

# PMI

## Exam Questions PMI-SP

PMI Scheduling Professional Practice Test



#### NEW QUESTION 1

You are the project manager of the NHQ Project. Management has set a conformance to the project schedule for your project at 0.95. What does this term mean?

- A. It means the largest schedule variance you can have is five percent.
- B. It is the earned value divided by the planned value for your project.
- C. It is the expectation of management to be 95 on schedule at 95 percent of the project.
- D. It means you will need to earn at least 95 cents per dollar invested in the project.

**Answer:** A

#### Explanation:

Conformance to schedule is a required adherence for the project's schedule. In this instance, the project manager must not allow the schedule to slip more than five percent. Answer option B is incorrect. This is the description of the schedule performance index. Answer option D is incorrect. This is the description of the cost performance index. Answer option C is incorrect. This is not a valid statement about the project performance.

#### NEW QUESTION 2

Gary is the project manager of the NHF project, which is a part of a program in his organization. According to the PMBOK, how will Gary provide feedback to programs and portfolios?

- A. Status meetings
- B. Push communications
- C. Regular communications
- D. Status reports and change requests

**Answer:** D

#### Explanation:

According to the PMBOK, the project manager provides the feedback to programs and portfolios by means of status reports and change requests that may impact other projects, programs, or portfolios. The needs of the projects, including the resource needs, are rolled up and communicated back to the portfolio level, which in turn sets the direction for organizational planning. What is a status report? A status report is a narrative description about a subject that is relevant to an organization. Typically, a user submits a status report that was created for him by a manager. He can also create and submit his own unrequested status report at any time. It is a collaborative feature specific to PWA. Status report in PWA is a convenient way to exchange textual information with the team members about the status of a project or items in addition to task progress, which a user updates on the Tasks page. What are change requests? Change requests are requests to expand or reduce the project scope, modify policies, processes, plans, or procedures, modify costs or budgets or revise schedules. These requests for a change can be direct or indirect, externally or internally initiated, and legally or contractually imposed or optional. A Project Manager needs to ensure that only formally documented requested changes are processed and only approved change requests are implemented.

Answer option C is incorrect. While regular communication is needed, this is not the best answer for the question.

Answer option A is incorrect. Status meetings are a part of project communications, but do not answer the question as completely as status reports and change requests.

Answer option B is incorrect. Push communications is one type of communicating mode where the project manager pushes the information to recipients. This is not the best choice for the question because there are other modes communicating as well.

#### NEW QUESTION 3

You are the project manager of the JKM Project for your organization. Your project is supposed to be 60 percent complete but you are only 45 percent complete. The project has an assigned budget of \$765,000 but you have already spent \$365,000 to reach this point in the project due to some errors and rework. Management is pressing you on when you'll complete the project and how much the project will likely cost based on the current performance. You need to tell management what the project's current cost performance index (CPI) is. What value should you report to management based on your project's performance?

- A. \$306,000
- B. .94
- C. \$344,250
- D. .75

**Answer:** B

#### Explanation:

Management wants to know the cost performance index (CPI). You can find the CPI by first finding the earned value (EV) and then dividing it by the actual costs (AC) spent to date on the project. You find EV by multiplying percent complete by the project's budget; in this instance that's \$344,250. The actual costs are reported as \$365,000. The formula for the CPI on this project is  $\$344,250 / \$365,000$  for a value of .94. What is CPI? Cost performance index (CPI) is used to calculate performance efficiencies. It is used in trend analysis to predict future performance. CPI is the ratio of earned value to actual cost. The CPI is calculated based on the following formula:  $CPI = \text{Earned Value (EV)} / \text{Actual Cost (AC)}$  If the CPI value is greater than 1, it indicates better than expected performance, whereas if the value is less than 1, it shows poor performance. The CPI value of 1 indicates that the project is right on target. What is BCWP (or EV)? Budgeted cost of work performed (BCWP) or Earned Value (EV) is the value of completed work. It is the budgeted amount for the work actually completed on the schedule activity during a given time period.

Answer options C, A, and D are incorrect. These do not reflect an accurate value for the project's cost performance index. The project is performing moderately well on cost as the closer the CPI is to 1 the better the project's performance.

#### NEW QUESTION 4

You are the project manager of the NHGQ project for your company. You must create and distribute performance reports every week to your key project stakeholders. What communication technique do you normally use to distribute reports?

- A. Push technique
- B. Many-to-many
- C. One-to-one
- D. Pull technique

**Answer:** A

**Explanation:**

Performance reports are distributed through the push technique. This means that the project manager distributes the reports regularly through a mechanism, such as email. Answer option C is incorrect. One-to-one technique describes a conversation between two people.

Answer option B is incorrect. Many-to-many technique describes a conversation between many people.

Answer option D is incorrect. A pull technique describes the recipients of the report "pulling" the information, such as from a Website.

**NEW QUESTION 5**

You are the project manager for your company. You are working with the management regarding the exact end date of your project. Management needs to know what day of the week your project will complete. Assuming that your project will not require any work to be completed over the upcoming weekends and that the remaining project work will commence on a Tuesday, what day of the week will the project end if there are 67 days of project work left to complete?

- A. Wednesday
- B. Thursday
- C. Monday
- D. Tuesday

**Answer:** A

**Explanation:**

The project will end on a Wednesday. If the project work commences on a Tuesday, there will be four days to complete in that week. That will bring the project work down to 63 days of remaining work. Each work week counts as five days of work. 63 divided by 5 is 12 work weeks with three days remaining. The 63rd remaining day will complete on a Wednesday. Answer options C, D, and B are incorrect. These are not the valid answers.

**NEW QUESTION 6**

Jim is the project manager for his project. He and his project team are creating their duration estimates for the work packages in the WBS. For each activity, Jim is adding a few hours to the duration estimate in case something goes wrong during the completion of the work activity. Sarah, the project sponsor, does not approve of this and warns Jim of

Parkinson's Law. What is Parkinson's Law?

- A. People will behave based on what their behavior brings them.
- B. As employees do repetitive tasks, duration should decrease.
- C. Work expands to fill the amount of time allotted to it.
- D. An exponential increase labor does not correlate to an exponential decrease in duration.

**Answer:** C

**Explanation:**

Parkinson's Law states that work expands to fill the amount of time allotted to complete the work. If Jim allows 25 hours for a project team member to complete a 20-hour task, it will likely take the team member 25 hours to do the work.

Answer option A is incorrect. This is a description of the Expectancy Theory. Answer option B is incorrect. This is a description of the learning curve.

Answer option D is incorrect. This is a description of a portion of the Law of Diminishing Returns.

**NEW QUESTION 7**

You work as a project manager for BlueWell Inc. Your project requires the project team to paint 1,500 hotel rooms. Your project team reports that it will take them approximately 4 hours to paint each hotel room. You reason, then, that it will take 6,000 hours to paint all of the hotel rooms. What type of an estimate are you creating in this scenario?

- A. Parametric estimate
- B. Definitive estimate
- C. Analogous estimate
- D. Bottom-up estimate

**Answer:** A

**Explanation:**

This is an example of a parametric estimate. This estimate type uses a parameter, such as four hours of painting per hotel room, and multiplies this value across the total number of units, such as 1,500 rooms. A parametric estimate is an estimate that uses a parameter to predict the costs of the project, such as cost per network drop or cost per software license. Parametric estimating technique utilizes the statistical relationship that exists between a series of historical data and a particular delineated list of other variables.

Answer option C is incorrect. An analogous estimate type uses a similar project's duration as a basis for the current project's estimate duration.

Answer option B is incorrect. A definitive estimate type accounts for the duration or costs of each work package in the WBS.

Answer option D is incorrect. A bottom-up estimate, also known as a definitive estimate, accounts for the duration or costs of each work package in the WBS.

**NEW QUESTION 8**

You are the project manager of the GHE Project. You have identified the following risks with the characteristics as shown in the following figure: How much capital should the project set aside for the risk contingency reserve?

- A. \$142,000
- B. \$232,000
- C. \$41,750
- D. \$23,750

**Answer:** D

**Explanation:**

Contingency reserves are estimated costs to be used at the discretion of the project manager to deal with anticipated, but not certain, events. These events are "known unknowns" and are part of the project scope and cost baselines. The contingency reserve is calculated by multiplying the probability and the impact for the risk event value for each risk event. The sum of the risk events equals the contingency reserve for the project. Note that Risk D is a positive risk amount.

Answer option C is incorrect. This value is the sum of the risk events if you did not include Risk D as a positive risk value.

Answer option A is incorrect. This is a sum of the risk event.

Answer option B is incorrect. This is a sum of the risk events without including Risk D as a positive risk event.

#### NEW QUESTION 9

Marty is the project manager of the recently completed NHK Project. The project was deemed successful by the project customer and they have signed the formal acceptance documentation. Marty has written the final project report, released the project team, and completed the lessons learned documentation. What else should Marty do in the closure of the NHK Project?

- A. Archive the project records.
- B. Summarize the project risks costs.
- C. Summarize the project variance.
- D. Close the project office.

**Answer:** A

#### Explanation:

The last duty of a project manager is to archive the project records as part of the organizational process assets.

Answer option B is incorrect. The cost summary is included in the final project report. Answer option C is incorrect. The project variance is included in the final project report as it shows cost performance.

Answer option D is incorrect. A project office is an organization within the company that oversees and supports project. Marty would not close the project office.

#### NEW QUESTION 10

John works as a Project Manager for Blue Well Inc. He is measuring cost efficiency of his project. The key values are provided in the table below:

Measurements	Values
BCWP (or EV)	425
BCWS (or PV)	400
ACWP (or AC)	510

What is the cost performance index (CPI) of the project at the current point of time?

- A. 0.96
- B. 1.082
- C. 0.833
- D. 1.0625

**Answer:** C

#### Explanation:

According to the question, you are required to calculate the cost performance index (CPI) of the project. Cost performance index (CPI) is used to calculate performance efficiencies. It is used in trend analysis to predict future performance. CPI is the ratio of earned value to actual cost. The CPI is calculated based on the following formula:  $CPI = \frac{\text{Earned Value (EV)}}{\text{Actual Cost (AC)}}$

If the CPI value is greater than 1, it indicates better than expected performance, whereas if the value is less than 1, it shows poor performance. The CPI value of 1 indicates that the project is right on target. Here, CPI is as follows:  $CPI = \frac{EV}{AV} = \frac{425}{510} = 0.833$  As the CPI (0.833) is less than 1, it shows that the schedule performance is below expectation. What is BCWP (or EV)? Budgeted cost of work performed (BCWP) or Earned Value (EV) is the value of completed work. It is the budgeted amount for the work actually completed on the schedule activity during a given time period. What is BCWS (or PV)? Budgeted Cost of Work Scheduled (BCWS) or Planned Value (PV) is the authorized budget assigned to the scheduled work to be accomplished for a schedule activity or Work Breakdown Structure (WBS) component. What is ACWP (or AC)? Actual cost of work performed (ACWP) or Actual Cost (AC) is the total costs actually incurred and recorded in accomplishing work performed during a given time period for a schedule activity. It is the cost of the work to date, including direct and indirect costs. AC is money that has actually been expended to date.

