

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
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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.

ABC Company uses a standard development model to develop courses and uses PRINCE2 to manage these projects. The objectives from the Health and Safety Training Project have been documented in the business plan of ABC Company. This business plan has triggered this project. As a result, to save time, the executive has decided to simplify the ‘starting up a project’ process. The project mandate will be adapted and becomes the project brief.

Is this appropriate, and why?

- A. Yes, because the business outcomes are clear, the project brief can be a sample statement elaborating the mandate.
- B. Yes, because the executive can initiate the project based on the project mandate by passing the ‘starting up a project’ process.
- C. No, because the project brief should be a statement which includes a fuller description of the project.
- D. No, because capturing lessons from previous projects identify lessons to be applied to this project.

Answer: C

NEW QUESTION 2

- (Exam Topic 1)

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End of the additional information. RISK

The project is in stage 2. The project manager has heard that a competitor may launch a similar e-learning course much sooner than ABC Company. There is a threat that the earlier launch of a competitor's course may reduce the profitability of ABC Company training courses.

Here are three responses to this risk. Which risk response type (A-F) are they?

Choose only one response type for each risk response. Each response type can be used once, more than once, or not at all.

Avoid a threat	Record the risk in the risk register and monitor the competitor's activities.
Reduce a threat	Deliver the health and safety training course earlier than originally planned.
Transfer the risk	Continue with the delivery of the project, as planned, because ABC Company's courses are believed to be on higher quality.
Accept the risk	
Prepare contingent plans	
Enhance an opportunity	

- A. Mastered
- B. Not Mastered

Answer: A

Explanation:



NEW QUESTION 3

- (Exam Topic 1)

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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 4

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End of the additional information.

The executive has set the following tolerances for stage 2: Time (+/- 1 week)

Cost (+/- £20,000)

Scope (using MoSCoW prioritization technique)

Risk (based on the risk appetite defined in the risk management approach)

These tolerances have been recorded in the stage plan. The project manager will report progress regularly via highlight reports to the project board and use exception reports to raise exceptions. In addition, the project assurance role will monitor the stage to provide confidence to the project board that exceptions are being reported.

How well does this apply the 'manage by exception' principle, and why?

- A. It applies the principle well, because tolerances should be set for the related aspects of project performance for each stage.
- B. It applies the principle well, because the project manager needs to control the project using discrete management stages.
- C. It applies the principle poorly, because tolerances should be set for each stage against each of the six aspects of project performance.
- D. It applies the principle poorly, because it is the regular reporting of progress that should give the project board the required confidence.

Answer: C

NEW QUESTION 5

- (Exam Topic 1)

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End of the additional information.

The Health and Safety Training Project is part of a programme of strategic expansion, which is important for ABC Company's continued operation. At the end of stage 2, the estimated project costs are greater than the expected benefits in the business case. The project board has reviewed the situation and asked programme management to decide whether the project should be closed prematurely.

Is this an appropriate application of the 'manage by stages' principle, and why?

- A. Yes, because decisions about closure should be escalated to programme management, unless otherwise instructed.
- B. Yes, because the project board should escalate significant decisions to programme management.
- C. No, because this contradicts the 'manage by exception' principle.
- D. No, because the project board should decide whether to continue with the project.

Answer: A

NEW QUESTION 6

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End of the additional information.

During stage 4, a work package was authorized for the ‘delivered pilot courses’ to be completed by the end of week 2. The ‘finalized materials’ work package will start in week 3. Both work packages have zero tolerances, and finalizing the materials is dependent on feedback from the pilot courses.

During week 1, there were some problems with the pilot courses, so at the start of week 2 the team manager rescheduled the courses to week 3, and reported this in the weekly checkpoint report as the end of week 2.

Should the team manager have reported this delay previously as an issue, and why?

- A. Yes, because the work package to deliver the pilot courses was forecast to exceed its time tolerance.
- B. Yes, because a team manager should not change the scheduled order of a work package.
- C. No, because the checkpoint report for week 1 should include information on any issues that occurred.
- D. No, because the feedback from the rescheduled courses can be used in week 4 to finalize the materials.

Answer: C

NEW QUESTION 7

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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 8

- (Exam Topic 1)

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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 is in stage 2. The project manager is reviewing stage status and has collected the checkpoint reports from the team managers. These show that the products are being completed on schedule. However, project support has raised issues that quality reviews have not been completed as agreed. The project manager reports in the highlight report that the stage is progressing well.

Is this appropriate, and why?

