**Reason**

The Create WBS process produces the work breakdown structure of the project as an output. [PMBOK 5th edition, Page 125]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

---

105. Michael is managing a construction project. The project charter has been approved by the project sponsor. What should Michael do next?

**Correct Response**

d- Identify the project stakeholders

**Reason**

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Initiating

---

106. Most project management software packages use a method of constructing a project schedule network diagram known as:

**Correct Response**

b- Precedence Diagramming Method

**Reason**

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

---

107. When a negative unidentified risk occurs in a project, a response to it would be called:

**Correct Response**

c- A workaround

**Reason**

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]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Monitoring & Controlling

---

108. 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?

**Correct Response**

b- Bottom-up Estimating

**Reason**

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]

**Knowledge Area / Topic Area:** Project Cost Management  
**Process Group:** Planning

---

109. 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?

**Correct Response**

a- Create a seller performance evaluation

**Reason**

A seller performance evaluation is created by the buyer and provides information about the seller's performance. [PMBOK 5th edition, Page 386]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Monitoring & Controlling

---

110. 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?

**Correct Response**

**Reason**

c- Review lessons learned from the past similar projects.

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Initiating

---

111. Which of these is not a tool or technique for the Control Procurements process?

**Correct Response**

**Reason**

b- Recommended Corrective Action

Recommended corrective action is not a tool or technique in the Control Procurements process. [PMBOK 5th edition, Page 379]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Monitoring & Controlling

---

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

**Correct Response**

**Reason**

d- Shewhart-Deming

Shewhart and Deming were quality management experts. The rest of the choices are process improvement models. [PMBOK 5th edition, Page 229]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Planning

---

113. Which of these statements correctly links project and product life cycles?

**Correct Response**

**Reason**

b- A project life cycle is generally contained within a product life cycle.

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]

**Knowledge Area / Topic Area:** Project Framework  
**Process Group:** Initiating

---

114. Before closing a contract, the project manager should:

**Correct Response**

b- verify that all deliverables were acceptable

**Reason**

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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Closing

---

115. 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?

**Correct Response**

b- Carole should write a change request

**Reason**

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Executing

---

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

**Correct Response**

c- Control account

**Reason**

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]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

---

117. 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:

**Correct Response****Reason**

c- A planning package

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

---

118. Which of the following best describes the Validate Scope process?

**Correct Response**

**Reason**

c- Obtaining stakeholders' formal acceptance of the project deliverables

Scope Validation involves obtaining the stakeholders' formal acceptance of project deliverables. [PMBOK 5th edition, Page 133]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Monitoring & Controlling

---

119. As a project manager of a project, you are analyzing the costs which have been incurred. Which of the following costs cannot be classified under 'Cost of non-conformance'?

**Correct Response**

**Reason**

a- Quality Assurance Costs

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]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Planning

---

120. 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?

**Correct Response**

**Reason**

c- Decline the opportunity, citing your lack of experience and knowledge in this area.

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Initiating

---

121. 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?

**Correct Response**

**Reason**

b- Rolling wave planning

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

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122. Negative risks can either be \_\_\_\_\_, transferred, or mitigated as a countermeasure.

**Correct Response**

**Reason**

b- avoided

You can avoid a risk by revising the project plan to eliminate the risk entirely. [PMBOK 5th edition, Page 344]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

---

123. 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 the:

**Correct Response**

**Reason**

a- 100% rule

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]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

---

124. 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?

**Correct Response**

**Reason**

c- Start-to-start with a 15-day lag

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

---

125. You are at a 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?

**Correct Response**

**Reason**

c- Ask the project manager about what you have just heard. If your suspicions are confirmed, escalate the issue to the appropriate management.

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Executing

---

126. 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:

**Correct Response**

**Reason**

d- Document lessons learned from the project and update the lessons learned knowledge

A project manager has a professional responsibility to conduct lessons learned sessions for all projects with key internal and external stakeholders,

database.

particularly if the project yielded less than desirable results. [Reference: PMI Code of Ethics and Professional Conduct, Page 2,4,5]

**Knowledge Area / Topic Area:** Prof. Responsibility

**Process Group:** Closing

---

127. In a strong 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?

**Correct Response**

**Reason**

d- Project Manager

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. In a strong-matrix organization, it is considered the responsibility of the project manager to manage this dual reporting relationship and handle the coordination. [PMBOK 5th edition, Page 23]

**Knowledge Area / Topic Area:** Project Framework

**Process Group:** Initiating

---

128. 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?

**Correct Response**

**Reason**

c- Perform Integrated Change Control is performed throughout the project from project inception through project completion.