#### NEW QUESTION 10

Which of the following scheduling techniques identifies the successor activities and the predecessor activities to assist the project manager in sequencing the project work?

- A. Precedence Diagramming Method
- B. Schedule network template
- C. Dependency determination
- D. Activity on the Node

**Answer:** A

#### Explanation:

The Precedence Diagramming Method uses both predecessors and successors as nodes in the project network diagram. The PDM approach is the most common network diagram approach used.

Answer option C is incorrect. Dependency determination identifies the order of the project work.

Answer option B is incorrect. The schedule network template is a tool that uses a previous project network diagram as a base for the current project network diagram.

Answer option D is incorrect. Activity on the node places activities on circles within a network diagram. It is an example of the precedence diagramming method.

#### NEW QUESTION 13

You are the project manager for the NHQ Project. Management has asked you to create a time estimate for this project although you have only just received the project charter. They would like some idea of how long the project will take based on the information in the project charter. While you are uncomfortable giving any type of estimate at this point, you work with your assigned project to create a quick time estimate. What type of estimate have you created for management?



- A. Analogous estimate
- B. Broad estimate
- C. Rough order of magnitude
- D. Expert judgment

**Answer:** C

**Explanation:**

The rough order of magnitude (ROM) estimate is used early in the project when there is not much information available to create a time estimate. Rough order of magnitude estimates can have a range of variance as large as -25% to +75 percent. While ROM is mostly used with cost estimates, it can be used with time estimates too. Rough order of magnitude (ROM), also known as ball park estimate, is a rough approximation, made with a degree of knowledge and confidence that the estimated figure falls within a reasonable range of values. ROM range can vary from half to twice (-50 to +100) the actual cost.

Answer option B is incorrect. Broad estimate is not a valid time estimating type. Answer option D is incorrect. Expert judgment is what the project manager used in this scenario to create the time estimate, but it is not a time estimating type.

Answer option A is incorrect. An analogous estimate is based on historical information from a similar project. For example, Project A took 8 months to complete and Project B, while similar but larger, will take 10 months to complete.

**NEW QUESTION 16**

You have been hired as a project manager for Tech Perfect Inc. You are studying the documentation of planning of a project. The documentation states that there are twenty-five stakeholders with the project. What will be the number of communication channels for the project?

- A. 300
- B. 50
- C. 600
- D. 25

**Answer:** A

**Explanation:**

According to the question, the project has twenty-five stakeholders. Communication channels are paths of communication with stakeholders in a project. The number of communication channels shows the complexity of a project's communication and can be derived through the formula shown below: Total Number of Communication Channels =  $n(n-1)/2$  where, n is the number of stakeholders. Hence, a project having five stakeholders will have ten communication channels. Putting the value of the number of stake holder in the formula will provide the number of communication channels: Number of communication channel =  $(n(n-1)) / 2 = (25(25-1)) / 2 = (25 \times 24) / 2 = 600 / 2 = 300$  Who are project stakeholders? Project stakeholders are those entities within or without an organization, which: Sponsor a project or, Have an interest or a gain upon a successful completion of a project. Examples of project stakeholders include the customer, the user group, the project manager, the development team, the testers, etc. Stakeholders are anyone who has an interest in the project. Project stakeholders are individuals and organizations that are actively involved in the project, or whose interests may be affected as a result of project execution or project completion. They may also exert influence over the project's objectives and outcomes. The project management team must identify the stakeholders, determine their requirements and expectations, and, to the extent possible, manage their influence in relation to the requirements to ensure a successful project.

**NEW QUESTION 17**

Andy works as the project manager for Bluewell Inc. He is developing the schedule for the project. There are eight tools and techniques that a project manager can use to develop the project schedule. Which of the following is a tool and technique for the Schedule Development process?

- A. Schedule compression
- B. Reserve analysis
- C. Variance analysis
- D. Expert judgment

**Answer:** A

**Explanation:**

Schedule compression is a tool used as part of the Schedule Development process. The tools and techniques for schedule development are as follows:

Schedule network analysis Critical path method Critical chain method Resource leveling

What-if scenario analysis Applying leads and lags Schedule compression Scheduling tool

Answer options D, B, and C are incorrect. These are not tools and techniques for schedule development.

**NEW QUESTION 22**

You are the project manager for your organization. You are working with your project team to create activity duration estimates using the PERT method. What is the formula for PERT?

- A.  $(O+ML+P)$
- B.  $(O+(6M)+P)6$
- C.  $(O+ML+P)/3$
- D.  $(O+(4M)+P)/6$

**Answer:** D

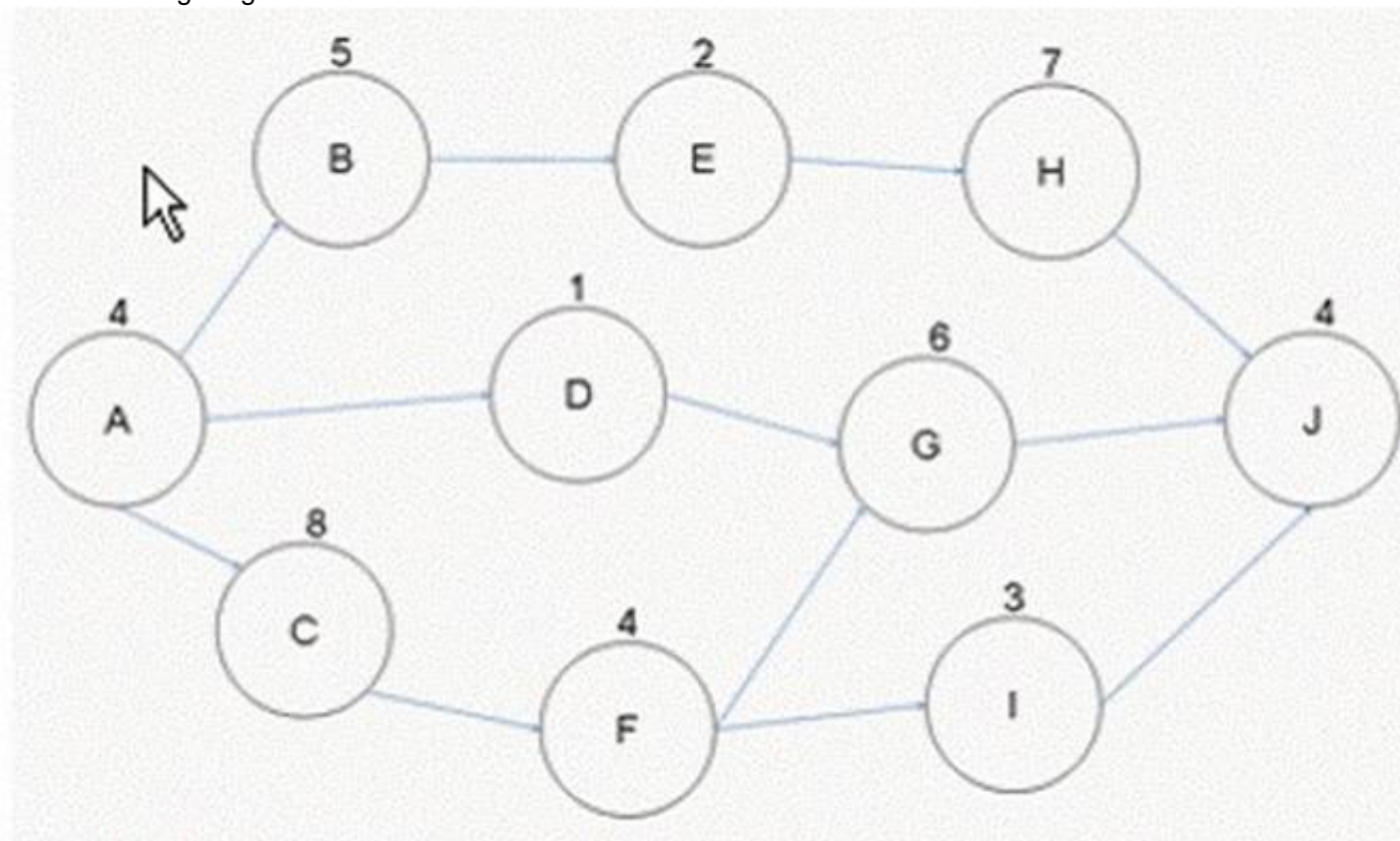
**Explanation:**

PERT, which means the Program Evaluation and Review Technique, is a duration estimating technique that uses the formula  $(O+(4M)+P)/6$  for the optimistic, most likely, and pessimistic values for each work package. A PERT chart is a project management tool used to schedule, organize, and coordinate tasks within a project. PERT stands for Program Evaluation Review Technique, a methodology developed by the U.S. Navy in the 1950s to manage the Polaris submarine missile program. A PERT chart presents a graphic illustration of a project as a network diagram consisting of numbered nodes (either circles or rectangles) representing events, or milestones in the project linked by labeled vectors (directional lines) representing tasks in the project. The direction of the arrows on the lines indicates the sequence of tasks.

Answer option C is incorrect. This is the formula for the three-point estimate. Answer options A and B are incorrect. These are not the valid formulas.

**NEW QUESTION 24**

Examine the figure given below:



If Activity B takes eight days to complete instead of five days as schedule, how long can you now delay Activity H?

- A. Three days
- B. One day
- C. Four days
- D. Zero days

**Answer: B**

**Explanation:**

Activity B is not on the critical path and it has a total of four days of float. If Activity B takes a total of eight days, it will consume three days of float. However, the total duration of the path ABEHJ may not exceed 26 days, as this is the total duration for the project. Although Activity H has a total of four days of float available, the consumption of three days of float on this path will reduce the total float for Activity H to just one day. If Activity H is delayed by more than one day, then the project will be late.

Answer option D is incorrect. There is one day of float still available for Activity H.

Answer options A and C are incorrect. These are not the valid answers, as there is just one day of float available for Activity H.

**NEW QUESTION 25**

You are the project manager of the GHY Project. This project is scheduled to last for one year and has a BAC of \$4,500,000. You are currently 45 percent complete with this project, though you are supposed to be at your second milestone which accounts for half of the project completion. There have been some errors in the project which has caused you to spend \$2,073,654. What is this project's schedule performance index?

