



# PRINCE2-Exams

## Exam Questions PRINCE2-Practitioner

PRINCE2 Practitioner exam

## NEW QUESTION 1

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver “capability to provide health and safety training”, including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for

classroom-based training will be delivered by ABC Company’s development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company’s IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company’s document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

One of the senior managers of the company that is developing the ‘e-learning course’ has worked with ABC Company before. The team manager for the delivery of the ‘e-learning course’ has looked on ABC Company’s intranet, but cannot find any reference to this work. The team manager has contacted the senior manager to discuss this project.

Is this an appropriate application of the ‘learn from experience’ principle, and why?

- A. Yes, because the project involves more than one organization.
- B. Yes, because the team manager should actively look for useful information.
- C. No, because the senior manager should advise the team manager of any lessons.
- D. No, because every project is unique and should deliver specific business objectives

Answer: B

## NEW QUESTION 2

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver “capability to provide health and safety training”, including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for

classroom-based training will be delivered by ABC Company’s development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will

use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development

budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule.

ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations.

Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information. BUSINESS CASE

Here are three actions related to applying the business case theme. Which role (A-F) should carry out each action?

Choose only one role for each action. Each role can be used once, more than once, or not at all.

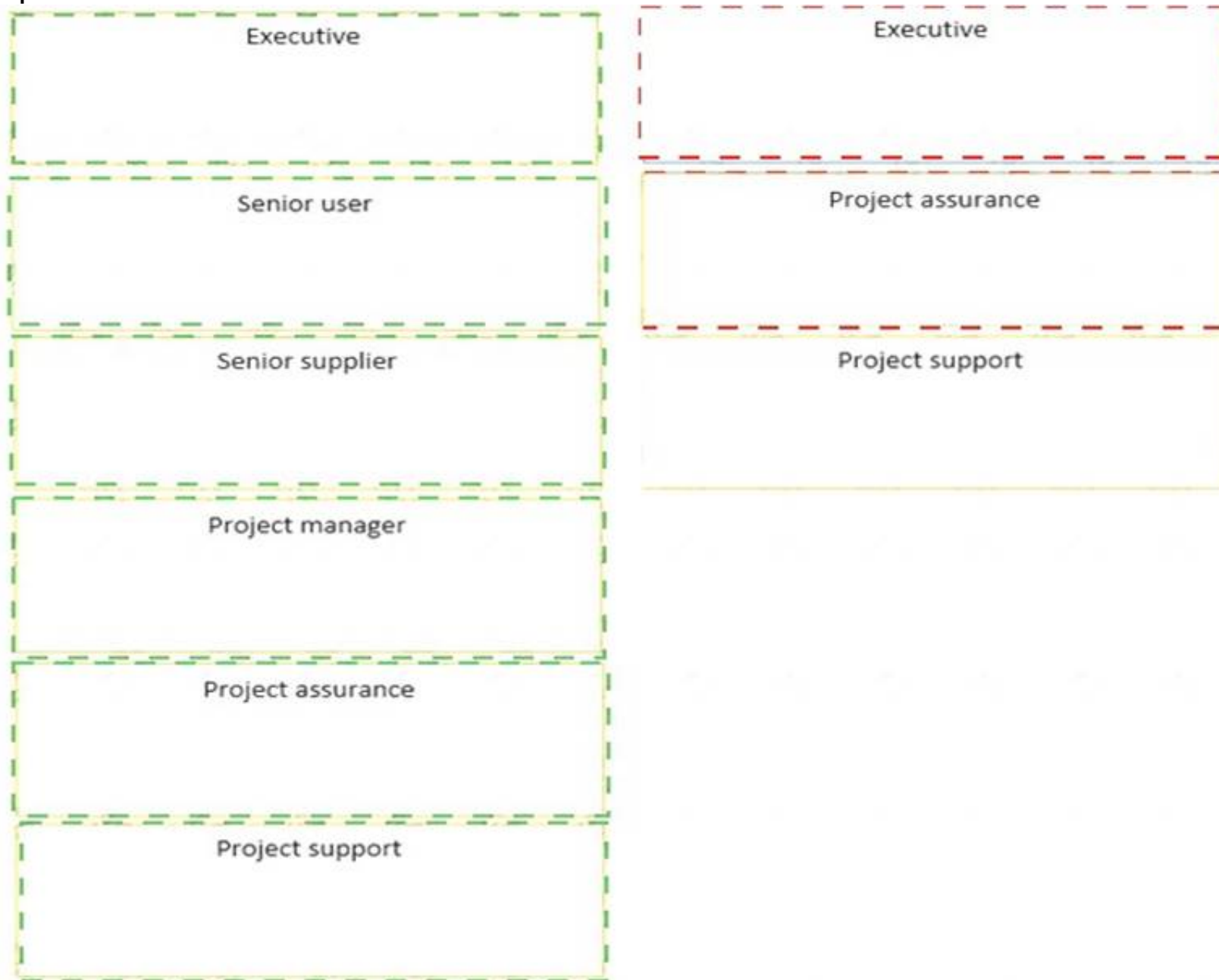
Executive	Obtain further funding because increased costs of developing the 'classroom-based training materials' have caused project cost tolerance to be exceeded.
Senior user	Reforecast during a benefits review, that the sales from the course will be less than originally estimated at the beginning of the project.
Senior supplier	Notify the project manager, after capturing a request for change affecting the accreditation of the trainers, that it will affect business justification.
Project manager	
Project assurance	
Project support	



- A. Mastered  
 B. Not Mastered

**Answer:** A

**Explanation:**



### NEW QUESTION 3

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver “capability to provide health and safety training”, including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for

classroom-based training will be delivered by ABC Company’s development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information. INITIATING A PROJECT

Here are three statements that were considered by the project management team during the 'initiating a project' process.

As part of which activity (A-F) should they FIRST be considered?

Choose only one activity for each statement. Each activity can be used once, more than once, or not at all.

Agree the tailoring requirements	Any new user requirements requested for the 'accredited classroom-based course' will only be implemented if it is allocated a 'must have' priority, and approved by the executive.
Prepare the risk management approach	Review the recommendation, made in the project brief, to combine the roles of executive and senior user.
Prepare the change control approach	ABC Company's audit department will check to ensure that the 'finalized materials' comply with the government legislation relating to health and safety.
Prepare the quality management approach	
Set up the project controls	
Create the project plan	

- A. Mastered
- B. Not Mastered

Answer: A

Explanation:



#### NEW QUESTION 4

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver “capability to provide health and safety training”, including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company’s development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company’s IT manager reports to the Operations Director.



The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The executive identified that there would be a benefit to the construction companies as their working time lost due to accidents would be reduced. This was included as a benefit to ABC Company in the business case for the Health and Safety Training Project.

Is this appropriate, and why?

- A. Yes, because the benefits to the customer are an essential part of business justification for a project.
- B. Yes, because both tangible and intangible benefits should be included in the business case.
- C. No, because ABC Company will not achieve their benefits if construction companies do not book the courses.
- D. No, because it is the customer's benefits that should be used to justify the project business case.

**Answer: A**

## NEW QUESTION 5

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers. ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The delivery of the pilot courses has been split into two separate products: 'planned pilot courses' and 'delivered pilot courses'. 'Planned pilot courses' will be produced during stage 3, and the 'delivered pilot courses' will take place during stage 4. This will allow the project board to approve the plan for the pilot courses before the resources are committed to delivering the pilot courses.

Why is this an appropriate application of the plans theme to control the project?

- A. Because a PRINCE2 project should focus on the quality of the products being delivered.
- B. Because the pilot courses have been broken down into two separate products.
- C. Because the project board should ensure that lessons from one stage are applied to the next stage.
- D. Because the delivery steps to create the pilot courses have been aligned to the management stages.

**Answer: D**

## NEW QUESTION 6

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for

classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The project board has asked for highlight reports every six weeks during stage 3. As a result, the project manager has asked each team manager for checkpoint reports every six weeks, in order to collate these into the highlight report. The team manager for the 'marketed courses' is new to team management.

Is this an appropriate action as part of the 'controlling a stage' process, and why?

- A. Yes, because the project board will need to be updated with the progress of every team.
- B. Yes, because checkpoint reports are a time-driven control providing progress information.
- C. No, because the frequency of reporting should reflect the level of control required for the work package.
- D. No, because the project board should decide on the frequency and content of progress reporting.

**Answer: B**



## NEW QUESTION 7

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver “capability to provide health and safety training”, including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for

classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The Health and Safety Training Project is closing as planned. According to the contract terms, suppliers must submit all invoices within one week of project closure. The project manager will issue a project closure notification informing all suppliers of this invoicing deadline as part of the 'recommended project closure' activity.

Is this appropriate, and why?

- A. Yes, because the project board should approve the project closure notification drafted by the project manager.
- B. Yes, because a project closure notification should be sent to suppliers as part of the 'closing project' process.
- C. No, because the project board should issue a project closure notification as part of the 'directing a project' process.
- D. No, because the project manager should notify stakeholders using the approved project closure notification.

**Answer: B**

## NEW QUESTION 8

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver “capability to provide health and safety training”, including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for

classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a

government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project. The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information. CHANGE

A request has been received from a user to add the function to pay by credit card to the 'amended course booking procedures' for the 'e-learning course'. The user has suggested that sales of the course will be reduced if this change is not implemented.

Here are three actions relating to this request for change. Which role (A-E) should carry out each action?