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]

**Knowledge Area / Topic Area:** Project Integration Management

**Process Group:** Monitoring & Controlling

---

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

**Correct Response**

**Reason**

d- Hierarchical chart

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]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Planning

---

130. 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?

**Correct Response**

**Reason**

c- The work performance information is the processed form of the work performance data.

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Monitoring & Controlling

---

131. 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:

**Correct Response**

**Reason**

c- Informal communication

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]

**Knowledge Area / Topic Area:** Project Communications Management  
**Process Group:** Executing

---

132. Analogous Estimating is an estimation technique that uses 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:

**Correct Response****Reason**

a- Gross value estimation

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

---

133. 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:

**Correct Response****Reason**

b- War room

According to the PMBOK, a team meeting room is also called a war room. [PMBOK 5th edition, Page 277]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Executing

---

134. The document that formally authorizes a project is the:

**Correct Response****Reason**

c- Project Charter

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]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Initiating

---

135. 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?

**Correct Response****Reason**

d- Immediately inform the project stakeholders of the unauthorized scope change. Then call a team meeting to determine the impact to the project.

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Monitoring & Controlling

---

136. 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?

**Correct Response**

**Reason**

b- Earned Value Technique

The Earned Value Technique measures performance of the project as it moves from initiation to closure. [PMBOK 5th edition, Page 217]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Monitoring & Controlling

---

137. 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?

**Correct Response**

**Reason**

b- Manage a set of people for the next year to deliver the desired productivity results

Managing an operating team does not meet the project definition because it is not temporary or unique. [PMBOK 5th edition, Page 3]

**Knowledge Area / Topic Area:** Project Framework  
**Process Group:** Initiating

---

138. Which of the following Project Scope Management processes documents a configuration management system?

**Correct Response**

**Reason**

d- Plan Scope Management

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]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

---

139. The stakeholders of a project typically have:

**Correct Response**

**Reason**

c- Conflicting objectives

Stakeholder expectation management is a key responsibility of a project manager as they often have conflicting objectives. [PMBOK 5th edition, Page 391]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Planning

---

140. 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:

**Correct Response**

**Reason**

a- \$160,000

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]

**Knowledge Area / Topic Area:** Project Cost Management  
**Process Group:** Monitoring & Controlling

---

141. 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?

**Correct Response**

**Reason**

a- Take Disciplinary action, if required, since the needs of the project are not being met.

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]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Executing

---

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

**Correct Response**

**Reason**

d- Communications Management

The correct response is the Communications

Plan Management plan. The Communications Management Plan documents the escalation process. [PMBOK 5th edition, Page 296]

**Knowledge Area / Topic Area:** Project Communications Management  
**Process Group:** Planning

---

143. 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?

**Correct Response**

**Reason**

d- Finish-to-Finish

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

---

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

**Correct Response**

**Reason**

d- Traceability matrix

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]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

---

145. 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:

**Correct Response**

**Reason**

d- Face-to-face meetings

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]

**Knowledge Area / Topic Area:** Project Communications Management  
**Process Group:** Executing

---

146. 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:

**Correct Response**

**Reason**

a- Responsibility Assignment Matrix (RAM)

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]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Planning

---

147. 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?

**Correct Response**

**Reason**

b- Changes should be made as early in the project as possible.

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]

**Knowledge Area / Topic Area:** Project Framework  
**Process Group:** Initiating

---

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

**Correct Response**

**Reason**

d- Contract change control system

The procurement change process is a part of the Contract Change Control System. [PMBOK 5th edition, Page 383]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Monitoring & Controlling

---

149. 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?

**Correct Response**

**Reason**

c- The Work Authorization System was not properly established in the project.

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]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Executing

---

150. A contract change control system should include:

**Correct Response**

b- Paperwork, tracking systems, dispute resolution procedures, and approval levels necessary for authorizing changes

**Reason**

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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Monitoring & Controlling

151. 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?

**Correct Response**

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

**Reason**

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Executing

---

152. 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?

**Correct Response**

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.

**Reason**

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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Planning

---

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

**Correct Response**

a- Milestone list

**Reason**

A milestone list is a valid output of the Define Activity process. [PMBOK 5th edition, Page 149]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

---

154. 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?

**Correct Response**

a- + / - 3 sigma

**Reason**

The upper / lower control limits are normally set at + / - 3 sigma. [PMBOK 5th edition, Page 238]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Monitoring & Controlling

---

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

**Correct Response**

a- Project charter

**Reason**

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

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Initiating

---

156. 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:

**Correct Response**

d- Negotiation

**Reason**

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]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Executing

---

157. 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?