- A. Yes, because the highlight report is a summary of the information in the checkpoint reports.
- B. Yes, because the highlight report is used to provide the project board with stage and project progress.
- C. No, because the project manager should have recorded the cause of the delay to the quality reviews in the lessons log.
- D. No, because the issues raised by project support are a cause for concern and should be reflected in the highlight report.

Answer: D

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 of 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.

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End of the additional information.

ABC Company has a standard course development model with four defined stages that the company manages using PRINCE2. The project manager for the Health and Safety Training Project has recommended the stage 2 of the standard model be split into two separate stages. As a result, there will now be five management stages in the project.

Is this an appropriate application of the 'tailor to suit the project' principle, and why?

- A. Yes, because the project manager can adapt or combine PRINCE2 process to suit the project.
- B. Yes, because the standard course development structure should be tailored to suit the project.
- C. No, because a simple project should have no more than two management stages.
- D. No, because the standard course development structure should be applied to the project.

Answer: B

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.

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Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario. Additional Information:

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End of the additional information. **MANAGING PRODUCT DELIVERY**

The team manager for the production of the 'marketing materials' has identified that they will not be ready within the timescale agreed in the work package. The team manager has sufficient tolerance to take corrective action. As a result, additional resources have been assigned to this work package.

Which theme is being applied?

- A. Risk
- B. Organization
- C. Progress
- D. Change

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.

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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: End of the Project scenario.

Additional Information:

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End of the additional information.

The development of the 'e-learning course' will be outsourced to an external supplier and their key members will join the project management team. The supplier wants to keep their work processes confidential and not share these with ABC Company. ABC Company has agreed.

Who should approve the external supplier's team plan?

- A. Senior supplier
- B. Project manager
- C. Supplier assurance
- D. Corporate, programme management or customer

Answer: D

NEW QUESTION 13

- (Exam Topic 1)

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End of the Project scenario. Additional Information:

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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 14

- (Exam Topic 1)

Project Scenario – Health and Safety Training Project:

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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.

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End of the Project scenario. Additional Information:

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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 16

- (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
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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.

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End of the additional information.

ABC Company carried out a similar project two years ago, in response to changes in health and safety legislation for the health service. The experiences from that project were used to refine the corporate risk management policy. For that reason, the project board decided to use the corporate risk management policy in the risk management approach for this project.

Is this appropriate, and why?

- A. Yes, because experience from previous projects should be taken into account in the risk management approach.
- B. Yes, because the corporate risk management policy was updated, as a result of lessons from previous projects.
- C. No, because the risk management approach should be tailored to suit the project and its environment.
- D. No, because a separate risk management approach is not necessary when the company has a risk management policy.

Answer: A

NEW QUESTION 18

- (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 Expected dis-benefits heading?

- A. An investment of £2.5m is required.
- B. Staff morale will be negatively affected.
- C. The project will take two years to deliver.
- D. Staff may lose the opportunity to work in Information Technology.
- E. MFH will lose direct control over the outsourced business functions.

Answer: CE

NEW QUESTION 20

- (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 21

- (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 26

- (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. VVhilst

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 27

- (Exam Topic 3)

In which Management product would the Project Board specify where the authority for change requests lies?

- A. Risk Management Strategy
- B. Quality Management Strategy
- C. Communication Strategy
- D. Configuration Management Strategy