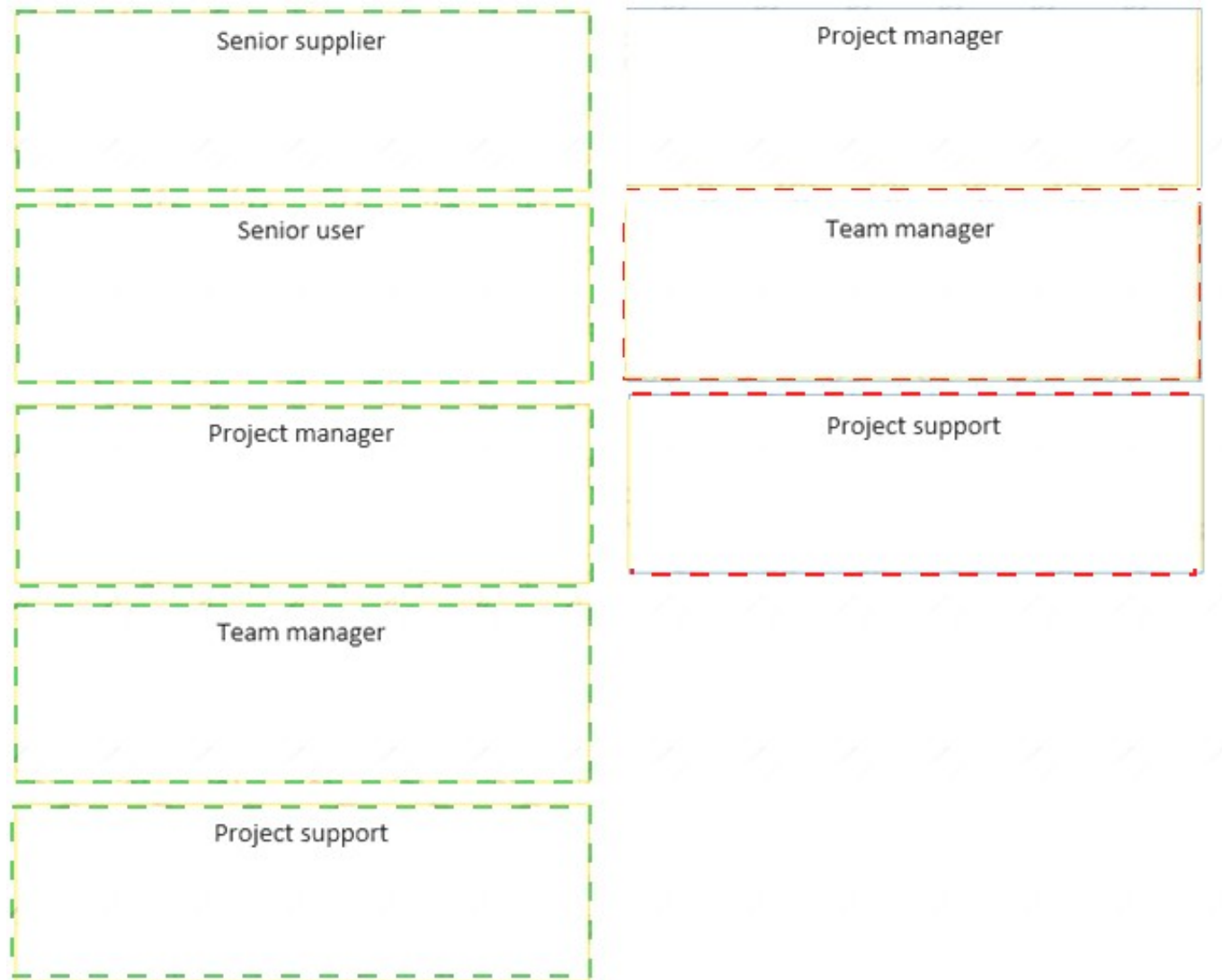
Choose only one role for each action. Each role can be used once, more than once, or not at all.

Senior supplier	Decide whether implementing the proposed changes to the 'amended course booking procedures' will impact the achievement of the predicted sales targets.
Senior user	Provide information on the current status of the 'e-learning course', and the 'amended course bookings procedures', to assist with the 'capture and examine issues and risks' activity.
Project manager	Access the impact of the requested change to the 'amended course booking procedures'.
Team manager	
Project support	

- A. Mastered  
 B. Not Mastered

**Answer:** A

**Explanation:**



#### NEW QUESTION 9

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver “capability to provide health and safety training”, including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for

classroom-based training will be delivered by ABC Company’s development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company’s IT manager reports to the Operations Director.



The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

All the products that are due in stage 3 have been completed, apart from the 'updated corporate quality procedures'. The work has been completed but the product has not yet been approved. The executive has been told that it will be signed off before the end of the project. In response to an exception report, the executive has instructed the project manager to plan to obtain approval of the product in stage 4.

Is this appropriate application of the report management stage end' activity, and why?

- A. Yes, because approval of the product can be carried forward into the next stage, with authority from the project board.
- B. Yes, because the completion of the product in the next stage is a follow-on action recommendation for stage 4.
- C. No, because approval of the products was planned for stage 3 and must be completed before the stage ends.
- D. No, because a project-level exception plan is required before approval of the quality procedures can be delayed.

**Answer: A**

### NEW QUESTION 10

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for

classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales

teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account

managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.  
 End of the additional information.

During stage 3, project costs are increasing but there will still be a positive return on investment, as documented in the business case. However, corporate management has recently revised its targets for return on investment and has decided to stop the project as it will not meet the new targets.  
 Is this an appropriate application of the 'continued business justification' principle?

- A. Yes, because changes in corporate strategy may impact a project's justification.
- B. Yes, because a change in a project's justification should trigger premature closure.
- C. No, because the project business case still justifies a project.
- D. No, because changes in corporate strategy should not impact a project once authorized.

**Answer: C**

#### NEW QUESTION 10

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for

classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

Use the 'Additional Information' in the Scenario Booklet to answer this question.

The Operations Director is the executive for the project and has proposed that a senior course developer be appointed as project manager. The course developer works in the Training Development Manager's team and has a good understanding of the standard course development model. The course developer was a team manager on a previous project for which the Operations Director was the executive.

Is this proposed appointment appropriate, and why?

- A. Yes, because the course developer is responsible for ensuring that trainers deliver courses to the required standard.
- B. Yes, because the course developer is likely to have the project management and specialist knowledge required.
- C. No, because the course developer's team reports to the Business Development Director, not the Operations Director.
- D. No, because there is a conflict of interest as the Training Development Manager is responsible for gaining accreditation.

**Answer:**



A

## NEW QUESTION 15

- (Exam Topic 2)

Scenario

Additional Information

During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:

There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

In financial terms, there were a total of 1,500 orders in the last financial year, each with an average profit of £2k. The Marketing department believes that sending a promotional calendar to our current and prospective customers would increase orders by at least 10% with a minimum of 10 further orders from the list of prospective customers within 12 months from the date of distribution.

The Marketing Director will be funding the project from the business marketing budget. She believes that the effect of a good company image portrayed by a successful calendar would last into a second year. She has forecast the same increase in orders for a second year and predicts that the annual employee satisfaction survey will show a measurable improvement in staff morale.

A number of alternatives were explored, including:

- 20% discount for all repeat customers - not cost-effective and very short term
- A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
- A series of television and press advertisements was too expensive
- A direct mail shot to all customers - benefit would be short term
- Creation of an internet website - would not suit all customers

The calendar is seen as the favored option, as long as the company's competitors do not increase their marketing activity. Whilst the Marketing department wants a very high quality, glossy product, the project management team must be aware of the cost this will incur.

Using the Project Scenario and the additional Information provided for this question In the Scenario Booklet, answer the following question.

Lines A to E in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

	Assertion	True False	Reason	
A	If the calendar solution is changed there should be a review of, and possible changes to, the Business Case.	True False	The Business Case includes options for the delivery of the chosen solution.	True False
B	The Business Case will no longer be viable if the prepared calendar pack is only available for printing in the first week of December.	True False	The Business Case is no longer viable if stage tolerances are exceeded during project.	True False
C	The fact that the project's aim is to try to counter the fall in orders should be documented in the project Brief.	True False	The outline Business Case contains the reasons why the project is needed and forms part of the Project Brief.	True False
D	The Benefits Review Plan should include an assessment in 12 months time of the increase in orders.	True False	The Benefits Review Plan contains details of benefits reviews to be conducted during the project.	True False
E	The expected improvement in staff morale should NOT be recorded as a benefit in the Business Case.	True False	Only those benefits that can be measured in financial terms should be defined in the Business Case.	True False

- A. Mastered  
 B. Not Mastered

Answer: A

Explanation:



	Assertion	True False	Reason	
A	If the calendar solution is changed there should be a review of, and possible changes to, the Business Case.	<input type="checkbox"/> True <input checked="" type="checkbox"/> False	The Business Case includes options for the delivery of the chosen solution.	<input type="checkbox"/> True <input checked="" type="checkbox"/> False
B	The Business Case will no longer be viable if the prepared calendar pack is only available for printing in the first week of December.	<input type="checkbox"/> True <input checked="" type="checkbox"/> False	The Business Case is no longer viable if stage tolerances are exceeded during project.	<input type="checkbox"/> True <input checked="" type="checkbox"/> False
C	The fact that the project's aim is to try to counter the fall in orders should be documented in the project Brief.	<input type="checkbox"/> True <input checked="" type="checkbox"/> False	The outline Business Case contains the reasons why the project is needed and forms part of the Project Brief.	<input type="checkbox"/> True <input checked="" type="checkbox"/> False
D	The Benefits Review Plan should include an assessment in 12 months time of the increase in orders.	<input type="checkbox"/> True <input checked="" type="checkbox"/> False	The Benefits Review Plan contains details of benefits reviews to be conducted during the project.	<input type="checkbox"/> True <input checked="" type="checkbox"/> False
E	The expected improvement in staff morale should NOT be recorded as a benefit in the Business Case.	<input type="checkbox"/> True <input checked="" type="checkbox"/> False	Only those benefits that can be measured in financial terms should be defined in the Business Case.	<input type="checkbox"/> True <input checked="" type="checkbox"/> False

### NEW QUESTION 19

- (Exam Topic 2)

Scenario

Additional Information

During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:

There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

In financial terms, there were a total of 1,500 orders in the last financial year, each with an average profit of £2k. The Marketing department believes that sending a promotional calendar to our current and prospective customers would increase orders by at least 10% with a minimum of 10 further orders from the list of prospective customers within 12 months from the date of distribution.

The Marketing Director will be funding the project from the business marketing budget. She believes that the effect of a good company image portrayed by a successful calendar would last into a second year. She has forecast the same increase in orders for a second year and predicts that the annual employee satisfaction survey will show a measurable improvement in staff morale.

A number of alternatives were explored, including:

- 20% discount for all repeat customers - not cost-effective and very short term
- A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
- A series of television and press advertisements was too expensive
- A direct mail shot to all customers - benefit would be short term
- Creation of an internet website - would not suit all customers

The calendar is seen as the favored option, as long as the company's competitors do not increase their marketing activity. Whilst the Marketing department wants a very high quality, glossy product, the project management team must be aware of the cost this will incur.

Using the Project Scenario and the additional Information provided for this question In the Scenario Booklet, answer the following question.

Which 2 statements should be recorded under the Costs heading?

- A. The MNO marketing budget this year is £120k.
- B. The project will be funded from the business marketing budget
- C. 10 further orders with an average profit of £2k will deliver a benefit of £20k in the first year.
- D. The new company logo is estimated to cost £4k.
- E. Project costs are estimated to be a total of £26.5k.