- A. 1.02
- B. 0.98
- C. 0.90
- D. -\$108,120

**Answer: C**

**Explanation:**

The schedule performance index shows how well the project is performing on its schedule goals. The SPI can be found by dividing the earned value by the planned value. In this instance, it is \$2,025,000 divided by \$2,250,000 for .90. The closer to 1, the better the performance. Schedule performance index (SPI) is the measure of schedule efficiency on a project. It is used in trend analysis to predict future performance. SPI is the ratio of earned value to planned value. The SPI is calculated based on the following formula:  $SPI = \text{Earned Value (EV)} / \text{Planned Value (PV)}$  If the SPI value is greater than 1, it indicates better than expected performance, whereas if the value is less than 1, it shows poor performance. The SPI value of 1 indicates that the project is right on target.

Answer option B is incorrect. 0.98 is the cost performance index. Answer option A is incorrect. 1.02 is the to-complete performance index.

Answer option D is incorrect. -\$108,120 is the variance at completion based on current performance.

**NEW QUESTION 26**

Which of the following statements best describes an activity in a project?

- A. It is a defined set of functions a resource must complete for the project scope to be considered complete.
- B. It is the effort needed to complete a work package.
- C. It is the unit of resource utilization needed to complete a project deliverable.
- D. It is a listing of all project work that must be accomplished for the project scope to be considered complete.

**Answer: B**

**Explanation:**

An activity is the effort needed to complete a work package. The activities are linked to the work packages in the WBS. An activity is the element of work performed throughout the various stages of a project. It is a group of people, communications, processes, and work items that correspond to a joint effort to achieve a goal. An activity is a way to manage the work collectively with others in any organization. The create WBS process identifies the deliverables at the lowest level in the WBS, called the work package. Project work packages are divided into smaller elements known as activities, which correspond to the work required to complete the work package.

Answer option D is incorrect. This is a definition of all the work that the project team and manager must complete in order to complete the total activity list.  
Answer options A and C are incorrect. These are not valid definitions of an activity.

**NEW QUESTION 29**

Holly is the project manager of the NDS project and she is 85 percent complete with her project though she should be 95 percent complete. Her project has a BAC of \$9,850,400 and she has spent \$8,011,221 to date. What is Holly's schedule performance index for this project?

- A. 1.07
- B. 0.98
- C. 0.89
- D. Ten percent

**Answer:** C

**Explanation:**

The schedule performance index is found by dividing the earned value by the planned value. For Holly's project, it would be as follows:

$SPI = EV/PV$

$= (0.85 * 9,850,400) / (0.95 * 9,850,400)$

$= 8,372,840 / 9,357,880$

$= 0.89$

Schedule performance index (SPI) is the measure of schedule efficiency on a project. It is used in trend analysis to predict future performance. SPI is the ratio of earned value to planned value. The SPI is calculated based on the following formula:

$SPI = \text{Earned Value (EV)} / \text{Planned Value (PV)}$

If the SPI value is greater than 1, it indicates better than expected performance, whereas if the value is less than 1, it shows poor performance. The SPI value of 1 indicates that the project is right on target.

Answer option D is incorrect. Ten percent is not a valid calculation for this question. Answer option B is incorrect. 0.98 is the cost performance index.

Answer option A is incorrect. 1.07 is the to-complete performance index based on the BAC.

**NEW QUESTION 34**

You work as a project manager for BlueWell Inc. Some of the activities in your project are not being completed on time. You review these activities with your project team discovered that the time estimates for the project are much more aggressive than what they are actually experiencing in the completion of the activities. You decide on to create a new schedule for the project. What project management process are you working with when you create a new target schedule?

- A. Estimate activity durations
- B. Estimate activity resources
- C. Control schedule
- D. Develop schedule

**Answer:** C

**Explanation:**

In severe cases, new schedule duration estimates with new forecasted start and finish dates are needed. In these instances, it is an example of using the control schedule process. Control schedule process is a method of monitoring the status of the project to update project progress and deal with the changes to the schedule baseline. It is concerned with: Determining the current status of the project Influencing the factors that create schedule changes Determining that the project schedule has changed Managing the actual changes as they occur Control schedule is a component of the Perform Integration Change Control process.

Answer option B is incorrect. The activity resources would only address the addition or replacement of resources needed to complete the project work.

Answer option A is incorrect. This is a tempting choice, but according to the PMBOK, new schedules are part of the control schedule process.

Answer option D is incorrect. Develop schedule is not the best choice for this question. It is a process of analyzing activity sequences, durations, resource requirements, and schedule constraints to create the project schedule.

**NEW QUESTION 39**

CORRECT TEXT

Fill in the blank with the appropriate word. management sets the boundaries for the project and is the foundation on which the other project elements are built.

- A. Mastered
- B. Not Mastered

**Answer:** A

**Explanation:**

Project scope is the effort that must be required to gather a client's plan, goals for space, purpose, properties, impact, and stage of eminence. Scope management sets the boundaries for the project and is the foundation on which the other project elements are built. Scope management helps to organize the work responsibilities and their requirements for successful completion. Managing the project scope is primarily concerned with defining and controlling what is and what is not included in the project.

**NEW QUESTION 43**

You are the project manager of the GHE Project. You have identified the following risks with the characteristics as shown in the following figure:



Risk	Probability	Impact
A	.60	-10,000
B	.10	-85,000
C	.25	-75,000
D	.40	45,000
E	.50	-17,000

- A. Communications bull's eye
- B. Performance goals
- C. Earned value management goals
- D. Project exception report

**Answer:** A

**Explanation:**

The graphic shown in the figure is a communications bull's eye. The project manager must keep the project within the boundaries defined by the bull's eye or he will need to generate a performance report. This is an example of management by exception because the project manager only communicates with management when there is an exception, or variance, within the project.

Answer options C, B, and D are incorrect. These are not valid terms for the communications bull's eye.

**NEW QUESTION 45**

You are the project manager of the OOI Project and you're forty percent complete with this project. The project has a BAC of \$2,345,650 and you have spent \$950,000 to date. Based on your aggressive scheduling you should at the 45 percent milestone today, but due to some early delays you're running late. What is the schedule variance of your project?

- A. -\$29,350
- B. -\$117,282
- C. -\$938,260
- D. -\$11,740

**Answer:** B

**Explanation:**

The schedule variance is the earned value minus the planned value. In this instance, it is  $\$938,260 - \$1,055,543 = -\$117,282$ . Schedule variance (SV) is a measure of schedule performance on a project. The variance notifies that the schedule is ahead or behind what was planned for this period in time. The schedule variance is calculated based on the following formula:  $SV = \text{Earned Value (EV)} - \text{Planned Value (PV)}$  If the resulting schedule is negative, it indicates that the project is behind schedule. A value greater than 0 shows that the project is ahead of the planned schedule. A value of 0 indicates that the project is right on target.

Answer option D is incorrect. This is the cost variance for the project. Answer option A is incorrect. This is the variance at completion. Answer option C is incorrect. This is the inverse of the earned value.

**NEW QUESTION 46**

Which of the following documents captures and defines the work activities, deliverables, and a timeline that a vendor will execute against in performance of work for a customer?

- A. Project charter
- B. Scope of statement
- C. SOW
- D. WBS

**Answer:** C

**Explanation:**

A statement of work (SOW) is a document that captures and defines the work activities, deliverables and timeline that a vendor will execute against in performance of work for a customer. Detailed requirements and pricing are usually specified in it, along with many other terms and conditions. SOW is a narrative description of products or services to be supplied by the project. For internal projects, the project initiator or sponsor provides the statement of work based on business needs, product, or service requirements. For external projects, the statement of work can be received from the customer as part of a bid document.

Answer option B is incorrect. Scope of statement gives the narrative description of the project scope.

Answer option A is incorrect. Project charter is a document that formally authorizes a project manager to work on a project.

Answer option D is incorrect. WBS is a tool that defines a project and groups the project discrete work in a way that helps organize and define the total work scope.

**NEW QUESTION 51**

You are the project manager for your organization. You are meeting with your customers to discuss the project performance. In this meeting, you will have eight project customers, the project sponsor, and ten members of your project team. What type of communication method are you using in this instance?

- A. Interactive communication
- B. Active communication
- C. Pull technique
- D. Push technique

**Answer:** A



**Explanation:**

Any meetings, phone calls with multiple participants, or conferences are examples of the interactive communications.

Answer option B is incorrect. Active communication is not a PMBOK term for project management.

Answer option D is incorrect. A push technique describes a distribution from the project manager out to the message recipients, such as email.

Answer option C is incorrect. A pull technique describes a distribution method where the recipients of the message pull the message from a source, such as a Web server.

**NEW QUESTION 56**

A construction company is about to start a new project. It requires hiring a project manager for this project. Which of the following are the most important skills that a person must have to be selected as a project manager?

- A. Problem solving
- B. Team building and human resources
- C. Leading
- D. Communication
- E. Negotiation and influential

**Answer:** D

**Explanation:**

A good project manager must have all of the above mentioned skills. Out of these, the communication skills are the most important skills for a project manager. Communications skills are part of general management skills and are used to exchange information. Communication has many dimensions: Written and oral, listening, and speaking Internal (within the project) and external (customer, the media, the public) Formal (reports, briefings) and informal (memos, ad hoc conversations) Vertical (up and down the organization) and horizontal (with peers) Communication is the most important skill that a project manager must possess. It is the single most important characteristics of a top-class project manager. Project managers must communicate well in order to integrate and maximize the performance of team members. Oral and written communications are the backbone of every successful project. During different phases of a project, a project manager requires to communicate through different manners (for example, documentation, meeting updates, etc.) and he must ensure that the information communicated is explicit, clear, and complete.

Answer options E, C, A, and B are incorrect. All these mentioned skills make a person a good project manager. Communication skills top the list. What are organizational skills? Organizational skills are part of management skills to organize various aspects of a project in order to complete it successfully. A good project manager uses these skills to successfully organize his meetings, as well as to keep documentations, quotes, contracts, etc., which can be fetched at any given moment. Organizational skills also include planning and time management skills. What are budgeting skills? Budgeting skills include the knowledge of finance and accounting principles. A project manager must possess these skills in order to perform cost estimates for project budgeting. Reading and understanding quotes, preparing purchase orders, and reconciling purchase invoices are all part of budgeting skills. In order to make the budget of a project, the project manager must have excellent budgeting skills. What are problem solving skills? Problem solving skills include the ability to define and analyze problems, and to take decisions in order to solve the problems by implementing those decisions. Every project manager must possess strong problem solving skills. Problem solving is a two-fold process: Defining the problem Taking a decision and then implementing it A project manager is responsible for determining the best course of action to take in order to resolve the problem. What are negotiating and influencing skills? Negotiating skills includes demanding and convincing others for the rightful thing or act. A project manager needs this skill to negotiate on projects in almost every area such as scope definitions, budgets, contracts, resource assignments, schedules, etc. Influencing skills include the convincing power of a person. It is an ability to change minds and the course of events. A good project manager requires these skills to utilize them in all areas of project management.