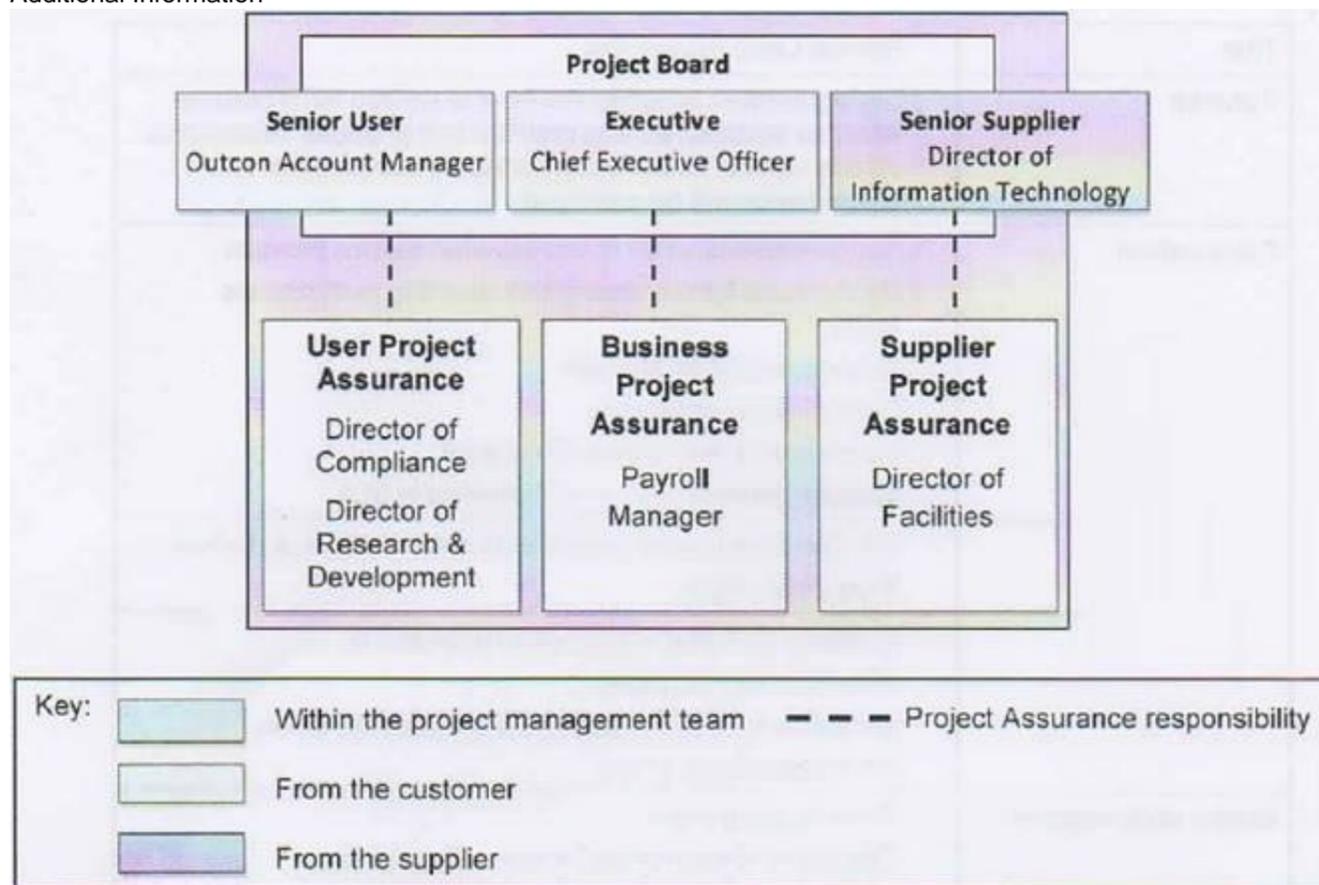
Answer: D

NEW QUESTION 29

- (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 business assurance for this project?

- A. Remove because he will be impacted by the project and therefore represents a user.
- B. Replace with 'Project Manager' because this is a simple project that does not require additional business assurance.
- C. Add 'Outcome Consultants' because they carried out the feasibility study.
- D. Add 'Director of Finance Division' because she is responsible for checking that any supplier and contractor payments are authorized.
- E. Retain because he is familiar with the Ministry of Food Hygiene business strategy, the business level risk assessment and the Business Case standards.

Answer: DE

NEW QUESTION 34

- (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 to be decided which of the photographers to use.

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

- A. She has been with the company for three years.
- B. She previously had a successful career in publicity.
- C. She is able to represent the business needs of MNO Manufacturing.
- D. She has authority to commit the marketing budget, from which the project will be funded.
- E. She requires more experience working with the engineering industry.

Answer: CD

NEW QUESTION 36

- (Exam Topic 3)

Which of the following is False?

A Successful project management team should.

- A. Have business, user and supplier stakeholder representation
- B. Never be reviewed as members should stay with the team for the duration
- C. Ensure appropriate governance by defining responsibilities for directing, managing and delivering the project and clearly defining accountability at all levels
- D. Have an effective strategy to manage communication flows to and from stakeholders