**Answer:** BE

### NEW QUESTION 24

- (Exam Topic 2)

Scenario

A central government department, the Ministry of Food Hygiene (MFH), faces increasing pressure to cut costs, better manage suppliers' performance and reduce the confusion caused by inadequate internal controls, outdated standards and outdated technology. External consultants were employed to conduct a feasibility study to identify options to address the problems, and the likely costs and benefits. The following options were considered:

Do nothing.

Re-engineer selected business functions. Outsource selected business functions.

The feasibility study concluded that there was a case for outsourcing the MFH Information Technology Division and the Facilities Division (maintenance of buildings and grounds). The recommendations were:

One service provider should be contracted to provide the services currently provided by the Information Technology Division and the Facilities Division.

A 10-year service contract should be agreed with the selected service provider.

The feasibility study developed high-level designs of the current organization, processes, systems and operating models, plus an outline Business Case for the required project. The external consultants also made the following recommendations for the management of the project:

Use PRINCE2.

Set up the project with 4 management stages: Stage 1. Standard PRINCE2 initiation activities.

Stage 2. Create detailed designs (future organization, processes, systems and operating models) and the service level agreement between MFH and the future

service provider.

Stage 3. Request and evaluate proposals, select service provider and agree contract.

Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

Initial estimates indicated that the project would cost £2.5m and take two years to complete. MFH senior management agreed that there was a case for outsourcing, and accepted the recommendations as a basis for the project. There is an expected saving of £20m over 10 years.

The Outsourcing project has completed the Starting up a Project process and is now in the initiation stage. Because of the strategic importance of the project, the MFH Chief Executive Officer has taken the role of Executive. A PRINCE2-experienced Project Manager has been appointed from within MFH. Staff within the business functions being outsourced will work with the external consultants who conducted the feasibility study to define the detailed designs.

Which 2 statements should be recorded under the Reasons heading?

- A. The lack of up-to-date technology in MFH means a re-engineering of existing services will not necessarily deliver the performance improvements required.
- B. Providing re-engineered services in-house will remove the need to transfer staff to a service provider.
- C. The Ministry of Food Hygiene (MFH) needs to deal with the increasing pressure to cut costs and better manage supplier's performance.
- D. Relocating staff to the selected service provider's premises will mean that no property transfer is required.
- E. The inadequate controls, outdated standards and outdated technology must be addressed.

**Answer:** CD

**Explanation:**

<http://www.whatisprince2.net/prince2-theme-business-case.php>

## NEW QUESTION 26

- (Exam Topic 2)

Scenario

Additional Information

During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:

There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

In financial terms, there were a total of 1,500 orders in the last financial year, each with an average profit of

£2k. The Marketing department believes that sending a promotional calendar to our current and prospective customers would increase orders by at least 10% with a minimum of 10 further orders from the list of prospective customers within 12 months from the date of distribution.

The Marketing Director will be funding the project from the business marketing budget. She believes that the effect of a good company image portrayed by a successful calendar would last into a second year. She has forecast the same increase in orders for a second year and predicts that the annual employee satisfaction survey will show a measurable improvement in staff morale.

A number of alternatives were explored, including:

- > 20% discount for all repeat customers - not cost-effective and very short term
- > A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
- > A series of television and press advertisements was too expensive
- > A direct mail shot to all customers - benefit would be short term
- > Creation of an internet website - would not suit all customers

The calendar is seen as the favored option, as long as the company's competitors do not increase their marketing activity. Whilst the Marketing department wants a very high quality, glossy product, the project management team must be aware of the cost this will incur.

Using the Project Scenario and the additional Information provided for this question In the Scenario Booklet, answer the following question.

Which 2 statements should be recorded under the Expected dis-benefits heading?

- A. A high quality, glossy product will involve additional costs.
- B. Individuals in the engineering team who are not selected to appear in the calendar photographs will become de-motivated.
- C. The calendar may not result in the expected 10% increase in orders.
- D. Because the Calendar project is a priority for the MNO Manufacturing Company, the delivery of other projects within the Marketing department will be delayed.
- E. The calendar may not result in the 10 further orders from the list of prospective customers in 12 months.

**Answer:** BD

## NEW QUESTION 30

- (Exam Topic 2)

Scenario

A central government department, the Ministry of Food Hygiene (MFH), faces increasing pressure to cut costs, better manage suppliers' performance and reduce the confusion caused by inadequate internal controls, outdated standards and outdated technology. External consultants were employed to conduct a feasibility study to identify options to address the problems, and the likely costs and benefits. The following options were considered:

Do nothing.

Re-engineer selected business functions. Outsource selected business functions.

The feasibility study concluded that there was a case for outsourcing the MFH Information Technology Division and the Facilities Division (maintenance of buildings and grounds). The recommendations were:

One service provider should be contracted to provide the services currently provided by the Information Technology Division and the Facilities Division.

A 10-year service contract should be agreed with the selected service provider.

The feasibility study developed high-level designs of the current organization, processes, systems and operating models, plus an outline Business Case for the required project. The external consultants also made the following recommendations for the management of the project:

Use PRINCE2.

Set up the project with 4 management stages: Stage 1. Standard PRINCE2 initiation activities.

Stage 2. Create detailed designs (future organization, processes, systems and operating models) and the service level agreement between MFH and the future service provider.

Stage 3. Request and evaluate proposals, select service provider and agree contract.

Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period. Initial estimates indicated that the project would cost £2.5m and take two years to complete.

MFH senior management agreed that there was a case for outsourcing, and accepted the recommendations as a basis for the project. There is an expected saving of £20m over 10 years.



The Outsourcing project has completed the Starting up a Project process and is now in the initiation stage. Because of the strategic importance of the project, the MFH Chief Executive Officer has taken the role of Executive. A PRINCE2-experienced Project Manager has been appointed from within MFH. Staff within the business functions being outsourced will work with the external consultants who conducted the feasibility study to define the detailed designs. Which 2 statements should be recorded under the Business options heading?

- A. The re-engineering of selected business functions would not provide the required outcome.
- B. The lack of up-to-date technology in MFH means a re-engineering of existing services will not necessarily deliver the performance improvements required.
- C. Use external consultants to provide guidance on the detailed design of the outsourced services.
- D. Set up a PRINCE2 project to deliver the outsourced services.
- E. Review a list of service providers to determine a short-list of possible service providers.

**Answer:** CD

#### NEW QUESTION 35

- (Exam Topic 2)

Scenario

Additional Information

During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:

There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

In financial terms, there were a total of 1,500 orders in the last financial year, each with an average profit of £2k. The Marketing department believes that sending a promotional calendar to our current and prospective customers would increase orders by at least 10% with a minimum of 10 further orders from the list of prospective customers within 12 months from the date of distribution.

The Marketing Director will be funding the project from the business marketing budget. She believes that the effect of a good company image portrayed by a successful calendar would last into a second year. She has forecast the same increase in orders for a second year and predicts that the annual employee satisfaction survey will show a measurable improvement in staff morale.

A number of alternatives were explored, including:

- 20% discount for all repeat customers - not cost-effective and very short term
- A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
- A series of television and press advertisements was too expensive
- A direct mail shot to all customers - benefit would be short term
- Creation of an internet website - would not suit all customers

The calendar is seen as the favored option, as long as the company's competitors do not increase their marketing activity. Whilst the Marketing department wants a very high quality, glossy product, the project management team must be aware of the cost this will incur.

Using the Project Scenario and the additional Information provided for this question In the Scenario Booklet, answer the following question.

Which 2 statements should be recorded under the Expected benefits heading?

- A. Increase orders by at least 10% with a minimum of 10 further orders from the list of prospective customers within 12 months.
- B. It will be similar to calendars sent out in previous years
- C. The Marketing department believes that the benefits of a good company image, as portrayed by a successful calendar, will last into a second year and bring the same increase in orders.
- D. The calendar will contain photos of both staff and company products.
- E. The Marketing department want a very high quality, glossy product as they believe this will be more appealing to customers.

**Answer:** AC

#### NEW QUESTION 37

- (Exam Topic 2)

Which of the following statements is TRUE with regard to expected benefits?

- A. They cannot be assigned
- B. They don't need to follow corporate objectives
- C. They should be measurable
- D. Tolerances cannot be set against expected benefits

**Answer:** C

#### NEW QUESTION 39

- (Exam Topic 2)

Scenario

Additional Information

During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:

There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

In financial terms, there were a total of 1,500 orders in the last financial year, each with an average profit of £2k. The Marketing department believes that sending a promotional calendar to our current and prospective customers would increase orders by at least 10% with a minimum of 10 further orders from the list of prospective customers within 12 months from the date of distribution.

The Marketing Director will be funding the project from the business marketing budget. She believes that the effect of a good company image portrayed by a successful calendar would last into a second year. She has forecast the same increase in orders for a second year and predicts that the annual employee satisfaction survey will show a measurable improvement in staff morale.

A number of alternatives were explored, including:

- 20% discount for all repeat customers - not cost-effective and very short term



- > A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
- > A series of television and press advertisements was too expensive
- > A direct mail shot to all customers - benefit would be short term
- > Creation of an internet website - would not suit all customers

The calendar is seen as the favored option, as long as the company's competitors do not increase their marketing activity. Whilst the Marketing department wants a very high quality, glossy product, the project management team must be aware of the cost this will incur.

Using the Project Scenario and the additional Information provided for this question In the Scenario Booklet, answer the following question.

Which 2 statements should be recorded under the Timescale heading?

- A. Benefits will be lost if the project is not completed on time.
- B. A recruitment campaign to fill the existing staff vacancies will need to take place in the next 12 months.
- C. Additional 10% increase in orders in year two.
- D. The prepared calendar pack must be delivered by the first week in December.
- E. The print company requires a 2 week notification period of the calendar pack delivery.

**Answer: CD**

#### NEW QUESTION 41

- (Exam Topic 3)

Scenario

Additional Information

Chief Executive Officer (CEO): He started the company 25 years ago and knows his job very well. He injured his leg two years ago which has restricted his visits to the engineering area. As CEO he has an overall perspective of the business strategic requirements and the authority to commit resources as required.

Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image.

Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. Whilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar.

Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

Bright Lights: This is the local office supplies company. It supplies all the stationery and office equipment needs of the company and will supply the stationery for this project.

Portraits Ltd: This is a professional photographic company with a number of excellent photographers and a history of successful work. This company has been selected to take the photos for the company calendar. It has yet been decided which of the photographers to use.