**NEW QUESTION 60**

CORRECT TEXT

Fill in the blank with an appropriate phrase.

The includes a description of any collateral services required, such as performance reporting or post-project operational support for the procured item.

- A. Mastered
- B. Not Mastered

**Answer:** A

**Explanation:**

The procurement SOW consists of a description of some collateral services required, such as performance reporting or post- project operational support for the procured item. The procurement SOW is revised and refined as required when it moves through the procurement process until incorporated into a signed contract award.

**NEW QUESTION 64**

Which of the following are the inputs to the Develop Project Charter process? Each correct answer represents a complete solution. Choose all that apply.

- A. Procurement document
- B. Contract
- C. Business case
- D. Project statement of work

**Answer:** BCD

**Explanation:**

The Develop Project Charter process documents the formal authorization of a project or a phase. It also documents initial requirements that satisfy the stakeholder's needs and expectations. It is used to validate the decisions made during the previous iteration of the Develop Project Charter process. The various inputs of this process are as follows: Project statement of work

Business case Contract

Enterprise environmental factors Organizational process assets

The output of the Develop project Charter process is as follows: Project charter

Answer option A is incorrect. Procurement document is the input of the Identify Stakeholders process.

**NEW QUESTION 69**

Which of the following documents is a narrative description of products or services to be supplied by the project and has detailed requirements and pricing specified on it?

- A. Scope of statement
- B. Project charter
- C. Statement of work (SOW)
- D. WBS

**Answer:** C

**Explanation:**

A statement of work (SOW) is a document that captures and defines the work activities, deliverables and timeline that a vendor will execute against in performance of work for a customer. Detailed requirements and pricing are usually specified in it, along with many other terms and conditions. SOW is a narrative description of products or services to be supplied by the project. For internal projects, the project initiator or sponsor provides the statement of work based on business needs, product, or service requirements. For external projects, the statement of work can be received from the customer as part of a bid document.

Answer option A is incorrect. Scope of statement gives the narrative description of the project scope.

Answer option B is incorrect. Project charter is a document that formally authorizes a project manager to work on a project.

Answer option D is incorrect. WBS is a tool that defines a project and groups the project discrete work in a way that helps organize and define the total work scope.

**NEW QUESTION 74**

Sam is the project manager of the NQQ project. He and the project team have completed the stakeholder identification process for his project. What is the main output of the identify stakeholders process?

- A. Communications management plan
- B. Stakeholder register
- C. Requirements
- D. Stakeholder management strategy

**Answer:** B

**Explanation:**

According to the PMBOK, the main output of the identify stakeholders process is the stakeholder register. The stakeholder register is a project management document that contains a list of the stakeholders associated with the project. It assesses how they are involved in the project and identifies what role they play in the organization. The information in this document can be very perceptive and is meant for limited exchange only. It also contains relevant information about the stakeholders, such as their requirements, expectations, and influence on the project.

Answer option A is incorrect. The communications management plan is an output of communications planning.

Answer option D is incorrect. The stakeholder management strategy is an output of stakeholder identification, but it is not the main output.

Answer option C is incorrect. Requirements are not an output of the stakeholder identification process.

**NEW QUESTION 77**

John is the project manager for his organization. He has created a status dashboard for his stakeholders. What is a status dashboard?

- A. It is a report that details the current status of risks and issues.
- B. It is a software application that allows stakeholders to view the project manager's performance.
- C. It is a web-based tool to inspect the project deliverables for performance.
- D. It is a report that reflects the overall performance of scope, schedule, quality, cost, or other project performance metrics.

**Answer:** D

**Explanation:**

Of all the choices, the best explanation is that a dashboard is a report for quick review of the project's performance metrics. While there are some software solutions, they still focus on the key performance criteria of the project.

Answer option C is incorrect. This answer defines the definition of quality control, not the dashboard's review of project performance.

Answer option B is incorrect. Dashboards focus on the performance of the project's key performance factors, not the project manager.

Answer option A is incorrect. A status report could include the details of the project's risks and issues, but usually not the dashboard.

**NEW QUESTION 82**

You are the project manager of the NHQ project. Your project has a budget of \$1,258,456 and is scheduled to last for three years. Your project is currently forty percent complete though it should be forty-five percent complete. In order to reach this point of the project, you have spent \$525,000. Management needs a performance report regarding the NHQ project. Management is concerned that this project will be over budget upon completion. What is the estimate at completion for this project that you will need to report to management?

- A. -\$62,922.80
- B. \$1,312,504
- C. \$1,525,000
- D. \$787,504

**Answer:** B

**Explanation:**

The estimate at completion can be calculated by dividing the budget at completion by the cost performance index. Here,  $CPI = EV/AC = (0.40 * 1,258,456) / 525,000 = 0.95882$   $EAC = BAC/CPI = 1,258,456 / 0.95882 = 1,312,504$  What is Estimate at Completion (EAC)? Estimate at Completion (EAC) is a field that displays the final cost of the project including the actual costs and the forecast of remaining costs based on the cost performance index (CPI) so far. The formula used to calculate this estimate is as follows:  $ACWP + (BAC - BCWP) / CPI$

Answer option D is incorrect. \$787,504 is the estimate to complete. Answer option A is incorrect. -\$62,922.80 is the schedule variance.

Answer option C is incorrect. This is not a valid calculation for this question.

**NEW QUESTION 85**

Fredrick works as a Project Manager for BlueWell Inc. A number of projects are running under his guidance. You, a team leader of a project, inform Fredrick about the performance indexes of your project. The schedule performance index (SPI) of your project is 1.325. What does this figure indicate?

- A. The schedule performance is better than expected.

- B. The schedule performance is right on target.
- C. The cost performance is better than expected.
- D. The schedule performance is below expectation.

**Answer:** A

**Explanation:**

According to the question, the SPI of your project is 1.325. This figure is greater than 1. Hence, it shows that the schedule performance is better than expected. What is SPI? Schedule performance index (SPI) is the measure of schedule efficiency on a project. It is used in trend analysis to predict future performance. SPI is the ratio of earned value to planned value. The SPI is calculated based on the following formula:  $SPI = \text{Earned Value (EV)} / \text{Planned Value (PV)}$  If the SPI value is greater than 1, it indicates better than expected performance, whereas if the value is less than 1, it shows poor performance. The SPI value of 1 indicates that the project is right on target.

Answer option C is incorrect. SPI has nothing to do with cost performance.

Answer options B and D are incorrect. An SPI value less than 1 or 0 indicates that the schedule performance is either below expectation or is right on target.

**NEW QUESTION 86**

Tom is the project manager of the GHQ Project for his organization. He is working on recovering the project schedule. As Tom examines his schedule he is especially aware of project activities with soft logic. What is soft logic?

- A. Soft logic describes activities that do not have particular resources assigned to them.
- B. Soft logic describes activities that can be completed in any order.
- C. Soft logic describes activities that can have lead time added to them.
- D. Soft logic describes activities that can be crashed because they are effort-driven.

**Answer:** B

**Explanation:**

Soft logic can be completed in any order without affecting the outcome of the deliverables. Soft logic is also known as preferential logic, preferred logic, and discretionary

dependency. It is defined on the basis of knowledge of best practices and standard procedures for the particular application area. Soft logic is defined by the project management team based on well-known practices in a specific desired sequence. Answer options A, D, and C are incorrect. These are not valid definitions of soft logic.

**NEW QUESTION 91**

Holly is the project manager for her organization. She is creating the activity list and would like to tag those activities that are comprised of discrete effort. What is discrete effort?

- A. It is a term used to describe activities whose effort cannot be directly measured to the project objectives.
- B. It is a term used to describe activities whose effort can be directly measured and linked to the project objectives.
- C. It is a term used to describe activities that are supportive of the project work, but not linked to the project deliverables.
- D. It is a term used to describe activities that are core project management processes, but not core project activities.

**Answer:** B

**Explanation:**

Discrete effort is a term used to describe the work that can be measured and traced to the components in the work packages. It is the actual work to create the project deliverables. Discrete effort refers to the particular work effort that can be identified and traced as having a direct tie to the final completion of the project-related work breakdown structure components and the deliverables. It is necessary that all the efforts have a specific measurable end product or end result.

Answer options A, D, and C are incorrect. These are not valid definitions of discrete effort.

**NEW QUESTION 96**

Samuel works as a project manager in Bluewell Inc. He is performing constructability analysis in one of the initial planning phases. Which of these does constructability take into account during analysis? Each correct answer represents a complete solution. Choose three.

- A. Quality inspections and compliance
- B. Location, logistics, and resource availability analysis
- C. Labor productivity studies from previous similar projects in the area
- D. The average price of general labor in the area