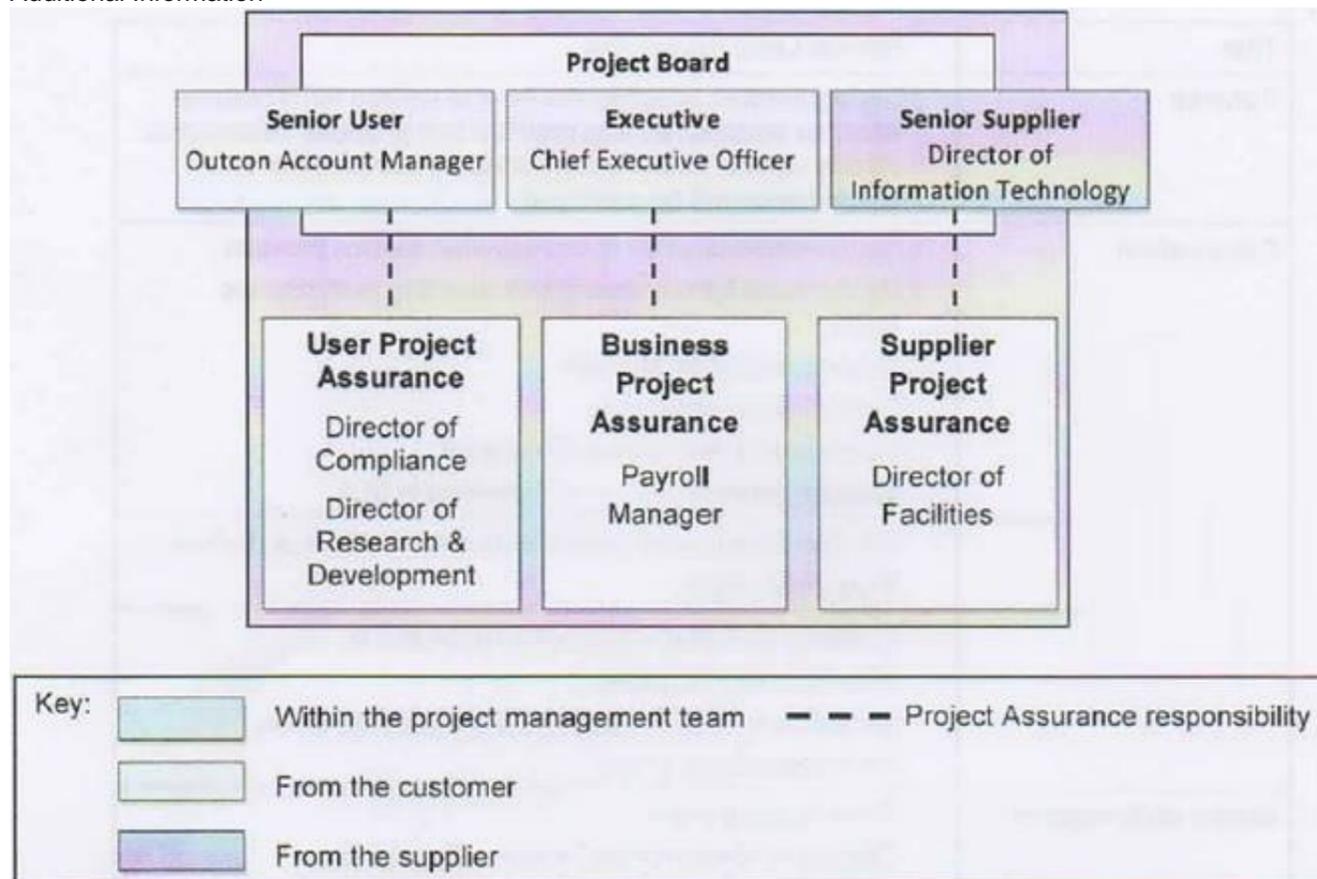
Answer: B

NEW QUESTION 39

- (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 user assurance for this project?

- A. Retain because they are both very positive about outsourcing the selected business functions.
- B. Retain because their divisions will be the major users of the outsourced services and they can provide the user perspective on the impact of any proposed changes.
- C. Remove because neither of these individuals are from the business functions to be outsourced.
- D. Retain because selecting only one of them may cause unnecessary conflict.
- E. Retain because they are able to help identify stakeholders and their communication requirements.