Which 2 statements explain why the Marketing Director should be appointed as a Senior User for this project?

- A. She can represent the Marketing department.
- B. She previously had a successful career in publicity.
- C. The Marketing department will help to deliver the benefits of this project.
- D. The project will be funded from the business marketing budget.
- E. A number of the products will be produced by the Sales department and the Marketing department.

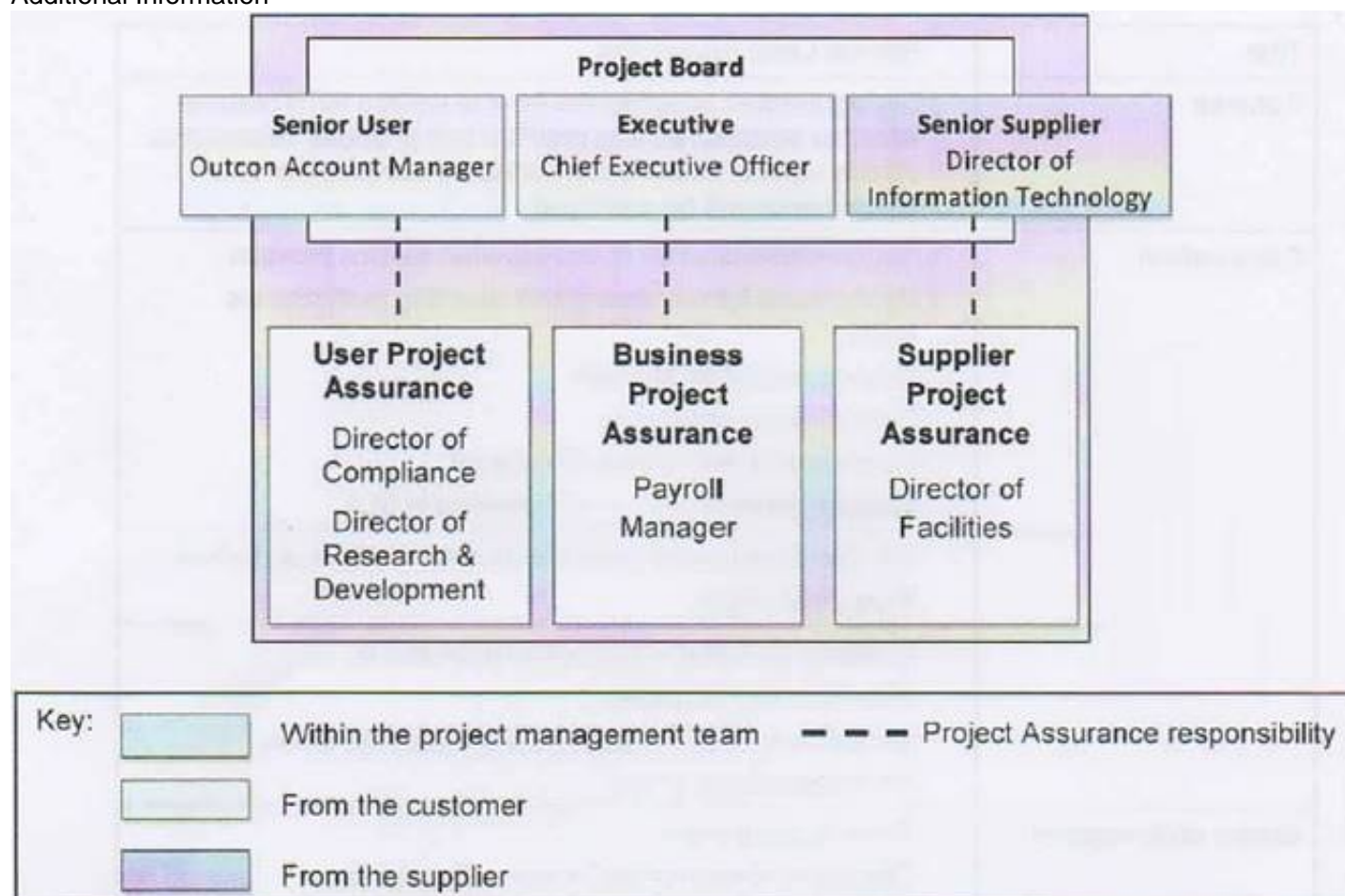
**Answer: AC**

#### NEW QUESTION 46

- (Exam Topic 3)

Scenario

Additional Information



Further information on some resources who could be involved in the project:

Outcome Account Manager: He represents Outcome which is a recruitment agency that provides specialist outsourcing resources. Outcome provided the consultants who carried out the feasibility study and the same consultants will be providing support and guidance to the Information Technology and Facilities teams during the project.

Director of Finance Division: She was transferred from the Information Technology Division 12 months ago. She is responsible for ensuring a cost-conscious approach is adopted in all operational and project activities across the Ministry of Food Hygiene.

Hardware Manager: Reports to the Director of Information Technology. He provides computer hardware to all business functions but has little awareness of the needs of his colleagues working in software.

Payroll Manager: Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards.

Which 2 alternative actions apply to the proposed supplier assurance for this project?

- A. Retain because he has a professional facilities qualification and so is in a position to specify the needs of his division.
- B. Retain because he will be able to advise on many of the products that will enable outsourcing to happen, such as the 10-year outsourcing service contract.
- C. Retain because he is well-regarded within the Ministry because of the efficiencies, superb service and savings he has achieved in the Facilities Division.
- D. Add 'Outcome Account Manager' because he will advise on potential changes and their impact on the integrity of the project's products.
- E. Remove because he is involved with the project and is therefore NOT independent.

**Answer: BD**

#### NEW QUESTION 47

- (Exam Topic 4)

Which of the following statements are True:

- \* 1. Quality management is the complete set of quality standards, procedures and responsibilities for a site or organization.
- \* 2. Quality planning is about defining products required of the project with their respective quality criteria, methods and responsibilities.
- \* 3. Quality control focuses on the operational techniques and activities used to carry out quality inspections
- \* 4. Quality assurance ensures that quality methods are being correctly followed.

- A. 1, 2 & 3
- B. 1, 3 & 4
- C. 1, 2 & 4
- D. 2, 3 & 4

**Answer: A**

#### NEW QUESTION 49

- (Exam Topic 4)

Scenario

Additional Information Product Description

Title	Service Level Agreement.
Purpose	<ul style="list-style-type: none"> <li>This agreement specifies the level of service MFH requires from the selected service provider and provides measurable criteria against which the selected service provider's performance will be assessed.</li> </ul>
Composition	<ul style="list-style-type: none"> <li>Responsibilities of MFH and selected service provider.</li> <li>Mechanisms for monitoring and reporting performance levels.</li> <li>Dispute resolution process.</li> <li>Confidentiality provisions.</li> <li>Conditions for termination of contract.</li> <li>Glossary of technical terms contained in SLA.</li> </ul>
Format and presentation	<ul style="list-style-type: none"> <li>A4, Word document, printed both sides in black and white.</li> <li>Font: Arial, 12pts.</li> </ul>
Quality criteria	<ul style="list-style-type: none"> <li>Contains all composition items listed above.</li> <li>Not more than 60 pages.</li> <li>Complies with MFH corporate branding standards.</li> <li>No typographical errors.</li> </ul>
Quality skills required	<ul style="list-style-type: none"> <li>Proof-reading skills.</li> <li>Director of Compliance Division - Reviewer.</li> <li>Director of Information Technology Division - Reviewer.</li> <li>Administrator.</li> </ul>
Quality responsibilities	<ul style="list-style-type: none"> <li>Producer/Presenter: Director of Facilities Division.</li> <li>Chair: Project Manager.</li> </ul>

Quality notes from the Daily Log

The Director of Information Technology Division (DIT) has been asked to ensure that any changes to the outsourced staff employment contracts adhere to employment law. The DIT will review future job descriptions of the transferred staff before the final contract is signed with the selected service provider.

The service level agreement between MFH and the selected service provider will specify the type and quality of service required. The selected service provider must follow the industry standards for providing outsourced services.

MFH has a quality management system which contains a document control procedure for all its documentation, however this does not include change management.



All project documents will be subject to a quality review. Nominated products will require a formal approval record signed-off by the quality review chair.

Extract from the draft Quality Management Strategy (may contain errors) Introduction

- \* 1. This document defines the approach to be taken to achieve the required quality levels during the project.
  - \* 2. The Project Board will have overall responsibility for the Quality Management Strategy.
  - \* 3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy. Quality management procedure - Quality standards
  - \* 4. The selected service provider will operate to industry standards for providing outsourced services.
  - \* 5. MFH document standards will be used. Records
  - \* 6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
  - \* 7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
  - \* 8. Approval records for products that require them will be stored in the quality database. Roles and responsibilities
  - \* 9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
  - \* 10. Team Managers will provide details of quality checks that have been carried out.
  - \* 11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
  - \* 12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.
- None of the reviewers have proof-reading skills.

- A. Record an action to request that Project Assurance identify a proof-reader who can, within the next 2 days, complete the check for typographical errors.
- B. Ask the reviewers present at the meeting to conduct a proof-reading exercise and pass any comments to the author within 2 days.
- C. Contact Project Assurance to find appropriate resources to come into the review.
- D. No action required.

**Answer:** A

#### NEW QUESTION 50

- (Exam Topic 4)

Scenario

Additional Information Product Description

Title	Service Level Agreement.
Purpose	<ul style="list-style-type: none"> <li>This agreement specifies the level of service MFH requires from the selected service provider and provides measurable criteria against which the selected service provider's performance will be assessed.</li> </ul>
Composition	<ul style="list-style-type: none"> <li>Responsibilities of MFH and selected service provider.</li> <li>Mechanisms for monitoring and reporting performance levels.</li> <li>Dispute resolution process.</li> <li>Confidentiality provisions.</li> <li>Conditions for termination of contract.</li> <li>Glossary of technical terms contained in SLA.</li> </ul>
Format and presentation	<ul style="list-style-type: none"> <li>A4, Word document, printed both sides in black and white.</li> <li>Font: Arial, 12pts.</li> </ul>
Quality criteria	<ul style="list-style-type: none"> <li>Contains all composition items listed above.</li> <li>Not more than 60 pages.</li> <li>Complies with MFH corporate branding standards.</li> <li>No typographical errors.</li> </ul>
Quality skills required	<ul style="list-style-type: none"> <li>Proof-reading skills.</li> <li>Director of Compliance Division - Reviewer.</li> <li>Director of Information Technology Division - Reviewer.</li> <li>Administrator.</li> </ul>
Quality responsibilities	<ul style="list-style-type: none"> <li>Producer/Presenter: Director of Facilities Division.</li> <li>Chair: Project Manager.</li> </ul>

Quality notes from the Daily Log

The Director of Information Technology Division (DIT) has been asked to ensure that any changes to the outsourced staff employment contracts adhere to employment law. The DIT will review future job descriptions of the transferred staff before the final contract is signed with the selected service provider.