**Answer:** BCD

**Explanation:**

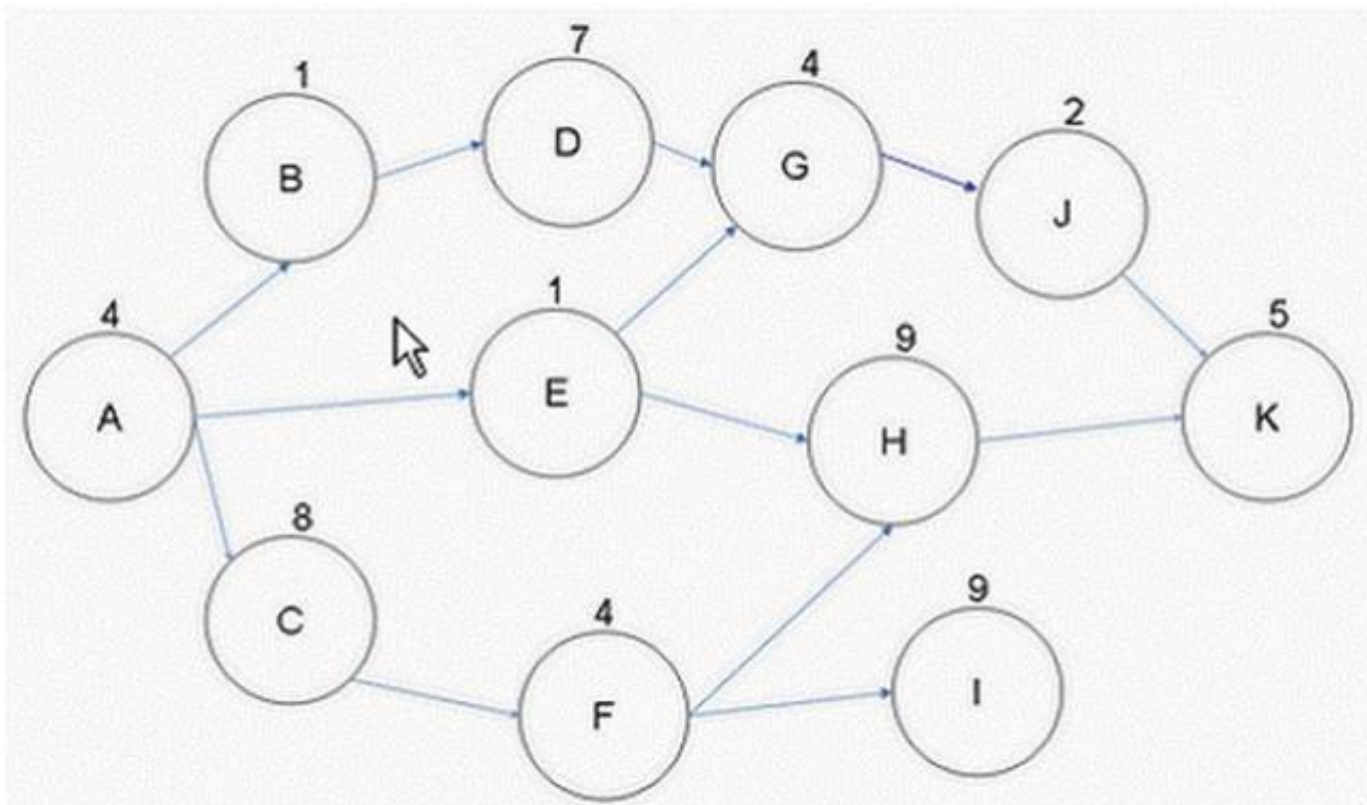
Constructability analysis takes into account the location, logistics, resource availability analysis, the average price of general labor in the area, and labor productivity studies from previous similar projects in the area. Constructability analysis is a process that starts in the initial planning phases and persists all over the entire planning cycle and into the implementation phase of the project. Constructability analysis during the planning process examines the methods and cost of installed equipment and materials, technology, site conditions, resources, and related infrastructure. The benefit of constructability analysis is to reduce both the time and cost of a project. Constructability analysis is repeatedly performed throughout the life-cycle of a project in order to optimize cost, plan, and schedule while mitigating risk. It is a very important process that needs to be performed early in planning to allow alternatives to be considered and integrated into the design.

Answer option A is incorrect. This comes under the quality assurance phase.

**NEW QUESTION 101**

You are the project manager for your company. You are working with the activities defined in the figure below.





What will happen to your project if Activity F takes five additional days to complete than what was expected?

- A. Your project's critical path will shift to ACFI.
- B. Your project will be late by five days.
- C. Your project can still complete on time as float is available on Activity I.
- D. Your project will now have two critical paths.

**Answer:** B

**Explanation:**

Activity F is on the critical path of ACFHK of 30 days. By adding five additional days to Activity F, the project will now take 35 days to complete. Answer options C, A, and D are incorrect. These are not the valid answers.

**NEW QUESTION 104**

John works as a project manager for BlueWell Inc. He is working on a high-profile project with 80 stakeholders and he needs to express to his project team and to the management the importance of communication in the project. He would like to show the number of stakeholder communication channels in the project. Based on this information how many communication channels exist within this project?

- A. 3000
- B. 79
- C. 80
- D. 3160

**Answer:** D

**Explanation:**

Communication channels are paths of communication with stakeholders in a project. The number of communication channels shows the complexity of a project's communication and can be derived through the formula shown below: Total Number of Communication Channels =  $n(n-1)/2$  where, n is the number of stakeholders. Hence, a project having five stakeholders will have ten communication channels. Putting the number of stakeholders in the formula we can get the required communication channel for the project. It is  $(80 \times 79)/2$  for 3,160 communication channels.

**NEW QUESTION 109**

CORRECT TEXT

Fill in the blank with the appropriate word. When activities are logically linked, they become the .

- A. Mastered
- B. Not Mastered

**Answer:** A

**Explanation:**

An activity is an individual element of work that is logically linked to other activities to form the schedule. Its primary characteristics include an overall duration based upon the resources applied to it (manpower, material, and equipment), as well as a start and completion date that is tied to a work calendar. It also has a relationship with other activities (predecessors and successors).

**NEW QUESTION 112**

You are the project manager of a project that has a budget of \$675,000 and you have completed 40 percent of the project work. Your project is supposed to be 60 percent complete but you are actually only 40 percent complete. Due to some errors, however, you have actually spent \$335,000 of the budget. Management wants to know what the project's cost performance index (CPI) is. What value do you report?

- A. -\$135,000
- B. .67
- C. .81
- D. -\$65,000



**Answer:** C

**Explanation:**

Cost performance index (CPI) is used to calculate performance efficiencies. It is used in trend analysis to predict future performance. CPI is the ratio of earned value to actual cost. The CPI is calculated based on the following formula:  $CPI = \text{Earned Value (EV)} / \text{Actual Cost (AC)}$  If the CPI value is greater than 1, it indicates better than expected performance, whereas if the value is less than 1, it shows poor performance. The CPI value of 1 indicates that the project is right on target. In this instances it is \$270,000 divided by \$335,000 for a CPI of .81.

Answer option B is incorrect. .67 is actually the schedule performance index. Answer option D is incorrect. -\$65,000 is the cost variance for the project. Answer option A is incorrect. -\$135,000 is the schedule variance of the project.

**NEW QUESTION 116**

You have been assigned to a project that centers on a discipline you are only topically aware of. While you do have years of experience as a project manager, but you have never worked with the technology, as is in this project. During the define activities process, you rely on your project team and two consultants to coach you and identify the type of activities the project will include. Which tool and technique are you using in the define activities process in this scenario?

- A. Templates
- B. Rolling wave planning
- C. Decomposition
- D. Expert judgment

**Answer:** D

**Explanation:**

When the project manager relies on consultants or the project team (or both), it is an example of expert judgment. Expert judgment is a technique based on a set of criteria that has been acquired in a specific knowledge area or product area. It is obtained when the project manager or project team requires specialized knowledge that they do not possess. Expert judgment involves people most familiar with the work of creating estimates. Preferably, the project team member who will be doing the task should complete the estimates. Expert judgment is applied when performing administrative closure activities, and experts should ensure the project or phase closure is performed to the appropriate standards.

Answer option C is incorrect. This is not an example of decomposition. Answer option B is incorrect. This is not an example of rolling wave planning.

Answer option A is incorrect. This is not an example of using a project template.

**NEW QUESTION 118**

Amy is working on a project which is forty percent complete though it was scheduled to be fifty percent complete as of today. Management has asked Amy to report on the schedule variance for her project. If Amy's project has a BAC of \$750,000 and she has spent \$485,000 to date, what is the schedule variance value?

- A. -\$75,000
- B. -\$42,000
- C. -\$45,000
- D. -\$65,000

**Answer:** A

**Explanation:**

The schedule variance is found by subtracting the planned value from the earned value. The earned value is the percentage of the project completeness multiplied by the BAC. Planned value is the percentage of where the project should be at this time multiplied by the BAC. Schedule variance (SV) is a measure of schedule performance on a project. The variance notifies that the schedule is ahead or behind what was planned for this period in time. The schedule variance is calculated based on the following formula:

$$SV = \text{Earned Value (EV)} - \text{Planned Value (PV)}$$

If the resulting schedule is negative, it indicates that the project is behind schedule. A value greater than 0 shows that the project is ahead of the planned schedule.

A value of 0 indicates that the project is right on target. In this example,

$$EV = 40\% \text{ of BAC}$$

$$= 300,000, \text{ and } PV = 50\% \text{ of BAC}$$

$$= 375,000$$

$$SV = 300,000 - 375,000$$

$$= -75,000$$

Answer options C, B, and D are incorrect. These are not the correct values for the schedule variance.

**NEW QUESTION 121**

Holly is the project manager for her organization. In her project, she has worked with the project team to define when the project team will be utilized in the project, the duration of the project activities, and the sequence in which the project work must be completed. During several phases of her project, the project team will need to work more than fifty hours per week. The project team members have agreed this is necessary and they're willing to do the work to complete the project. Management, however, has not approved Holly's schedule based on the overtime the scheduling will require. They have set a limit on the project schedule of 45 hours per week. What is this limit technically called? Each correct answer represents a complete solution. Choose all that apply.

- A. Constraint
- B. Assumption
- C. Execution variance analysis
- D. Resource leveling heuristic

**Answer:** AD

**Explanation:**

Resource leveling is a rule of limiting the total number of hours a project team may work during a given time period in the project. If management restricts the project work to 45 per week, as in this example, Holly's schedule will likely increase because the project team can't complete as much work in one given time period. While this may be seen as a constraint, because it limits Holly's options, it's technically called a resource leveling heuristic.

Answer option B is incorrect. It is an assumption that's believed to be true, but it hasn't been proven to be true.

Answer option C is incorrect. Execution variance analysis describes the difference between what was planned and what was executed. A better term for this experience would simply be a scope variance, scope change, or defect.

**NEW QUESTION 122**

You work as a Project Manager for Dreams Unlimited Inc. You are looking for performance efficiencies of a project. The related key values are provided in the table below:

Measurements Values BCWP (or EV) 325 BCWS (or PV) 300 ACWP (or AC) 410

What will be the cost performance index (CPI) of the project at the current point of time?

- A. 0.923
- B. 1.083
- C. 1.261
- D. 0.792

**Answer: D**

**Explanation:**

According to the question, you are required to calculate the cost performance index (CPI) of the project. Cost performance index (CPI) is used to calculate performance efficiencies. It is used in trend analysis to predict future performance. CPI is the ratio of earned value to actual cost. The CPI is calculated based on the following formula:  $CPI = \frac{\text{Earned Value (EV)}}{\text{Actual Cost (AC)}}$  If the CPI value is greater than 1, it indicates better than expected performance, whereas if the value is less than 1, it shows poor performance. The CPI value of 1 indicates that the project is right on target. Now, putting the provided values in the formula:  $CPI = \frac{EV}{AC} = \frac{325}{410} = 0.792$  As the CPI 0.792 is lesser than 1, it shows that the schedule performance is below expectation. What is BCWP (or EV)? Budgeted cost of work performed (BCWP) or Earned Value (EV) is the value of completed work. It is the budgeted amount for the work actually completed on the schedule activity during a given time period. What is BCWS (or PV)? Budgeted Cost of Work Scheduled (BCWS) or Planned Value (PV) is the authorized budget assigned to the scheduled work to be accomplished for a schedule activity or Work Breakdown Structure (WBS) component. What is ACWP (or AC)? Actual cost of work performed (ACWP) or Actual Cost (AC) is the total costs actually incurred and recorded in accomplishing work performed during a given time period for a schedule activity. It is the cost of the work to date, including direct and indirect costs. AC is money that has actually been expended to date.