**Correct Response**

a- Develop Project Management Plan

**Reason**

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]

**Knowledge Area / Topic Area:** Project Cost Management  
**Process Group:** Planning

---

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

**Correct Response**

c- Fixed Price, Cost-Reimbursable, Time and material.

**Reason**

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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Planning

---

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

**Correct Response**

a- Deming

**Reason**

The PDCA (plan-do-check-act) was defined by Shewhart and later modified by Deming. [PMBOK 5th edition, Page 229]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Planning

---

160. 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?

**Correct Response**

c- To help define an approach strategy

**Reason**

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Initiating

---

161. A \_\_\_\_\_ is a collection of projects or programs grouped together for strategic business needs.

**Correct Response**

a- Portfolio

**Reason**

A portfolio is the collection of projects or programs and helps facilitate efficient management. [PMBOK 5th Edition, Page 9]

**Knowledge Area / Topic Area:** Project Framework  
**Process Group:** Initiating

---

162. 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:

**Correct Response**

d- Lead

**Reason**

A lead allows an early start of the successor

activity. [PMBOK 5th edition, Page 158]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

---

163. 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?

**Correct Response**

b- FFP

**Reason**

This is an example of a Firm-Fixed Price (FFP) contract. [PMBOK 5th edition, Page 363]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Planning

---

164. Which of the following inaccurately describes a prototype?

**Correct Response**

b- Requirements from a prototype are usually insufficient to move to the design phase.

**Reason**

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]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

---

165. 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?

**Correct Response**

b- Organizational process assets

**Reason**

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Executing

---

166. The Develop Project Management Plan process does not include?

**Correct Response****Reason**

d- List of changes to the project baselines

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]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Planning

---

167. Which of these is not an information gathering technique used in the Identify Risks process?

**Correct Response****Reason**

d- Delta technique

Delta technique is not a valid example of an Information Gathering Technique. [PMBOK 5th edition, Page 324, 325]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

---

168. Which of the following is accurate regarding Project Integration Management?

**Correct Response****Reason**

c- The need for it becomes evident in situations where individual processes interact

Project Integration Management is needed more where individual processes interact. [PMBOK 5th edition, Page 63, 64]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Executing

---

169. Which of the following is NOT a tool or technique of the Acquire Project Team process?

**Correct Response****Reason**

d- Conflict management

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]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Executing

---

170. 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?

**Correct Response**

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.

**Reason**

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Planning

---

171. 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?

**Correct Response**

a- Initiating and Closing

**Reason**

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]

**Knowledge Area / Topic Area:** Project Framework  
**Process Group:** Initiating

---

172. Which of the following is the correct logical sequence of the five process groups?

**Correct Response**

d- Initiating, Planning, Executing, Monitoring and Controlling, Closing

**Reason**

These logical sequence of the five process groups is: Initiating, Planning, Executing, Monitoring and Controlling, and Closing. [PMBOK Page 51]

**Knowledge Area / Topic Area:** Project Framework  
**Process Group:** Initiating

---

173. What are the outputs of the Plan Procurement Management process?

**Correct Response**

c- Procurement management

**Reason**

Procurement management plan, Procurement

plan, Procurement statements of Work, Make-or-buy decisions statements of Work, and Make-or-buy decisions are three for the seven outputs of the Plan Procurements process. [PMBOK 5th edition, Page 358]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Planning

---

174. 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:

**Correct Response**

**Reason**

a- Project Constraint

An imposed deadline or milestone is an example of a constraint. [PMBOK 5th edition, Page 124]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

---

175. Your company has just announced a 10% cut in all project budgets company wide. Which of the following is the best response?

**Correct Response**

**Reason**

a- Immediately notify the project stakeholders of the impact on your project.

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Monitoring & Controlling

---

176. The change requests created as an output of the Monitor and Control Project Work process may be attributed to all of the following except:

**Correct Response**

**Reason**

c- Project status update

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]

**Knowledge Area / Topic Area:** Project Integration Management

## Process Group: Monitoring & Controlling

---

177. 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:

### Correct Response

a- Secondary risks

### Reason

Secondary risks are those that arise as a direct response of implementing a risk response. [PMBOK 5th edition, Page 348]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

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178. 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?

### Correct Response

c- A senior project manager in your organization who just completed a similar project.

### Reason

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management  
**Process Group:** Initiating

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179. 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:

### Correct Response

a- Resource Histogram

### Reason

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]

**Knowledge Area / Topic Area:** Project Human Resource Management

## Process Group: Planning

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180. 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?