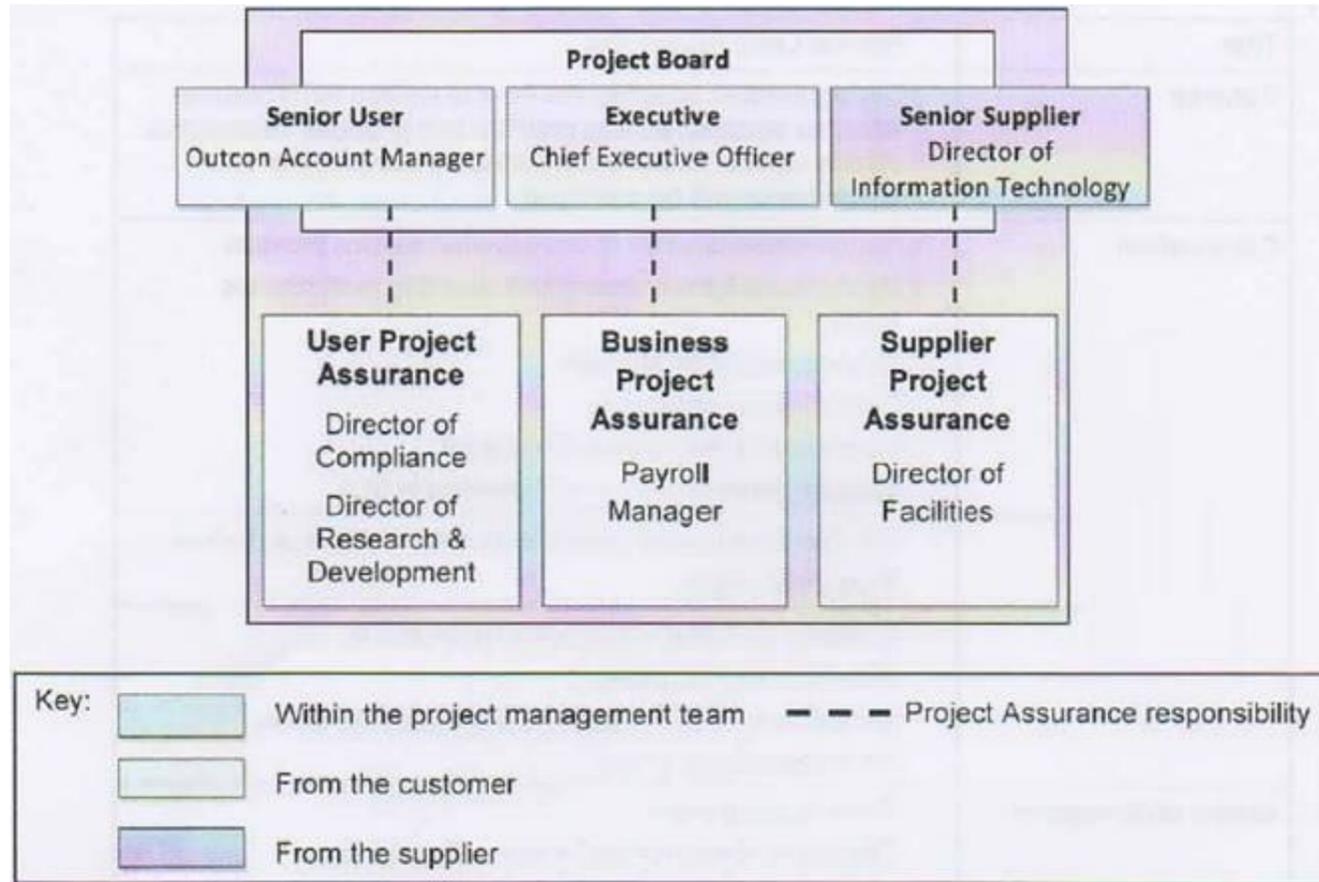
Answer: BE

NEW QUESTION 42

- (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 Senior User for this project?

- A. Retain because he provides the outsourcing resources required to support the project.
- B. Replace with 'Director of Research and Development' because she deals with both the Information Technology and the Facilities Divisions and can make sure her division's needs are specified.
- C. Remove because he has no authority to commit user resources.
- D. Add 'Hardware Manager' because he provides computer hardware to all business functions and will be impacted by the outcome.
- E. Retain because he will be providing support to the Information Technology and Facilities teams during the project.

Answer: BC

NEW QUESTION 47

- (Exam Topic 4)

Scenario

Extract from the Project Product Description (with errors)

Composition	<ol style="list-style-type: none"> 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
Derivation	<ol style="list-style-type: none"> 9. New company logo design 10. Previous calendar designs 11. Internal creative team 12. Production cost forecast
Development skills required	<ol style="list-style-type: none"> 13. Photographer 14. Internal creative team 15. Printer
Customer's quality expectations	<ol style="list-style-type: none"> 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
Acceptance criteria	<ol style="list-style-type: none"> 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 Acceptance criteria section?

- A. Amend entry 21 to 'Appearance - 12 photos each showing different members of staff.
- B. Move entry 21 to Composition because the photos are part of the final product.
- C. Delete entry 22 because the development of the new company logo is not within the scope of the Calendar project.
- D. Move entry 23 to Derivation because the Data Protection Act already exists.
- E. Delete entry 24 because this is NOT a suitable acceptance criteria for this project.

Answer: AC

NEW QUESTION 49

- (Exam Topic 4)

Which of the following statements would NOT be included in the Project Product Description?

- A. Purpose of the product
- B. Composition
- C. Project level tolerances
- D. Quality criteria

Answer: D

NEW QUESTION 54

- (Exam Topic 4)

Scenario

Additional Information Product Description

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

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.