The service level agreement between MFH and the selected service provider will specify the type and quality of service required. The selected service provider must follow the industry standards for providing outsourced services.

MFH has a quality management system which contains a document control procedure for all its documentation, however this does not include change management.

All project documents will be subject to a quality review. Nominated products will require a formal approval record signed-off by the quality review chair.

Extract from the draft Quality Management Strategy (may contain errors) Introduction

- \* 1. This document defines the approach to be taken to achieve the required quality levels during the project.
- \* 2. The Project Board will have overall responsibility for the Quality Management Strategy.
- \* 3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy. Quality management procedure - Quality standards
- \* 4. The selected service provider will operate to industry standards for providing outsourced services.
- \* 5. MFH document standards will be used. Records
- \* 6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
- \* 7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
- \* 8. Approval records for products that require them will be stored in the quality database. Roles and responsibilities



- \* 9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
  - \* 10. Team Managers will provide details of quality checks that have been carried out.
  - \* 11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
  - \* 12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.
- Although it is not specified in the current corporate branding standards, the MFH corporate logo should be shown on the front page of the service level agreement.

- A. Obtain agreement from the Director of Facilities Division to amend this within the remaining +2 days tolerance.
- B. Raise an issue (off-specification).
- C. Raise an issue (request for change).
- D. Accept this error as a concession.

**Answer: C**

#### NEW QUESTION 55

- (Exam Topic 4)

Extract from the Project Product Description (with errors)

<b>Composition</b>	1. Monthly calendar displays 2. 100gsm glossy paper 3. Full colour 4. Selected envelope 5. Chosen label design 6. List of customers 7. Selected photos 8. Photo session schedule
<b>Derivation</b>	9. New company logo design 10. Previous calendar designs 11. Internal creative team 12. Production cost forecast
<b>Development skills required</b>	13. Photographer 14. Internal creative team 15. Printer
<b>Customer's quality expectations</b>	16. Professional photos 17. 10% more calendars should be printed than required to allow for any late additions to the list of customers 18. Compliance with applicable corporate standards 19. The calendar should reflect the company image as described in the corporate branding standards 20. The calendar will increase orders by at least 10% with a minimum of 10 further orders from the list of prospective customers within 12 months
<b>Acceptance criteria</b>	21. Appearance - each photo should be sufficiently attractive and humorous that the customer wants to display it 22. Appearance - new company logo promotes strong image 23. Security - complies with Data Protection Act 24. Accuracy - public holidays match the list supplied by Marketing on 01 November

The information in Column 1 may be entered in the Product Description for the chosen label design. Column 2 is a list of the quality headings (excluding Quality Method) in a Product Description. For each entry in Column 1 decide if it should be included in the Product Description headings shown and select the heading from Column 2 under which it should be recorded.  
 Drop down the right answer.

Column 1	Column 2
Half the size of the selected envelope.	<div><div></div><div>Not included Quality criteria Quality tolerance Quality skills required Quality responsibilities</div></div>
Attractive large font.	<div><div></div><div>Not included Quality criteria Quality tolerance Quality skills required Quality responsibilities</div></div>
Project Board.	<div><div></div><div>Not included Quality criteria Quality tolerance Quality skills required Quality responsibilities</div></div>
+5% 1-5% of the required label size.	<div><div></div><div>Not included Quality criteria Quality tolerance Quality skills required Quality responsibilities</div></div>

- A. Mastered
- B. Not Mastered

Answer: A

Explanation:

Column 1	Column 2
Half the size of the selected envelope.	<div> <input type="text"/> </div> <div> Not included  Quality criteria  Quality tolerance  Quality skills required  Quality responsibilities </div>
Attractive large font.	<div> <input type="text"/> </div> <div> Not included  Quality criteria  Quality tolerance  Quality skills required  Quality responsibilities </div>
Project Board.	<div> <input type="text"/> </div> <div> Not included  Quality criteria  Quality tolerance  Quality skills required  Quality responsibilities </div>
+5% 1-5% of the required label size.	<div> <input type="text"/> </div> <div> Not included  Quality criteria  Quality tolerance  Quality skills required  Quality responsibilities </div>

#### NEW QUESTION 60

- (Exam Topic 4)

Scenario

Extract from the Project Product Description (with errors)

<b>Composition</b>	1. Monthly calendar displays 2. 100gsm glossy paper 3. Full colour 4. Selected envelope 5. Chosen label design 6. List of customers 7. Selected photos 8. Photo session schedule
<b>Derivation</b>	9. New company logo design 10. Previous calendar designs 11. Internal creative team 12. Production cost forecast
<b>Development skills required</b>	13. Photographer 14. Internal creative team 15. Printer
<b>Customer's quality expectations</b>	16. Professional photos 17. 10% more calendars should be printed than required to allow for any late additions to the list of customers 18. Compliance with applicable corporate standards 19. The calendar should reflect the company image as described in the corporate branding standards 20. The calendar will increase orders by at least 10% with a minimum of 10 further orders from the list of prospective customers within 12 months
<b>Acceptance criteria</b>	21. Appearance - each photo should be sufficiently attractive and humorous that the customer wants to display it 22. Appearance - new company logo promotes strong image 23. Security - complies with Data Protection Act 24. Accuracy - public holidays match the list supplied by Marketing on 01 November



Which 2 statements apply to the Derivation section?

- A. Move entry 9 to Composition because this is within the scope of the project.
- B. Delete entry 10 because this is NOT a source product for this project.
- C. Delete entry 11 as this is already correctly shown under Development Skills required.
- D. Move entry 12 to Composition, because this is within the scope of this project.
- E. Add 'Professional photographer'.

**Answer:** CD

### NEW QUESTION 63

- (Exam Topic 5)

Scenario

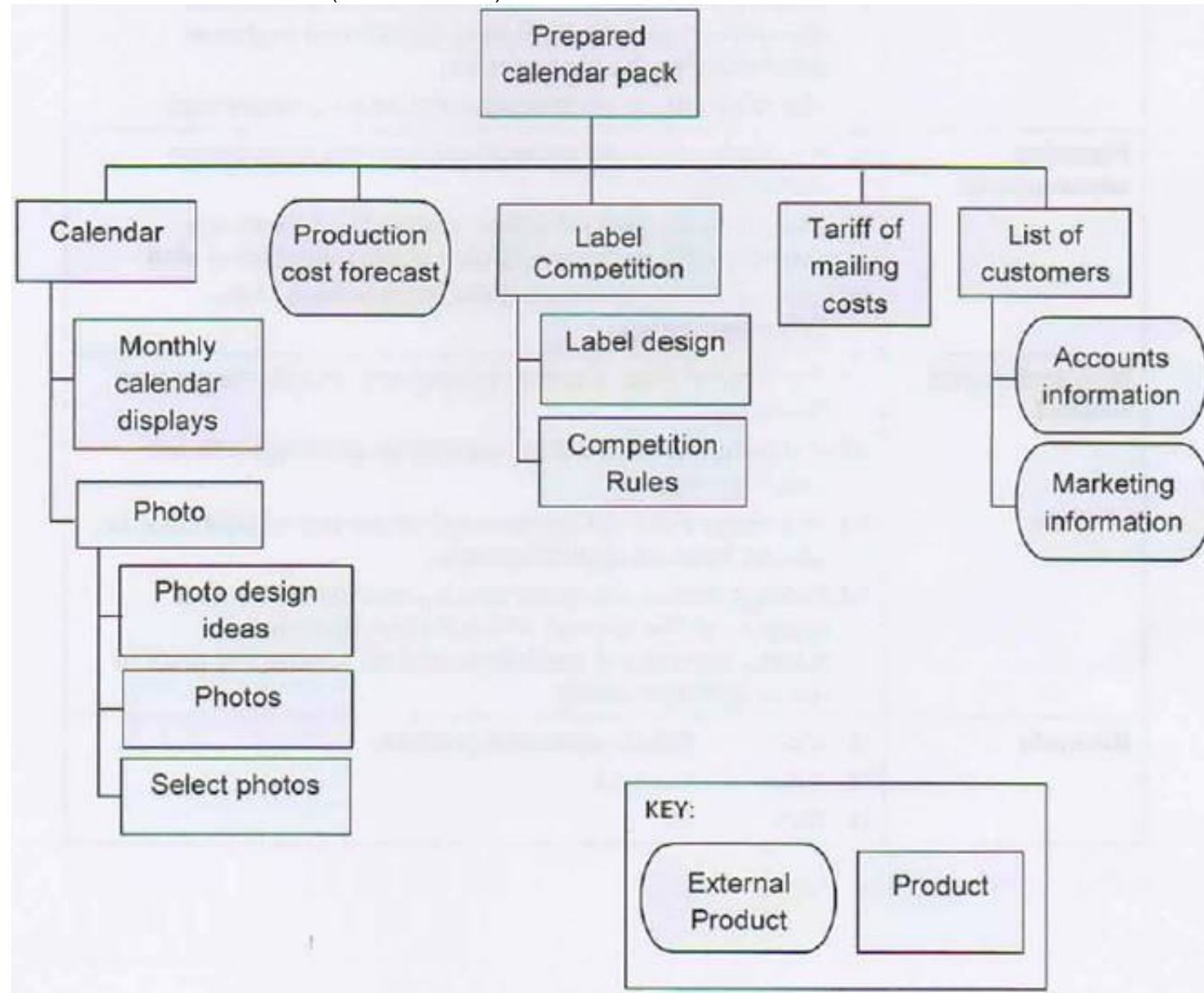
Product Summary

A list of customers will be collated. This will use existing information from the Accounts department about current customers, and existing information from the Marketing department about prospective customers.

Using the tariff of mailing costs available from the Post Office, a production cost forecast will be produced to allow the CEO and the Marketing Director to decide whether to continue with the project. If they decide to continue, they will give the approval to launch the internal label design competition. Competition rules will be required to communicate details of the competition to the staff. The chosen label design will then be selected from the competition entries.

The photos for the calendar must be based on existing photo design ideas available from the Marketing department. The selected photos will be chosen from these. Monthly calendar displays will be created to show the required layout of each page.