**NEW QUESTION 127**

Mark is the project manager of the GHQ Project. He is happily reporting that his project has a schedule performance index of 2.12. Management, however, does not think this is good news. What is the most likely reason why management does not like an SPI of 2.12?

- A. It is not good news because a larger number means the schedule duration estimates were likely to be wrong to begin with.
- B. They likely do not understand the SPI formula.
- C. It is not good news, as the number should be closer to 100 than 0.
- D. It is good news, but Mark may have large cost variances to achieve this value.

**Answer: A**

**Explanation:**

Cost and schedule performance indexes should be as close to 1 as possible. A larger value, such as 2.12, means that the schedule duration estimates were likely bloated or incorrect to begin with.  
Answer option B is incorrect. This is not the best choice for this question.  
Answer option C is incorrect. The number should not be close to 100; it should be close to 1.  
Answer option D is incorrect. While Mark may have crashed the schedule and driven up costs to achieve the SPI value, a more likely reason is that the time estimates were bloated.

**NEW QUESTION 129**

You work as a project manager for BlueWell Inc. Your project is falling behind though the project team reports that the actual durations of their work is what they estimated. You investigate the cause and determine that the project team is not starting their assignments early enough to finish their work on time. While the duration of the assignments may be in synchronization with the duration estimates, the completion time is causing the project schedule to slip from the baseline. What can you do to rectify this problem?

- A. Increase the duration estimates for each activity.
- B. Discipline the project team.
- C. Add management reserve.
- D. Corrective actions.

**Answer: D**

**Explanation:**

Corrective actions should be taken to move the results of the project work back into alignment with the project scope. The project team must start their activities on time and finish on time. A corrective action is a change implemented to address a weakness identified in a management system. Normally corrective actions are implemented in response to a customer complaint, abnormal levels of internal nonconformity, nonconformities identified during an internal audit or adverse or unstable trends in product and process monitoring such as would be identified by SP  
C. It is method of identifying and eliminating the causes of a problem, thus preventing their reappearance. Examples of a corrective action are :Improvements to maintenance schedulesImprovements to material handling or storage  
Answer option C is incorrect. Management reserve is time and funds allotted for unforeseen issues and risks within the project.  
Answer option A is incorrect. Padding each estimate may cause the project to succumb to Parkinson's Law: work expands to fill the amount of time allotted to it. In addition, the project team may still delay the start time of their project assignments.  
Answer option B is incorrect. Disciplining the project team may be a good option if the problem continues. The best option is to first apply corrective actions.

**NEW QUESTION 132**

Which of the following individuals performs various management roles within an administrative or functional area of the business, such as human resources, finance, accounting, or procurement?

- A. Seller
- B. Operations manager
- C. Functional manager
- D. Project manager

**Answer:** C

**Explanation:**

The role of a functional manager is to perform various management roles within an administrative or functional area of the business, such as human resources, finance, accounting, or procurement. He is assigned his own permanent staff to carry out the ongoing work. He should have a clear directive to manage all tasks within his functional area of responsibility.

Answer option D is incorrect. A project manager is an expert in the field of project management. He is responsible for the entire project from inception to completion. The project manager leads the team and helps negotiate the multiple relationships within any project whether with clients, team members, firm principals or any variety of partners and functions as the hub of a project.

Answer option A is incorrect. Seller is also known as a vendor, supplier or contractor. They are external company's elements that enter into a contractual agreement to provide components or services necessary for the project.

Answer option B is incorrect. The role of operations manager is to perform various management roles in a core business area, such as research and development, design, manufacturing, provisioning, testing, or maintenance. The operations manager directly deals with constructing and maintaining the saleable products or services of the enterprise.

**NEW QUESTION 133**

Gary is the project manager for his organization. At each weekly status meeting with his project team, Gary collects information on the work that has been completed and reviews the work that is remaining in the project. Alice, one of Gary's project team members, consistently reports that she's late on her project work. After the meeting, Gary and Alice discuss why the work is late as it is causing other delays in the project. What is the review of the late work commonly called?

- A. Variance analysis
- B. Leadership
- C. Quality control
- D. Discipline

**Answer:** A

**Explanation:**

Variance analysis is the study to determine why a variance in the project exists. Alice's late work may be for a number of reasons so Gary needs to determine why in order to address the problem. Variance analysis is a process that examines the dissimilarities between the planned and the actual budget or schedule in order to discover unacceptable risks to the budget, schedule, quality, or scope of the project. It is a method for resolving the total variance in the set of scope, schedule, and cost variables into particular component variances that are associated with defined factors affecting the cost, scope and schedule variables.

Answer option D is incorrect. Discipline is not the best answer as Gary, at this point, is simply reviewing the situation to determine why the variance exists.

Answer option C is incorrect. Quality control is the inspection of the work results to prove the existence of quality and to prevent mistakes from reaching the customer.

Answer option B is incorrect. This may be a type of leadership, but it is not the best answer for the question.

**NEW QUESTION 136**

Your project has a BAC of \$750,000 and is 75 percent complete. According to your plan, however, your project should actually be 80 percent complete. You have spent \$575,000 of your project budget to reach this point and you are worried about the project not being able to complete based on your current project budget. What is the to-complete performance index for this project?

- A. 0.98
- B. -\$16,677
- C. 1.07
- D. 0.94

**Answer:** C

**Explanation:**

The to-complete performance index can be found by using the formula  $(BAC - EV) / (BAC - AC)$  for a value of 1.07. The higher the value is from 1, the less likely the project will meet the BAC.

To-complete Performance Index (TCPI) is the measured projection of the anticipated performance required to achieve either the BAC or the EAC.

TCPI indicates the future required cost efficiency needed to achieve a target EAC (Estimate At Complete). Once approved, the EAC supersedes the BAC as the cost performance goal. Any significant difference between TCPI and the CPI needed to meet the EAC should be accounted for by management in their forecast of the final cost. The formula for TCPI is as follows:

$$TCPI = \{(BAC - EV) / (BAC - AC)\}$$

Answer option A is incorrect. 0.98 is the project's cost performance index. Answer option D is incorrect. This is the project's schedule performance index.

Answer option B is incorrect. -\$16,667 is the project's variance at completion.

**NEW QUESTION 137**

Tom works as the project manager for BlueWell Inc. He is working with his project to ensure timely and appropriate generation, retrieval, distribution, collection, storage, and ultimate disposition of project information. What is the process in which Tom is working?

- A. Work performance measurement
- B. Stakeholder expectation management
- C. Project communication management
- D. Stakeholder analysis

**Answer:** C

**Explanation:**

Tom is working with the project communication management process, as it is required to ensure the timely disposition of project information. Project Communications Management is one of the nine Knowledge Areas. It employs the processes required to ensure timely and appropriate generation, collection, distribution, storage, retrieval, and ultimate disposition of project information. The following processes are part of Project Communications Management:

Identify Stakeholders  
Plan Communications  
Distribute information

Manage Stakeholder Expectations

Report Performance

The Project Communications Management processes provide the critical links among people and information that are necessary for successful communications. These processes interact with each other and with the processes in the other Knowledge Areas as well.

Answer option B is incorrect. Managing stakeholder expectation is the process of working and communicating with the stakeholders to meet their requirements. Answer option A is incorrect. Work performance measurement uses the information to create project activity metrics to evaluate actual progress compared to planned progress. Answer option D is incorrect. Stakeholder analysis is the process of gathering and analyzing quantitative and qualitative information to determine the interest of the stakeholders. You are the project manager for your organization. Management has asked you to document the holidays, weekends, and other corporate working hours, which will supersede the project timings for your schedule. Which calendar will communicate to the project stakeholders, when the project work will take place within the organization?

**NEW QUESTION 142**

You are the project manager for the NHQ project. The management has reminded you that you must not allocate any project team member for more than 25 hours per work week on your project. This policy is because your organization is in a weak matrix and the project team members are on several projects at once within the organization. The 25-hour limit per resource is an example of which one of the following?

- A. Expert judgment
- B. Enterprise environmental factor
- C. Resource limitation
- D. Organizational process asset

**Answer: B**

**Explanation:**

The limit on each work is an organizational policy for each project. Policies, rules, and organizational requirements are the enterprise environmental factors.

Answer option D is incorrect. Organizational process assets are things that have been created for the project manager, such as software, templates, guidelines, and other resources that will assist the project manager in completing the project.

Answer option C is incorrect. While this could be a resource limitation, it is not a valid project management term. Resource leveling heuristics or a project constraint would have been acceptable answers.

Answer option A is incorrect. Expert judgment happens, when the project manager relies on someone with more knowledge on a topic to help the project manager make the best project decision.

**NEW QUESTION 143**

Frank is the project manager in BlueWell Inc. He is working with his project to subdivide the project work packages into smaller, more manageable components. He and the project team are planning in detail all of the things the team will need to create, purchase, or do in order to satisfy the project scope. Management is concerned with the activity which Frank is using in this scenario, as they believe that Frank is taking too long to complete this pre- execution activity. Which of the following techniques of the activity process is Frank using in this example?

- A. Rolling wave planning
- B. Expert judgment
- C. Creating a project template
- D. Decomposition

**Answer: D**

**Explanation:**

This is an example of decomposition. Frank and the project team are subdividing the work packages into smaller, more manageable units called activities. The tools and techniques used in defining the activity process are as follows: Decomposition: It is used to further divide the project work package into a more smaller and convenient form called activities. Rolling Wave Planning: It is a form of progressive elaboration planning where the work to be accomplished in the near term is planned in detail and future work is planned at a higher level of WBS. Templates: It is an activity list or a part of the activity list taken from the previous project and used in a new project. Expert Judgement: The skilled members in a project team or other experts who develop project scope statements can help provide knowledge in defining activities.

**NEW QUESTION 144**

If you are the project manager of the BNQ Project and you add "waiting time" between two activities, then what have you added in the project?

- A. You have added lag time to the project activities.
- B. You have added management reserve to the project activities.
- C. You have added lead time to the project activities.
- D. You have added float to the project activities.