The service level agreement looks like any other MFH document.

- A. Obtain agreement from the Director of Facilities Division to redesign the service level agreement within the remaining +2 days tolerance.
- B. Raise an issue (off-specification).
- C. Accept this error as a concession.
- D. No action required.

Answer: D

NEW QUESTION 58

- (Exam Topic 4)

Scenario

Extract from the Project Product Description (with errors)

Composition	<ol style="list-style-type: none"> 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
Derivation	<ol style="list-style-type: none"> 9. New company logo design 10. Previous calendar designs 11. Internal creative team 12. Production cost forecast
Development skills required	<ol style="list-style-type: none"> 13. Photographer 14. Internal creative team 15. Printer
Customer's quality expectations	<ol style="list-style-type: none"> 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
Acceptance criteria	<ol style="list-style-type: none"> 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 Customer's quality expectations section?

- A. Delete entry 16 because this should be shown on the Product Description for the photos.
- B. Delete entry 17 because this is beyond the scope of this project.
- C. Delete entry 18 because standards should NOT be shown here.
- D. Delete entry 19 because this should appear in the Product Description for the calendar and not the Project Product Description.
- E. Delete entry 20 because this is an expected benefit and should be recorded in the Business Case.

Answer: BE

NEW QUESTION 59

- (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 60

- (Exam Topic 4)

Scenario

Additional Information Product Description

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

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 65

- (Exam Topic 4)

Scenario

Additional Information Product Description

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

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 66

- (Exam Topic 4)

Extract from the Project Product Description (with errors)

Composition	<ol style="list-style-type: none"> 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
Derivation	<ol style="list-style-type: none"> 9. New company logo design 10. Previous calendar designs 11. Internal creative team 12. Production cost forecast
Development skills required	<ol style="list-style-type: none"> 13. Photographer 14. Internal creative team 15. Printer
Customer's quality expectations	<ol style="list-style-type: none"> 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
Acceptance criteria	<ol style="list-style-type: none"> 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

Column 1 is a list of objectives. For each objective in Column 1, select from Column 2 the quality activity that addresses it. Each selection from Column 2 can be used once, more than once or not at all. Drop down the right answer.

Column 1

Understanding the customer's quality expectations.

Column 2

Quality assurance
 Quality control
 Quality planning

Approval of the project's products.

Quality assurance
 Quality control
 Quality planning

Confirmation that corporate management standards and policies are being adhered to.

Quality assurance
 Quality control
 Quality planning

- A. Mastered
- B. Not Mastered

Answer: A

Explanation:

Column 1

Column 2

Understanding the customer's quality expectations.

Quality assurance
 Quality control
Quality planning

Approval of the project's products.

Quality assurance
Quality control
 Quality planning

Confirmation that corporate management standards and policies are being adhered to.

Quality assurance
Quality control
 Quality planning

NEW QUESTION 71

- (Exam Topic 5)

The project has a cost tolerance of +5% | -5%, of which stage 2 has a tolerance of +£45k | -£45k.

Lines 1 to 6 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		Reason	
1	If stage 2 exceeds its target by £20k the Stage Plan should be replaced by an Exception Plan.	True-False	When the Stage Plan is updated with activities to deal with any deviations from planned cost and time, this is called an Exception Plan.	True-False
2	The Team Plan required for the development of the service level agreement should be produced in consultation with supplier assurance.	True-False	Supplier assurance should confirm that Team Plans are in accordance with relevant supplier standards.	True-False
3	The Stage Plan for stage 2 should be prepared during the initiation stage.	True-False	All Stage Plans are produced near the end of the initiation stage.	True-False
4	A final stage (stage 5), covering project closure, should be added to the Project Plan.	True-False	The Project Plan covers all management stages.	True-False
5	The cost tolerance planned for each stage should be +5% -5%.	True-False	Project tolerances for cost and time should always be allocated equally between all of the stages.	True-False
6	The key deliverables and estimates from the feasibility study should provide a major input to the Project Brief.	True-False	The feasibility study should confirm all project costs.	True-False

- A. Mastered
- B. Not Mastered

Answer: A

Explanation:

	Assertion		Reason	
1	If stage 2 exceeds its target by £20k the Stage Plan should be replaced by an Exception Plan.	True-False	When the Stage Plan is updated with activities to deal with any deviations from planned cost and time, this is called an Exception Plan.	True-False
2	The Team Plan required for the development of the service level agreement should be produced in consultation with supplier assurance.	True-False	Supplier assurance should confirm that Team Plans are in accordance with relevant supplier standards.	True-False
3	The Stage Plan for stage 2 should be prepared during the initiation stage.	True-False	All Stage Plans are produced near the end of the initiation stage.	True-False
4	A final stage (stage 5), covering project closure, should be added to the Project Plan.	True-False	The Project Plan covers all management stages.	True-False
5	The cost tolerance planned for each stage should be +5% '-5%.	True-False	Project tolerances for cost and time should always be allocated equally between all of the stages.	True-False
6	The key deliverables and estimates from the feasibility study should provide a major input to the Project Brief.	True-False	The feasibility study should confirm all project costs.	True-False

NEW QUESTION 74

- (Exam Topic 5)

PRINCE2 proposes 3 levels of Plan, which are they?

- A. Initiation, Project and Stage Plans
- B. Project, Stage and Exception Plans
- C. Initiation, Project and Benefit Review Plans
- D. Project, Stage and Team Plans

Answer: D

NEW QUESTION 79

- (Exam Topic 5)

Product based planning focuses on which of the following:

- * 1. Creating product descriptions
- * 2. Identifying activities
- * 3. Creating a Product hierarchy
- * 4. Creating a Product sequence

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

Answer: A

NEW QUESTION 84

- (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 88

- (Exam Topic 5)

Having completed designing the plan, in which order should the next steps take place to produce a plan?

- * 1. Prepare Estimates
- * 2. Define and analyze Products
- * 3. Prepare the schedule
- * 4. Identify activities and dependencies

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

Answer: D

NEW QUESTION 90

- (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.

Column 1 contains a number of risk responses identified by the Project Manager following an assessment of this risk. Column 2 contains a list of threat response types. For each risk response in Column 1, select from Column 2 the type of response it represents. Each option from Column 2 can be used once, more than once or not at all.

Column 1 contains a number of possible risk responses to the above risk. For each risk response, select from Column 2 the appropriate risk threat response type that it represents. Each selection from Column 2 can be used once, more than once or not at all.

Column 1

Contract an outsourcing specialist to take an assurance role in the project, and provide advice to the Project Board and Project Manager.

Include a clause in the contract with the selected service provider stating that, if the expected savings are not achieved, the selected service provider will reduce their fees accordingly.

Hire experienced outsourcing contractors to assist in-house staff throughout the project.

Rely on the selected service provider to act in a reliable and conscientious manner to provide the support and advice that will protect MFH's interests.

Request assistance from central government if difficulties arise in understanding what is happening.

Identify MFH employees with knowledge or experience in outsourcing and include them in the project team.

Column 2

Column 1

Contract an outsourcing specialist to take an assurance role in the project, and provide advice to the Project Board and Project Manager.

Include a clause in the contract with the selected service provider stating that, if the expected savings are not achieved, the selected service provider will reduce their fees accordingly.

Hire experienced outsourcing contractors to assist in-house staff throughout the project.

Rely on the selected service provider to act in a reliable and conscientious manner to provide the support and advice that will protect MFH's interests.

Request assistance from central government if difficulties arise in understanding what is happening.

Identify MFH employees with knowledge or experience in outsourcing and include them in the project team.

Column 2

- Avoid
- Reduce
- Fallback
- Transfer
- Accept
- Share

- Avoid
- Reduce
- Fallback
- Transfer
- Accept
- Share

- Avoid
- Reduce
- Fallback
- Transfer
- Accept
- Share

- Avoid
- Reduce
- Fallback
- Transfer
- Accept
- Share

- Avoid
- Reduce
- Fallback
- Transfer
- Accept
- Share

- Avoid
- Reduce
- Fallback
- Transfer
- Accept
- Share

- A. Mastered
- B. Not Mastered

Answer: A

Explanation:

- 1 – Accept
- 2 – Fallback
- 3 – Share
- 4 – Accept
- 5 – Fallback
- 6 - Avoid

NEW QUESTION 94

- (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.

Which 2 statements should be recorded under the Risk management procedure heading?

- A. When a new problem arises, a full impact analysis will be undertaken to assess the impact on the project' objectives and Business Case.
- B. Probability will be assessed against the scales defined in this Risk Management Strategy.
- C. Any risk which has an expected value of more than £1 k will NOT be registered.
- D. Every threat and opportunity identified must be clearly defined in terms of cause, event and effect.
- E. 'Reduce' Response actions which result in a lower impact and/or probability rating.