Product Breakdown Structure (contains errors)



Extract from Stage Plan for stage 3.

(All entries are true statements but may not be shown under the correct heading or in the correct document).

Plan description	1. Stage 3 is the final stage of the project and will deliver the photos, the label design competition entries, the winning label design and the prepared calendar pack.
Plan prerequisites	2. Increase in orders and improved company image. 3. The production cost forecast must be acceptable to the Project Board if the photography and label design competition are to go ahead. 4. The customer list is accurate and complete.
External dependencies	5. A separate project has been reviewing the company's branding. The company logo, required for the label design competition, is being updated. The new company logo is to be supplied by the other project in two weeks time. 6. Customer details will be supplied from the Accounts department and the Marketing department customer databases for the customer list. 7. The label design must contain the new company logo.
Planning assumptions	8. A suitable entry will be received from the label design competition. 9. The photo session schedule created two weeks ago correctly reflects the availability of the engineering staff. 10. Each photo must feature different members of the Engineering team.
Monitoring and control	11. The Project Plan is to be updated with actual throughout the stage. 12. A Highlight Report will be created for the Project Board every two weeks. 13. The Stage Plan will be reviewed at the end of each day, to assess forecast against actual. 14. Product Status Accounts will be produced by Project Support, at the request of the Project Manager, to summarize current and historical data concerning each of the project's products.
Budgets	15. Cost £5k for specialist products 16. Time 4 weeks 17. Risk £0

Using the Project Scenario and the Extract from Stage Plan for stage 3 provided as additional intonation for this question in the Scenario Booklet, answer the following 5 questions.

The Stage Plan for stage 3 has been produced.

The Engineering Manager insists that there are to be no interruptions to operations whilst photographs are being taken of the engineering staff performing their everyday duties and operating machinery. Two weeks ago the professional photographer produced the photo session schedule based on the operational staff schedule. The operational staff schedule is produced weekly and maintained by the Engineering Manager.

None of the £500 change budget has been used to date and this is available for the stage.

Which 2 statements apply to the External dependencies section?

- A. Delete entry 5 because the new company logo is being delivered by a separate project and will be detailed in the plans for that project.
- B. Move entry 5 to Plan prerequisites because the new company logo will influence the label designs.
- C. Move entry 5 to Plan description because the new company logo will be delivered during stage 3.
- D. Delete entry 6 because the customer details were used in stage 2 to create the customer list.
- E. Delete entry 7 because it should be shown in the Product Description for the label design.

**Answer:** DE

#### NEW QUESTION 67

- (Exam Topic 5)

Who is responsible for committing user resources to the project?

- A. Senior User
- B. Senior Supplier
- C. Executive
- D. Project Board

**Answer:** A

#### NEW QUESTION 68

- (Exam Topic 6)

Who is responsible for reviewing the risk management practices to ensure they are in line with the project's risk management strategy?

- A. Project Support
- B. Project Manager
- C. Team Manager
- D. Project Assurance

**Answer:** D

#### NEW QUESTION 70

- (Exam Topic 6)  
Scenario

A photographer from Portraits Ltd, a professional photographic company, has taken on the role of Team Manager after taking some time to understand the requirements of the project. A contract for their services has been set up and is being monitored by the Purchasing Manager and a Work Package has been agreed. This contract specifies that the photographer must arrange a meeting with the Engineering Manager to establish a schedule for the photo sessions to minimize the impact on the Engineering staff. This meeting should have occurred by now.

The Engineering Manager was made aware of this requirement but when asked he reported that he has received no communication from the photographer. The Project Manager has tried to call the photographer and has had no response. The Project Manager believes there is a risk that Portraits Ltd are overbooking work and prioritizing other clients' work. If Portraits Ltd do not deliver on schedule the project will be delayed and the expected benefits will be reduced.

The contract is to be reviewed and Portraits Ltd reminded of their agreement.

The project is now in stage 2. The Project Manager has heard about the possibility of a competitor also producing a calendar to be delivered earlier than the target date for this project. There is a threat that the early release of a competitor's calendar may weaken the impact of the MNO Manufacturing Company calendar, thereby reducing the anticipated benefits of the Calendar project.

There is a major concern over an apparent lack of control of project documentation.

For each concern listed in Column 1, select from Column 2 the configuration management task that could help address the problem. Each selection from Column 2 can be used once, more than once or not at all.

Column 1	Column 2
As a number of people are involved in the project it is becoming increasingly difficult to keep track of what documentation each person has.	<div></div>
Both current and previous versions of the photo session schedule are in circulation.	<div></div>
A revised list of customers has been issued but it is not clear what was wrong with the previous one.	<div></div>
The Marketing department has lost the chosen label design and no copy was made.	<div></div>
The Marketing department staff cannot say with any certainty which photos were approved and which still require work.	<div></div>
The Engineering Manager has complained that the photo session schedule has been changed and that no consideration has been given to the impact this will have on the engineering staff shift pattern.	<div></div>



Column 1
As a number of people are involved in the project it is becoming increasingly difficult to keep track of what documentation each person has.
Both current and previous versions of the photo session schedule are in circulation.
A revised list of customers has been issued but it is not clear what was wrong with the previous one.
The Marketing department has lost the chosen label design and no copy was made.
The Marketing department staff cannot say with any certainty which photos were approved and which still require work.
The Engineering Manager has complained that the photo session schedule has been changed and that no consideration has been given to the impact this will have on the engineering staff shift pattern.

Column 2
<div><div></div><div>Produce a Product Status Account. Maintain a record of all copies issued. Record the link between version and the Issue Report that caused its change. Notify copy holders of any changes. Recall and archive superseded product copies. Retain master products, issuing copies only. Maintain a record of relationships between products.</div></div>
<div><div></div><div>Produce a Product Status Account. Maintain a record of all copies issued. Record the link between version and the Issue Report that caused its change. Notify copy holders of any changes. Recall and archive superseded product copies. Retain master products, issuing copies only. Maintain a record of relationships between products.</div></div>
<div><div></div><div>Produce a Product Status Account. Maintain a record of all copies issued. Record the link between version and the Issue Report that caused its change. Notify copy holders of any changes. Recall and archive superseded product copies. Retain master products, issuing copies only. Maintain a record of relationships between products.</div></div>
<div><div></div><div>Produce a Product Status Account. Maintain a record of all copies issued. Record the link between version and the Issue Report that caused its change. Notify copy holders of any changes. Recall and archive superseded product copies. Retain master products, issuing copies only. Maintain a record of relationships between products.</div></div>
<div><div></div><div>Produce a Product Status Account. Maintain a record of all copies issued. Record the link between version and the Issue Report that caused its change. Notify copy holders of any changes. Recall and archive superseded product copies. Retain master products, issuing copies only. Maintain a record of relationships between products.</div></div>
<div><div></div><div>Produce a Product Status Account. Maintain a record of all copies issued. Record the link between version and the Issue Report that caused its change. Notify copy holders of any changes. Recall and archive superseded product copies. Retain master products, issuing copies only. Maintain a record of relationships between products.</div></div>

- A. Mastered
- B. Not Mastered

Answer: A

Explanation:

### Column 1

As a number of people are involved in the project it is becoming increasingly difficult to keep track of what documentation each person has.

Both current and previous versions of the photo session schedule are in circulation.

A revised list of customers has been issued but it is not clear what was wrong with the previous one.

The Marketing department has lost the chosen label design and no copy was made.

The Marketing department staff cannot say with any certainty which photos were approved and which still require work.

The Engineering Manager has complained that the photo session schedule has been changed and that no consideration has been given to the impact this will have on the engineering staff shift pattern.

### Column 2

Produce a Product Status Account.  
 Maintain a record of all copies issued.  
 Record the link between version and the Issue Report that caused its change.  
 Notify copy holders of any changes.  
 Recall and archive superseded product copies.  
 Retain master products, issuing copies only.  
 Maintain a record of relationships between products.

Produce a Product Status Account.  
 Maintain a record of all copies issued.  
 Record the link between version and the Issue Report that caused its change.  
 Notify copy holders of any changes.  
 Recall and archive superseded product copies.  
 Retain master products, issuing copies only.  
 Maintain a record of relationships between products.

Produce a Product Status Account.  
 Maintain a record of all copies issued.  
 Record the link between version and the Issue Report that caused its change.  
 Notify copy holders of any changes.  
 Recall and archive superseded product copies.  
 Retain master products, issuing copies only.  
 Maintain a record of relationships between products.

Produce a Product Status Account.  
 Maintain a record of all copies issued.  
 Record the link between version and the Issue Report that caused its change.  
 Notify copy holders of any changes.  
 Recall and archive superseded product copies.  
 Retain master products, issuing copies only.  
 Maintain a record of relationships between products.

Produce a Product Status Account.  
 Maintain a record of all copies issued.  
 Record the link between version and the Issue Report that caused its change.  
 Notify copy holders of any changes.  
 Recall and archive superseded product copies.  
 Retain master products, issuing copies only.  
 Maintain a record of relationships between products.

Produce a Product Status Account.  
 Maintain a record of all copies issued.  
 Record the link between version and the Issue Report that caused its change.  
 Notify copy holders of any changes.  
 Recall and archive superseded product copies.  
 Retain master products, issuing copies only.  
 Maintain a record of relationships between products.

### NEW QUESTION 75

- (Exam Topic 6)

Which of the following reports does not contain any information on risk?

- A. Issue Report
- B. Highlight report
- C. Lessons Report
- D. End Stage Report

**Answer: A**

#### NEW QUESTION 77

- (Exam Topic 8)

There are two time driven controls in PRINCE2, which are they?

- A. Highlight and End Stage Reports
- B. Highlight and Checkpoint Reports
- C. Checkpoint and End Project Reports
- D. Highlight and Lessons Reports

**Answer: B**

#### NEW QUESTION 81

- (Exam Topic 8)

Who is responsible for confirming stage and project progress against agreed tolerances?

- A. Project Support
- B. Executive
- C. Project Assurance
- D. Project Manager

**Answer: C**

#### NEW QUESTION 84

- (Exam Topic 8)

During which process would the stage tolerances be set?

- A. Controlling a Stage
- B. Initiating a Project
- C. Managing a Stage Boundary
- D. Directing a Project

**Answer: D**

#### NEW QUESTION 85

- (Exam Topic 8)

Project Scenario

Calendar Project (Note: The companies and people within the scenario are fictional.)