### Correct Response

b- Work performance data

### Reason

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]

**Knowledge Area / Topic Area:** Project Stakeholder Management

**Process Group:** Monitoring & Controlling

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

### Correct Response

d- Avoid, Transfer and Mitigate

### Reason

Four negative risk management strategies are: Avoid, Transfer, Mitigate and Accept. [PMBOK 5th edition, Page 344, 345]

**Knowledge Area / Topic Area:** Project Risk Management

**Process Group:** Planning

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

### Correct Response

a- Regular updates of the company website

### Reason

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]

**Knowledge Area / Topic Area:** Project Framework

**Process Group:** Initiating

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

**Correct Response**

a- Sequence Activities

**Reason**

Sequence Activities is the process of identifying and documenting dependencies between schedule activities. [PMBOK 5th edition, Page 157, 158]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

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

**Correct Response**

c- There is no cost variance

**Reason**

$CV = EV - AC$ . If the EV is equal to the AC then there is no cost variance on the project. [PMBOK 5th edition, Page 218]

**Knowledge Area / Topic Area:** Project Cost Management  
**Process Group:** Monitoring & Controlling

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185. 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?

**Correct Response**

b- Ask the sponsor to elaborate the risks that are behind the request.

**Reason**

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Planning

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186. 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?

**Correct Response**

a- Noise

**Reason**

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]

**Knowledge Area / Topic Area:** Project Communications Management  
**Process Group:** Monitoring & Controlling

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187. 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:

**Correct Response**

**Reason**

b- Design of Experiments

The correct response is Design of Experiments.  
[PMBOK 5th edition, Page 239]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Planning

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188. 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?

**Correct Response**

**Reason**

a- Do nothing; it was not in your job description to mentor other employees.

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]

**Knowledge Area / Topic Area:** Prof. Responsibility  
**Process Group:** Executing

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

**Correct Response**

**Reason**

a- T&M contracts are hybrid type of contractual agreements that could contain aspects of both cost-reimbursable and fixed-price type arrangements

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]

**Knowledge Area / Topic Area:** Project Procurement Management  
**Process Group:** Planning

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190. Cause and Effect diagrams are used to illustrate how various factors might be linked to potential problems or effects. They are also called:

**Correct Response**

c- Ishikawa diagrams

**Reason**

Cause and Effect diagrams are also called Ishikawa diagrams. [PMBOK 5th edition, Page 325]

**Knowledge Area / Topic Area:** Project Quality Management  
**Process Group:** Planning

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191. When does the Close Project or Phase process need to be performed in case of multi-phased projects?

**Correct Response**

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.

**Reason**

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]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Closing

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192. A project manager is about to start on a new project. Where would he find details about his authority level in the project?

**Correct Response**

b- The Project Charter

**Reason**

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]

**Knowledge Area / Topic Area:** Project Integration Management  
**Process Group:** Initiating

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193. Which of the following is not true about the WBS?

**Correct Response**

c- WBS should focus on activities rather than deliverables

**Reason**

The WBS puts a greater focus on the deliverables than on actual activities. [PMBOK 5th edition, Page 132]

**Knowledge Area / Topic Area:** Project Scope Management  
**Process Group:** Planning

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194. Which of the following is accurate regarding the Estimate Activity Resources process?

**Correct Response**

d- It involves determining what and how many resources will be used

**Reason**

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

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195. 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?

**Correct Response**

b- Activity B will be completed by the end of day on Thursday, 14th

**Reason**

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]

**Knowledge Area / Topic Area:** Project Time Management  
**Process Group:** Planning

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196. Analogous Cost Estimating is which of the following?

**Correct Response**

b- Generally less accurate

**Reason**

Analogous cost estimating is generally deemed

less accurate than other methods of estimation.  
[PMBOK 5th edition, Page 204]

**Knowledge Area / Topic Area:** Project Cost Management  
**Process Group:** Planning

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197. What is the BEST way to make an accurate forecasting of ETC?

**Correct Response**

c- Manual forecasting of cost of the remaining work.

**Reason**

Manual forecasting of costs for remaining work is generally the best means of generating an accurate forecast. [PMBOK 5th edition, Page 220]

**Knowledge Area / Topic Area:** Project Cost Management  
**Process Group:** Monitoring & Controlling

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198. Which of the following is not a valid instance of Risk Transference?

**Correct Response**

a- Use of a Cost Reimbursable contract

**Reason**

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]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

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199. Under which of the following scenarios would you not use a Decision tree?

**Correct Response**

c- When the future scenarios are known.

**Reason**

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]

**Knowledge Area / Topic Area:** Project Risk Management  
**Process Group:** Planning

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200. 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. Upon 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:

**Correct Response**

b- You would look at the option of moving ahead with the project by using a virtual team.

**Reason**

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]

**Knowledge Area / Topic Area:** Project Human Resource Management  
**Process Group:** Planning