Answer: BD

NEW QUESTION 96

- (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 100

- (Exam Topic 7)

Scenario:

The Ministry of Food Hygiene (MFH) has a quality management system which contains a document control process to manage all documentation requirements. The document control process was created by the MFH Quality Manager, who now maintains all of MFH's documents and performs an organization-wide configuration management role. The MFH Quality Manager will administer the configuration management procedure for the Restructuring project since this must comply with the MFH document control process.

What products will be impacted by this change?

- A. All of the project's products created so far.
- B. Only those products created in the first three weeks of stage 3.
- C. All of the project's products which relate to or include services provided by the Facilities Division.
- D. No products would need to be changed but some will need to be removed from the project.

Answer: D

NEW QUESTION 103

- (Exam Topic 7)

Who would be responsible for maintaining the Configuration Item Records?

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

Answer: B

NEW QUESTION 104

- (Exam Topic 7)

Scenario:

The Ministry of Food Hygiene (MFH) has a quality management system which contains a document control process to manage all documentation requirements. The document control process was created by the MFH Quality Manager, who now maintains all of MFH's documents and performs an organization-wide configuration management role. The MFH Quality Manager will administer the configuration management procedure for the Restructuring project since this must comply with the MFH document control process.

What will be the impact on the benefits?

- A. Reduced savings, now £10m over 10 years.
- B. Increased savings of £5m over 10 years from the new initiative to centralize the services provided by the Facilities Division.
- C. An additional cost of £1.5m to deliver the services provided by the Facilities Division.
- D. Outsourcing project cost reduced by 50%.

Answer: A

NEW QUESTION 106

- (Exam Topic 7)

Scenario:

The Ministry of Food Hygiene (MFH) has a quality management system which contains a document control process to manage all documentation requirements. The document control process was created by the MFH Quality Manager, who now maintains all of MFH's documents and performs an organization-wide configuration management role. The MFH Quality Manager will administer the configuration management procedure for the Restructuring project since this must comply with the MFH document control process.

Having created the Issue Report and analyzed the impact of removing the Facilities Division from the scope of the Outsourcing project, the proposed option exceeds tolerance. What is the next action the Project Manager should consider?

- A. Create an Exception Report to inform the Project Board of the situation and the available options.
- B. Update the associated Configuration Item Records with details of the Issue Report that caused the change.
- C. Amend the Stage Plan for stage 3: remove all products related to the Facilities Division and add the activities required to deliver the new Government initiative.
- D. Create an Exception Plan to change all of the project's products to reflect the exclusion of services provided by the Facilities Division.

Answer: A

NEW QUESTION 108

- (Exam Topic 7)

Scenario:

The Ministry of Food Hygiene (MFH) has a quality management system which contains a document control process to manage all documentation requirements. The document control process was created by the MFH Quality Manager, who now maintains all of MFH's documents and performs an organization-wide configuration management role. The MFH Quality Manager will administer the configuration management procedure for the Restructuring project since this must comply with the MFH document control process.

According to PRINCE2, which statement about the Configuration Management Strategy for the Outsourcing project is correct?

- A. Every project needs a Configuration Management Strategy, even if the organization has existing configuration management standards, because every project has different circumstances.
- B. A separate Configuration Management Strategy will be required for each of the suppliers within this project because each will have a different way of managing and storing products.
- C. A Configuration Management Strategy is unnecessary for this project because the MFH document control process is documented.
- D. It is acceptable simply to reference this in the Quality Management Strategy.

Answer: A

NEW QUESTION 113

- (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 it 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

Stage 3 will include the activities to:

- > Produce and select tie 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.

The team member collating the list of customers has now forecast that it will NOT be complete by the end of this stage as originally planned, due to a number of new prospective customers' details not yet being available. What action should the team member take?

- A. Report the forecast delay in the next Checkpoint Report to the Executive.
- B. Add the product to the next Stage Plan in order to allocate additional resources and complete the work.
- C. Make an entry in the Risk Register so the Project Manager can decide on appropriate action.
- D. Raise an issue to inform the Project Manager.

Answer: D

NEW QUESTION 118

- (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 it is to be printed on each page of the promotional calendar. The prepared calendar pack will consist of:

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- > 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.

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During stage 2, an early review of the photo design ideas from the Marketing department has highlighted the need for engineering machinery to be operating in the background during the photo sessions. This requires a change to the baselined Product Description for the photos. What action should the Project Manager take?

- A. Log the change in the Issue Register as a request for change.
- B. Raise an Exception Report to the Project Board.
- C. Revised the Product Description for the photos and issue it to the Engineering Manager to ensure that the machinery will be operating during the photo sessions.
- D. Include this requirement on the next Checkpoint Report to the photographer.

Answer: A

NEW QUESTION 120

- (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 121

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