There has been a reduction in the number of orders at the MNO Manufacturing Company due in part to the increased marketing activities of its competitors. To help counter this, the company has decided to create a promotional calendar for next year for all its current and prospective customers. The end product of this project will be a prepared calendar pack, ready for printing. The design of the calendar will be similar to one sent out previously, and must reflect the company image as described in the existing corporate branding standards. Another project is currently producing a new company logo when is to be printed on each page of the promotional calendar. The prepared calendar pack will consist of:

- Design for each month - correctly showing at public holidays and new company logo
- Selected paper and selected envelope - for printing and mailing the calendar
- Chosen label design - a competition to design a label will be held as part of this project
- List of customers - names and addresses of customers to whom the calendar will be sent.

The project is currently in initiation and will have two further stages: Stage 2 will include the activities to:

- Create the customer list using information from the Accounts and Marketing departments
- Confirm compliance with the Data Protection Legislation
- Create a design for each month - this will be done by the internal creative team
- Select and appoint a professional photographer
- Gather photograph design ideas from previous project and agree photographic session schedule
- Prepare a production cost forecast
- Select paper and envelope.

Stage 3 will include the activities to:

- Produce and select the professionally-taken photographs
- Hold the label design competition and choose the label design
- Assemble the prepared calendar pack.

A production cost forecast, based on the options and costs for the paper, envelope, printing and marketing of the calendar is to be produced in stage 2. However, the actual production and distribution of the calendars is not within the scope of the project. The product cost forecast will be reviewed by the Project Board to determine whether the project should continue.

It is now 05 October and the prepared calendar pack must be delivered to the print company by 30 November, to enable printing and distribution of the calendar in time for Christmas. The cost of the activities to develop the specialist products and the cost of the project management activities are estimated to be £20,000.

There is a project time tolerance of +1 week /-2 weeks and a project cost tolerance of +£6,000 / -£6,000. A change budget of £500 has been allocated but there is no risk budget.

As the project approaches the end of stage 2, the Project Manager has requested a Product Status Account to ensure that all products are at their expected point of development. Although the list of customers has been quality reviewed, it has not been baselined because the Marketing department have not provided all of the prospective customers' details. What initial action should the Project Manager take?

- A. Delay producing the End Stage Report until the list of customers has been baselined.
- B. Raise an Exception Report to the Project Board to highlight the issue.
- C. Check the target sign-off date for the list of customers.
- D. Update the product status to baselined and obtain a commitment from the Marketing department to finish this work within the next few days.

**Answer: C**



#### NEW QUESTION 89

- (Exam Topic 8)

Scenario:

Techniques, processes and procedures

\* 1. Any threat that may result in a loss of MFH data must be escalated immediately. Joint agreements

\* 2. Work is to start at the beginning of week 2 (Stage 4).

\* 3. The project will take two years to complete, at an estimated cost of £2.5m. Tolerances

\* 4. None. Constraints

\* 5. MFH staff must not be involved in any heavy lifting during the removal of existing IT equipment.

\* 6. Installation work must take place during MFH normal working hours.

\* 7. +£10,000 / -£25,000.

Reporting arrangements

\* 8. Highlight Report every Monday by 10.00 am.

\* 9. The report must contain a summary of all products worked on during the previous week.

\* 10. Project Manager must be notified of any issues immediately by telephone. Problem handling and escalation

\* 11. Impact analysis of all issues must be completed within 24 hours. Extracts or references

\* 12. The Stage Plan for stage 4 is available from Project Support. Approval method

\* 13. Project Assurance will review the completed Work Package and confirm completion Which 2 statements apply to either the Extracts or references or Approval method sections?

A. Delete entry 12 because this should be the Team Plan not the Stage Plan.

B. A suitable entry for Extracts or references would be 'Product Descriptions are available from Project Support'.

C. Move entry 13 to Reporting arrangements because this describes how completion will be advised to the

D. Project Manager.

E. Delete entry 13 because this is NOT a Project Assurance responsibility.

F. Add 'The Project Manager is to be advised of completion of the Work Package by email'.

**Answer:** AB

#### NEW QUESTION 94

- (Exam Topic 9)

Starting Up a project is triggered by which of the following?

A. Legislation

B. Corporate Strategy

C. Risks

D. Mandate

**Answer:** D

#### NEW QUESTION 95

- (Exam Topic 9)

Scenario

Additional Information

Extract from the Communication Management Strategy.

The project information in the table below is true, but it may not be recorded under the correct heading or be in the correct document.

<b>Introduction</b>	1. This document contains details of how the project management team will send information to individuals working on the Calendar project, and receive information from them.
<b>Communication procedure</b>	2. See MNO Manufacturing Company standards for all internal company communications.
<b>Tools and techniques</b>	3. Use the staff newsletter to launch the label design competition and to promote the chosen label design. 4. Using the number of responses to the label design competition as a measure, report fortnightly to the Project Board on the effectiveness of the staff newsletter as a vehicle for communication. 5. Use the company website to advertise the promotional calendar to customers.
<b>Records</b>	6. A record should be maintained for each product of the project. As a minimum this should show the project name, product name, product title, and version number. 7. External email and correspondence relating to the Calendar project should be recorded electronically in the project folder. 8. Information received in hard copy should, where possible, should be scanned and filed as above.
<b>Timing of communication activities</b>	9. At the end of each stage, audit and report on the performance of the communication methods being used. 10. Highlight Reports to be provided to appropriate stakeholders, at the frequency defined in each Stage Plan.
<b>Stakeholder analysis: Interested parties</b>	11. Photographer. 12. Print company.
<b>Information needs for each interested party</b>	13. Weekly updates will be provided by email to the individual producing the staff newsletter. 14. Engineering Manager is to be consulted when preparing the photo session schedule.

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board.

The project is now at the end of the initiation stage. Having decided that the Calendar project is a relatively simple project, the Project Manager combined the Starting Up a Project process and the Initiating a Project process. No Project Brief has been produced. Instead the Project Manager used the project mandate to produce a simple Project Initiation Documentation (PIO). The PIO includes the Business Case, a product checklist and several Product Descriptions, Including the Project Product Description. Short sections are also included for each of the strategies and the controls to be applied. The Project Manager has elected to use the Daily Log to record all risks, issues, lessons and quality - results.

After the initiation stage there will be two further stages during which a small number of Work Packages will be authorized. While these are being managed, the Project Manager will hold regular checkpoints, which will support the production of weekly Highlight Reports to the Project Board.

This question provides a number of changes which may or may not be required to the Extract from the Communication Management Strategy provided in the additional information.

Which statement applies to the Tools and techniques section?

- A. Delete entry 3 because the activities required to create the products should be documented in the relevant plan(s).
- B. Move entry 4 to Reporting because this describes a report on the performance of the Communication procedures used.
- C. Delete entry 5 because the customers are not within the scope of this project.

**Answer: B**

#### NEW QUESTION 100

- (Exam Topic 9)

Who is responsible for appointing the Project Manager?

- A. Corporate or Programme Management
- B. The Project Board
- C. The Executive
- D. Project Assurance

**Answer: C**

#### NEW QUESTION 104

- (Exam Topic 9)

Which of the following is NOT an objective of Initiating a Project?

- A. Understanding the scope of what is to be done and the products to be delivered
- B. Understanding the roles and responsibilities of the Project Management Team
- C. Understand how quality required will be achieved
- D. Understand how progress will be monitored and controlled

**Answer: B**

#### NEW QUESTION 108

- (Exam Topic 10)

It is now late October and the project is in stage 3. The label design competition has been held and the photos of the staff have been taken. The CEO and Marketing Director still need to choose the winning label design and the 12 photos for the calendar. However, the Executive has learned that two competitors are issuing calendars to MNO's customers by the middle of November. After analyzing the impact of this Issue, one of the options the Project Manager has presented to the Project Board is to close the project prematurely.

There are a number of key facts relating to this project that would need to be recorded if the project Y-e to be closed now.

Which product should show that the photos could be used for other promotional material for the company?

- A. Benefits Review Plan
- B. Lessons Log
- C. Exception Report
- D. End Project Report

**Answer: D**

#### NEW QUESTION 111

- (Exam Topic 10)

Which of the following is NOT a trigger for the project manager to authorize a work package?

- A. Stage Authorization
- B. Corrective Action
- C. Exception plan approved
- D. Reporting highlights

**Answer: D**

#### NEW QUESTION 114

- (Exam Topic 10)

It is now late October and the project is in stage 3. The label design competition has been held and the photos of the staff have been taken. The CEO and Marketing Director still need to choose the winning label design and the 12 photos for the calendar. However, the Executive has learned that two competitors are issuing calendars to MNO's customers by the middle of November. After analyzing the impact of this Issue, one of the options the Project Manager has presented to the Project Board is to close the project prematurely.

There are a number of key facts relating to this project that would need to be recorded if the project Y-e to be closed now.

Which product should show that if anybody has any remaining resource costs to be charged to the project, they should ensure this is done by 10 November?

- A. Benefits Review Plan
- B. End Project Report
- C. Follow-on action recommendations
- D. Project closure notification

**Answer: D**

#### NEW QUESTION 116

- (Exam Topic 10)

Which of the following principles describes this statement?

"xxx defines tolerances for each project objective to establish limits of delegated authority"

- A. Manage by stages
- B. Focus on products
- C. Manage by exception
- D. Learn from experience

**Answer: C**

#### NEW QUESTION 118

- (Exam Topic 10)

It is now late October and the project is in stage 3. The label design competition has been held and the photos of the staff have been taken. The CEO and Marketing Director still need to choose the winning label design and the 12 photos for the calendar. However, the Executive has learned that two competitors are issuing calendars to MNO's customers by the middle of November. After analyzing the impact of this Issue, one of the options the Project Manager has presented to the Project Board is to close the project prematurely.

There are a number of key facts relating to this project that would need to be recorded if the project Y-e to be closed now.

Which product should show that without the calendar the company is going to experience difficulties recovering its decline in orders, and alternative solutions are required if the company is going to recover its position?

- A. Benefits Review Plan
- B. Exception Report
- C. End Project Report
- D. Risk Register

**Answer: C**

#### NEW QUESTION 122

- (Exam Topic 10)

It is now late October and the project is in stage 3. The label design competition has been held and the photos of the staff have been taken. The CEO and Marketing Director still need to choose the winning label design and the 12 photos for the calendar. However, the Executive has learned that two competitors are issuing calendars to MNO's customers by the middle of November. After analyzing the impact of this Issue, one of the options the Project Manager has presented to the Project Board is to close the project prematurely.