**Answer: A**

**Explanation:**

Lag time is positive time that requires the successor activity to wait for a defined amount of time, such as three days, before it can begin. Lag time does not change the task relationship, but requires a "waiting time" before the starting of the activity can begin. A lag time is a delay between the predecessor and the successor tasks. Sometimes it may be needed to schedule a delay between the predecessor and the successor tasks. For example, if two coats of paint are required to paint a car, then the final coat should be applied only when the first coat dries. This delay is known as the lag time. The lag time is entered as a positive value. The lag time can be entered as a duration or as a percentage of the predecessor's task duration. It is entered on the Predecessor tab in the Task Information dialog box. Answer option D is incorrect. Float is a natural event that is discovered through the forward pass when using the critical path method. Float cannot be arbitrarily added as lag.

Answer option C is incorrect. Lead time actually brings activities closer together and causes them, in some cases, to overlap.

Answer option B is incorrect. Management reserve is a pool of time allotted for unscheduled changes and events that affect the project duration.

**NEW QUESTION 148**

You work as a Project Manager for Tech Perfect Inc. Several projects are running under your supervision. Martha, the team leader of a project, provides you performance indexes of her project. The cost variance (CV) of her project is -20. What does this figure depict?

- A. Spending is right on target.
- B. Costs are lower than planned.
- C. The project is behind schedule.
- D. Costs are higher than planned.



**Answer: D**

**Explanation:**

According to the question, the cost variance of the project is -20, which is a negative figure. The negative CV depicts that the costs are higher than planned. What is CV? Cost variance (CV) is a measure of cost performance on a project. The variance notifies if costs are higher than budgeted or lower than budgeted. The cost variance is calculated based on the following formula:  $CV = \text{Earned Value (EV)} - \text{Actual Cost (AC)}$  A positive value means that spending is less than budgeted, whereas a negative value indicates that costs are higher than originally planned for the project.

Answer option B is incorrect. This result is drawn when the CV value is positive. Answer option A is incorrect. If the CV is zero, it shows that spending is right on target.

Answer option C is incorrect. This result is depicted by viewing the schedule variance (SV), not the CV. What is SV? Schedule variance (SV) is a measure of schedule performance on a project. The variance notifies that the schedule is ahead or behind what was planned for this period in time. The schedule variance is calculated based on the following formula:  $SV = \text{Earned Value (EV)} - \text{Planned Value (PV)}$

If the resulting schedule is negative, it indicates that the project is behind schedule. A value greater than 0 shows that the project is ahead of the planned schedule. A value of 0 indicates that the project is right on target.

**NEW QUESTION 153**

You are the project manager of the GHY Project. This project is scheduled to last for one year and has a BAC of \$4,500,000. You are currently 45 percent complete with this project, though you are up posed to be at your second milestone which accounts for half of the project completion. There have been some errors in the project which has caused you to spend \$2,073,654. What is this project's schedule variance?

- A. 10 percent
- B. -\$48,654
- C. -\$225,000
- D. 0.98

**Answer: C**

**Explanation:**

The schedule variance can be found by subtracting the planned value from the earned value. In this instance, it is \$2,025,000 minus \$2,250,000. Schedule variance (SV) is a measure of schedule performance on a project. The variance notifies that the schedule is ahead or behind what was planned for this period in time. The schedule variance is calculated based on the following formula:  $SV = \text{Earned Value (EV)} - \text{Planned Value (PV)}$  If the resulting schedule is negative, it indicates that the project is behind schedule. A value greater than 0 shows that the project is ahead of the planned schedule. A value of 0 indicates that the project is right on target.

Answer option B is incorrect. This is the cost variance for the project. Answer option A is incorrect. 10 percent is not a valid answer.

Answer option D is incorrect. This is not a valid variance for this question; variances are typically negative numbers.

**NEW QUESTION 157**

You work as a project manager for BlueWell Inc. Which of the following tools/techniques will you use to demonstrate how a process behaves over time, and when a process is subject to special cause variation, resulting in an out-of-control condition?

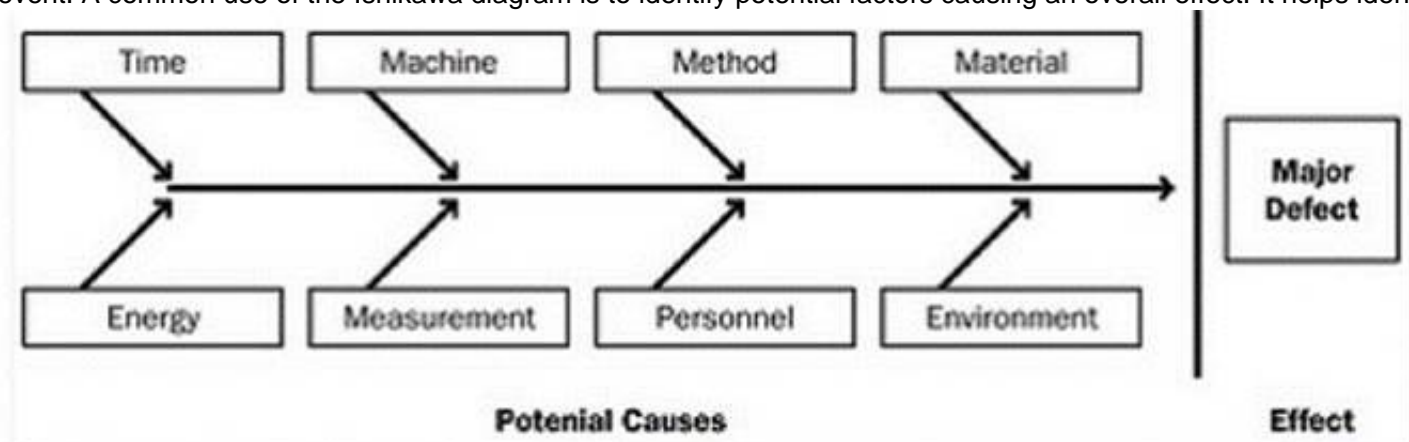
- A. Pareto Chart
- B. Ishikawa Diagram
- C. Scatter Chart
- D. Control Chart

**Answer: D**

**Explanation:**

You should use the control charts to demonstrate how a process behaves over time, and when a process is subject to special cause variation, resulting in an out-of-control condition. Control charts are graphical representations of different processes. These charts contain the maximum and minimum values allowed. Control charts are used to determine whether or not a process is stable or has predictable performance. A process is considered out of control when a data point exceeds a control limit or if seven consecutive points are above or below the mean.

Answer option B is incorrect. The Ishikawa diagram (or fishbone diagram or also cause- and-effect diagram) are diagrams, that shows the causes of a certain event. A common use of the Ishikawa diagram is to identify potential factors causing an overall effect. It helps identify causal factors and contributing causes.



It is known as a fishbone diagram because of its shape, similar to the side view of a fish skeleton. It is considered as a basic tool of quality management.

Answer option A is incorrect. A Pareto chart is a special type of bar chart where the values being plotted are arranged in descending order. The graph is accompanied by a line graph, which shows the cumulative totals of each category, left to right. The chart is named after Vilfredo Pareto, and its use in quality assurance was popularized by Joseph M. Juran and Kaoru Ishikawa.

Answer option C is incorrect. A scatter chart is a type of display using Cartesian coordinates to display values for two variables for a set of data. The data is displayed as a collection of points, each having the value of one variable determining the position on the horizontal axis and the value of the other variable determining the position on the vertical axis. A scatter diagram shows the pattern of relationship between two variables. This tool allows the quality team to study and identify the possible relationship between changes observed in two variables. Dependent variables versus independent variables are plotted. The closer the points are to a diagonal line, the more closely they are related.

**NEW QUESTION 161**

Frank is the project manager of a construction project. In this project, Frank has elected to allow the interior design phase of the project to overlap with the pool construction phase of the project. Normally, Frank would not allow these two phases to overlap, but for this project, he has elected to do so in order to compress

the project schedule. What is this schedule compression technique called?

- A. Resource leveling heuristic
- B. Lead time
- C. Fast tracking
- D. Crashing

**Answer: C**

**Explanation:**

This is an example of fast tracking. Fast tracking allows phases to overlap in order to compress the project schedule.  
 Answer option D is incorrect. Crashing adds labor to the project in order to complete effort- driven activities in less time.  
 Answer option B is incorrect. The lead time allows individual activities to overlap, not entire phases.  
 Answer option A is incorrect. Resource leveling heuristics are rules that limit the amount of time a labor resource may contribute to the project in a given time period.

**NEW QUESTION 165**

You are the project manager of the NHQ project. Your project has a budget of \$1,258,456 and is scheduled to last for three years. Your project is currently forty percent complete though it should be forty-five percent complete. In order to reach this point of the project, you have spent \$525,000. Management needs a performance report regarding the NHQ project. What is the planned value for this project?

- A. \$566,305
- B. \$1,258,456
- C. -\$54,044
- D. \$503, 382

**Answer: A**

**Explanation:**

The planned value is the percent complete that the project should have done. In this instance, it is: Planned value = 45% of \$1,258,456 =\$566,305  
 Answer option B is incorrect. This is the project budget.  
 Answer option D is incorrect. \$503,382 is the earned value for this project.  
 Answer option C is incorrect. -\$54,044 is the variance at completion for your project.

**NEW QUESTION 167**

You are the project manager of the GHY project. Your project has a BAC of \$675,000 and is forty percent complete though you were supposed to be forty-five percent complete. Due to some errors early in the project, you had to spend \$278,000 of your project's budget to reach this point. Management is asking for a variance report. What part of your project has the largest variance?