There are a number of key facts relating to this project that would need to be recorded if the project Y-e to be closed now. Which product should show that the project has been closed prematurely and has not achieved the objectives defined in the Project Initiation Documentation (PID)?

- A. Benefits Review Plan
- B. End Project Report
- C. Exception Report
- D. Project closure notification

**Answer: B**

#### NEW QUESTION 125

- (Exam Topic 11)

Which of the following management products ARE updated as part of Managing a stage boundary?

- \* 1. Business Case
- \* 2. Benefits Review Plan
- \* 3. Configuration Item Records
- \* 4. Project Brief

- A. 1, 2, 3
- B. 1, 3, 4
- C. 1, 2, 4
- D. 2, 3, 4

**Answer: A**

#### NEW QUESTION 129

- (Exam Topic 11)

Which of the following statements is FALSE regarding the Continued Business Justification?

- A. The justification for the project must remain the same throughout the project.
- B. The justification for the project should remain vabbd.
- C. The justification for the project may change.
- D. If the project is no longer justified it should be stopped.

**Answer: B**

#### NEW QUESTION 132

- (Exam Topic 12)

The change control approach defines how products should be controlled and protected during the project. The accreditation of the 'classroom-based training materials' was planned to take place during stage 2. At the end of the stage, the configuration item record shows that the 'classroom-based training materials' have been accredited. However, the project manager decides to request an audit of the product as well.

Is this appropriate, and why?

- A. Yes, because the project should verify that the recorded status reflects the actual status of the products.
- B. Yes, because the change control approach should specify how the configuration item records are approved.
- C. No, because the project manager should ensure that the change control approach is tailored to the project.
- D. No, because the issue management and change control procedures can be treated as separate, but related, procedures.

**Answer: B**

#### NEW QUESTION 137

- (Exam Topic 12)

##### STARTING UP A PROJECT

Here are three actions carried out by the project manager during the 'starting up a project' process. As part of which activity (A-F) should each action be carried out?

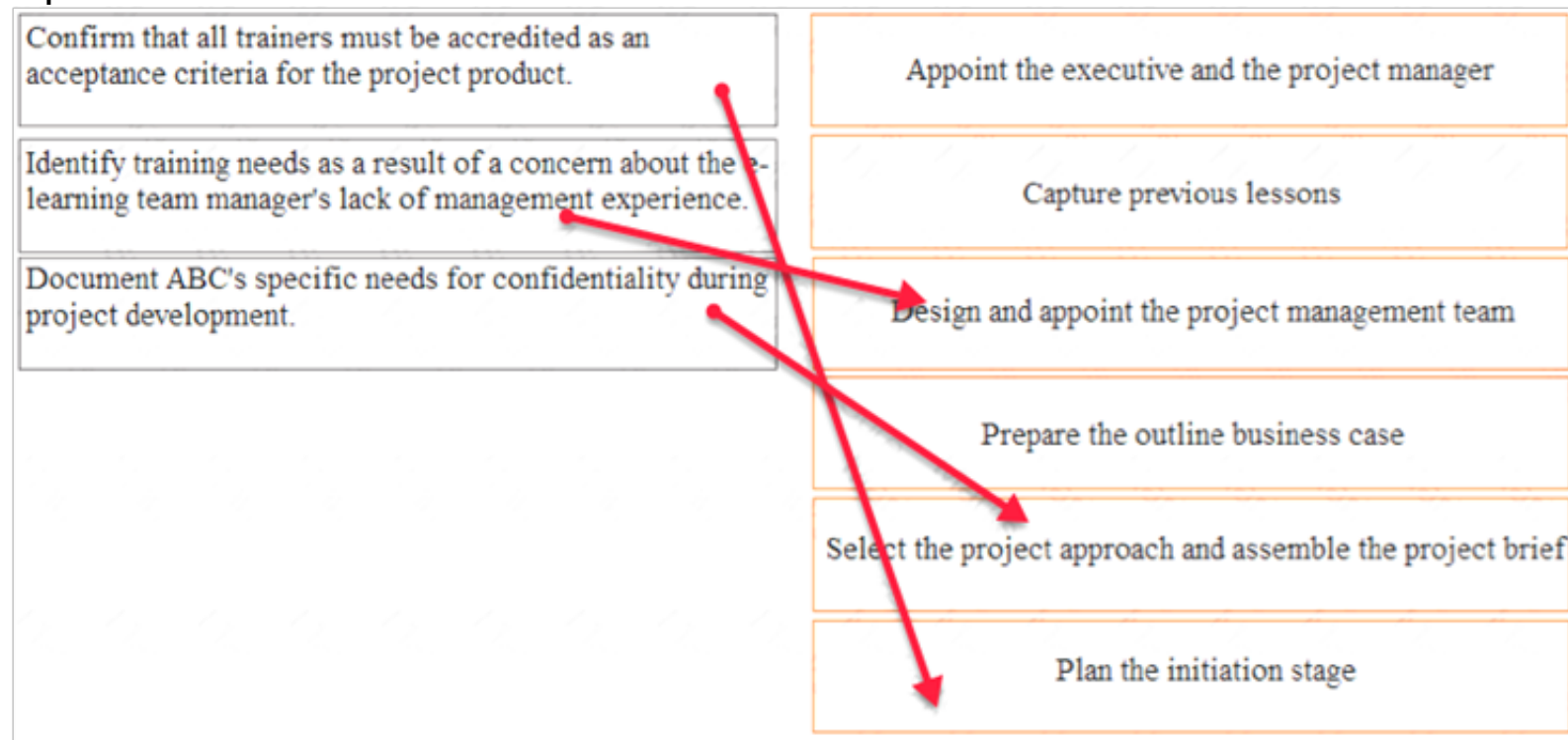
Choose only one activity for each action. Each activity can be used once, more than once, or not at all.

Confirm that all trainers must be accredited as an acceptance criteria for the project product.	Appoint the executive and the project manager
Identify training needs as a result of a concern about the e-learning team manager's lack of management experience.	Capture previous lessons
Document ABC's specific needs for confidentiality during project development.	Design and appoint the project management team
	Prepare the outline business case
	Select the project approach and assemble the project brief
	Plan the initiation stage

- A. Mastered
- B. Not Mastered

**Answer:** A

**Explanation:**



#### NEW QUESTION 141

- (Exam Topic 12)

During stage 3, the team manager reports that the work to update the 'corporate quality procedures' has been completed and the product is ready to be delivered. What should project assurance do next?

- A. Update the team plan to show that the work package is complete.
- B. Check the work package and follow the procedure to deliver completed products.
- C. Verify that all the products to be delivered by the work package are approved.
- D. Update the stage plan to show the work package as completed.

**Answer:** C

#### NEW QUESTION 144

- (Exam Topic 12)

During previous projects, stakeholders became confused when using a number of separate project registers. Therefore, when preparing the risk management approach, the project manager created a risk register template and added it to an integrated project register. This register is a spreadsheet that includes project assumptions, issues, dependencies, and now risks, on separate pages.

Is this appropriate for a risk register, and why?

- A. Yes, because the project registers should be tailored to meet the needs of the organization.
- B. Yes, because risks are often identified as a result of issues being raised.
- C. No, because an integrated project register should include the quality register as well.
- D. No, because assumptions and dependencies are sources of risk.

**Answer:** C

**Explanation:**

Reference

[http://prince2.wiki/Quality\\_Register\\_Template](http://prince2.wiki/Quality_Register_Template)

#### NEW QUESTION 146

- (Exam Topic 12)

The Sales Director would like to add a new company logo to the 'marketing material'. The change to the project scope has been approved by the project board. It is expected to delay product and stage completion date by 3 days and cost £900. The stage 2 cost tolerance of +£1,000 has not been used. The change budget of £500 has not been used.

Which option describes how this change should be funded?

- A. £400 of the stage 2 cost tolerance and the £500 change budget should be used.
- B. £900 needed for the change should be taken from the stage 2 cost tolerance.
- C. £900 of additional funding will need to be requested to pay for the change.
- D. £400 will need to be requested in addition to the £500 change budget.

**Answer:** D

#### NEW QUESTION 148

- (Exam Topic 12)

The project is part of a program to develop more training courses that respond to new legislation. The project manager has requested that project support be made available from the program. As a result, the executive has confirmed that this will be carried out by the program office.

Is this appropriate, and why?

- A. Yes, because the program office should provide support to projects, if requested.
- B. Yes, because the project support role is not optional and must be provided.
- C. No, because the project manager should take on project support responsibilities.
- D. No, because program and project team structures need to be separate.

**Answer:** A

#### NEW QUESTION 153

- (Exam Topic 12)

The project is approaching the end of stage 4 and all work will be completed as planned. The project manager is now preparing a plan for acceptance and the handover of the 'capability to provide health and safety training'.

Is this appropriate, and why?

- A. Yes, because a plan should be created to measure the number of courses carried out after project closure.
- B. Yes, because a separate closure stage plan should be created during stage 4.
- C. No, because closure activities should have been planned at the end of stage 3.
- D. No, because user acceptance of the project's products should have taken place throughout the project.

**Answer:** A

#### NEW QUESTION 157

- (Exam Topic 12)

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for

classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

Checkpoint reports are being produced monthly. A week after the last checkpoint report was prepared, the team responsible for developing the 'classroom-based training materials' have realized that they will not be able to deliver the materials to the accreditor by the work package completion deadline.

Which action demonstrates application of the 'manage by exception' principle?



- A. The team manager reports the issue in the next checkpoint report.
- B. The team manager immediately produces an exception plan to replace the current plan.
- C. The team manager immediately reports the issue to the project manager.
- D. The team manager raises a risk that the deadline may be missed.

**Answer:** C

**Explanation:**

Reference  
[http://prince2.wiki/Manage\\_by\\_exception](http://prince2.wiki/Manage_by_exception)

**NEW QUESTION 159**

.....

## Thank You for Trying Our Product

### We offer two products:

1st - We have Practice Tests Software with Actual Exam Questions

2nd - Questions and Answers in PDF Format

### PRINCE2-Practitioner Practice Exam Features:

- \* PRINCE2-Practitioner Questions and Answers Updated Frequently
- \* PRINCE2-Practitioner Practice Questions Verified by Expert Senior Certified Staff
- \* PRINCE2-Practitioner Most Realistic Questions that Guarantee you a Pass on Your FirstTry
- \* PRINCE2-Practitioner Practice Test Questions in Multiple Choice Formats and Updatesfor 1 Year

**100% Actual & Verified — Instant Download, Please Click**  
**[Order The PRINCE2-Practitioner Practice Test Here](#)**