- A. Cost, with a variance of -\$8,000
- B. Schedule, with a variance of -\$33,750
- C. Cost, with a variance of \$278,000
- D. Schedule, with a variance of -\$20,000

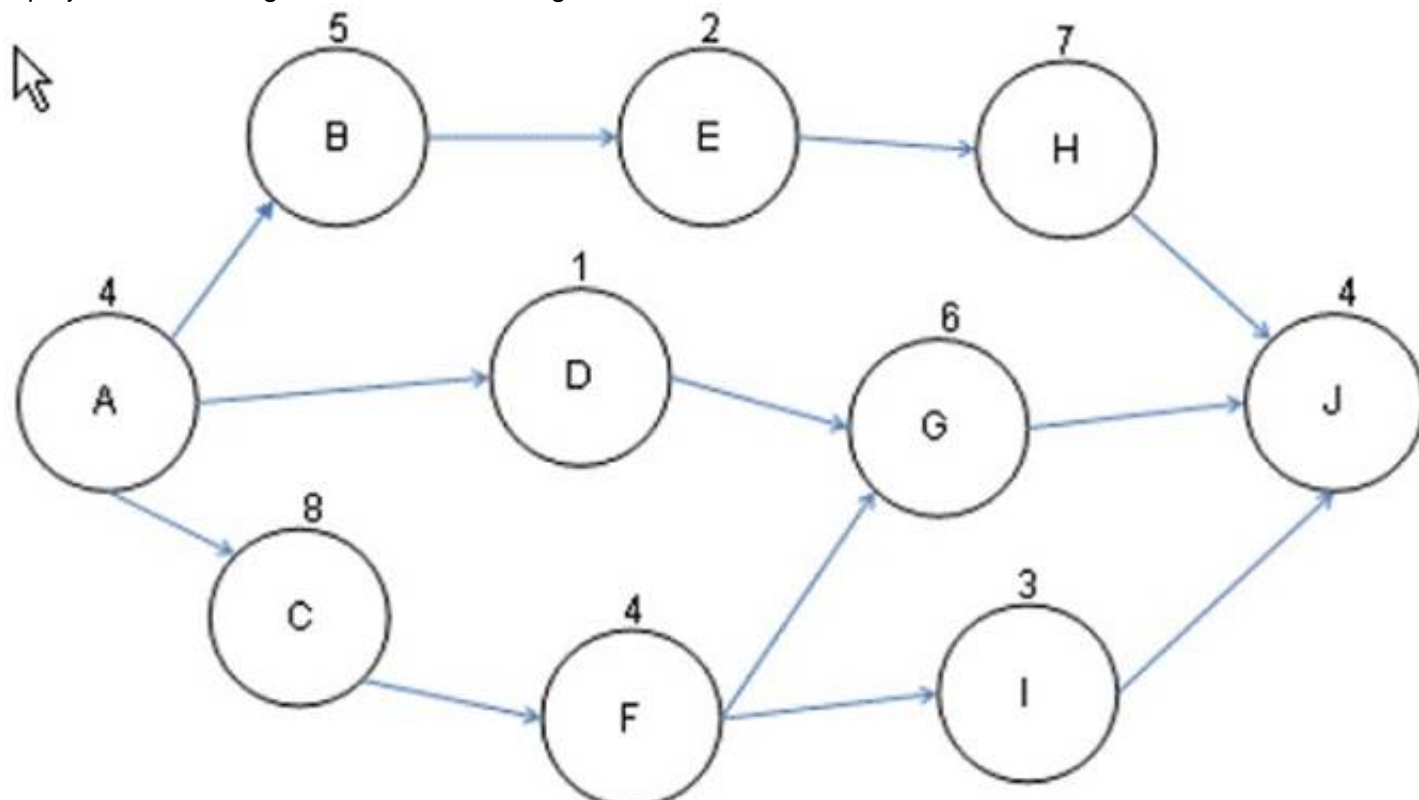
**Answer: B**

**Explanation:**

Your schedule variance is -\$33,750. You can find this by using the formula earned value- minus planned.  
 Answer option C is incorrect. Cost is not the largest variance in the project.  
 Answer option A is incorrect. Cost is not the largest variance in the project (it is -\$8,000). Answer option D is incorrect. -\$20,000 is the variance at completion for the project.

**NEW QUESTION 169**

You work as the project manager for Blue Well Inc. You are working with your project team to schedule the days the project work will take place. You have created a project network diagram as shown in the figure:



Based on this diagram, find out the earliest day on which Activity G can be started.

- A. Day 13
- B. Day 7
- C. Day 22
- D. Day 17

**Answer:** D

**Explanation:**

The earliest Activity G can start is Day 17. This is because activities A, D, C, and F must all be completed before Activity G can start.  
Answer option A is incorrect. Day 13 does not account for Activity F since Activity F is also a predecessor to Activity G.  
Answer option C is incorrect. Day 22 is the earliest Activity G can finish. Answer option B is incorrect. Day 7 is not a valid answer.

**NEW QUESTION 170**

You are the project manager for your organization. You are working through the control schedule process. According to the PMBOK, there are four inputs to this process. Which one of the following is NOT an input to the control schedule process?

- A. Schedule data
- B. Work performance information
- C. Project management plan
- D. Project schedule

**Answer:** A

**Explanation:**

Schedule data is not an input to the control schedule process. Organizational process assets are the final input to the control schedule process. The inputs of schedule control process are as follows: Project Management Plan Project Schedule Work Performance Integration Organizational Process Assets  
Answer option C is incorrect. The project management plan is an input to the control schedule process.  
Answer option D is incorrect. The project schedule is an input to the control schedule process.  
Answer option B is incorrect. Work performance information is an input to the control schedule process.

**NEW QUESTION 174**

You work as a project manager for BlueWell Inc. Management has asked you to communicate with them whenever your project is about to reach a milestone so that they can review your project performance to date. Where can you find a list of the project milestones to anticipate management's request?

- A. Scope baseline
- B. Milestone list
- C. Project charter
- D. Project Schedule Management Plan

**Answer:** B

**Explanation:**

The milestone list is the best answer. A milestone list provides a sequence of indicators about project progress to date and achievements or goals, which are to be achieved. The milestone list is used in project management as an indication of progress through the achievement of a major project accomplishment. It is a project document that is not part of the project management plan. The list contains all the project milestones along with information indicating whether they are mandatory to achieve or not.  
Answer option A is incorrect. The scope baseline is a collection of the project scope, the WBS, and the WBS dictionary.  
Answer option D is incorrect. The project schedule management plan is not the best answer, as the milestone list is the most direct result.  
Answer option C is incorrect. The project charter is not the best answer for identifying the milestones.

**NEW QUESTION 178**

You are the project manager of the NHQ Project. You are coaching Alice, a new project manager, on the relationships in a project network diagram. Which relationship type between activities are the most common?

- A. SS
- B. FS
- C. FF
- D. SF

**Answer:** B

**Explanation:**

The finish-to-start relationship type is the most common in a project network diagram. It means that the predecessor activity must finish before its successor activity can start. For example, the carpet must be installed before the painting activity can begin. What is precedence diagramming method (PDM) in sequence activities? Precedence diagramming method (PDM) is used in critical path methodology for building a project schedule network diagram that uses boxes or rectangles, referred to as nodes, to represent activities, and join each other with arrows that show the logical relationship that exists between them. This technique is also known as Activity-On-Arrow (AOA). It includes four types of dependencies or logical relationships: Finish-to-start(FS): The initiation of the successor activity depends upon the completion of the predecessor activity. Finish-to-finish(FF): The completion of the successor activity depends upon the completion of the predecessor activity. Start-to-start(SS): The initiation of the successor activity depends upon the initiation of the predecessor activity. Start-to-finish(SF): The completion of the successor activity depends upon the initiation of the predecessor activity.

**NEW QUESTION 180**

John works as the project manager for Blue Well Inc. He is identifying the phases within the scope of work for the project plan. Which of the following can be categorized as a project phase? Each correct answer represents a complete solution. Choose all that apply.

- A. Concrete
- B. Pre-construction

- C. Engineering
- D. Conceptual engineering

**Answer:** BCD

**Explanation:**

A phase is a combination of associated activities that represent a distinct stage within a project. A phase can have distinct start and finish dates and include several stages of planning and work. Each project has a defined scope of work, such as a unique product or service. Some examples of phases within the scope of work for a project plan are conceptual engineering, pre-construction, and engineering.  
Answer option A is incorrect. Concrete is an activity, not a project phase.

**NEW QUESTION 183**

Billy is the project manager of the PQW Project and she has an assigned project budget of \$655,000. Currently she is 80 percent complete with the project though she was scheduled to be 90 percent done by this date. She has spent \$490,000 to date. What should Billy report as her cost performance index (CPI) for this project?

- A. .07
- B. 1.07
- C. \$34,000
- D. .89

**Answer:** B

**Explanation:**

Cost performance index (CPI) is used to calculate performance efficiencies. It is used in trend analysis to predict future performance. CPI is the ratio of earned value to actual cost. The CPI is calculated based on the following formula:  $CPI = \text{Earned Value (EV)} / \text{Actual Cost (AC)}$  If the CPI value is greater than 1, it indicates better than expected performance, whereas if the value is less than 1, it shows poor performance. The CPI value of 1 indicates that the project is right on target. In this instance the earned value is \$524,000 and the actual costs are \$490,000. In this project Billy has spent less than what the work is worth - a good thing. This could be because of a cost savings, such as travel or shipping, or because a risk event didn't come into play. This causes the positive CPI - something which does not happen very often.

Answer option A is incorrect. .07 is an incorrect calculation for the cost performance index for the project.

Answer option D is incorrect. .89 represents the schedule performance index. Answer option C is incorrect. \$34,000 is the cost variance of the project.

**NEW QUESTION 184**

Bonnie is the project manager for her organization. She is developing a strategy to manage the project stakeholders. She wants to identify the key stakeholders, their influence over the project, their interest in project, and an assessment of methods. What can Bonnie create to gain support from the stakeholders in her project?

- A. Stakeholder identification tools
- B. Expert judgment
- C. Stakeholder Analysis Matrix
- D. Communications management plan

**Answer:** C

**Explanation:**

A stakeholder analysis matrix is a simple table that identifies stakeholders, their attitude towards the project, their perceived threats and concerns, and strategies the project manager can use to gain stakeholder support and remove obstacles.

Answer option A is incorrect. Stakeholder identification tools are not a precise answer for this question.

Answer option D is incorrect. The communications management plan is a broad plan and may reference the stakeholder analysis matrix, but it is not the best answer for this question.

Answer option B is incorrect. In some cases the project manager could rely on expert judgment, but in all projects the project manager can use a stakeholder analysis matrix.

**NEW QUESTION 185**

You are the project manager for your organization. You are discussing an upcoming project with management and they would like you to begin decomposing the project work packages into activities as soon as possible. You have explained to the management that you would like to involve your project team before the decomposition of the work packages begins. Why would you want your project team to involve in this activity?

- A. To understand the exact type of work the project team will be completing
- B. To help the activity go faster
- C. To get better and more accurate results through the decomposition
- D. To create assignments for the project team as the activities are discussed

**Answer:** C

**Explanation:**

Involving the project team is needed as part of the work package decomposition to get better and more accurate results. The project team comprises the people completing the work and often the experts that can direct the discussion and decomposition efforts. The decomposition technique is used to further divide all project deliverables into smaller component activities. Activities correspond to the effort required to complete a work package. Each and every work package in the WBS is decomposed into the activities needed to create the work package deliverables. Involving team members in the decomposition technique results in better and more precise outcomes.

Answer option B is incorrect. While the team may help the activity decomposition go faster, this is not the best choice for this question.

Answer option A is incorrect. Through the decomposition process, the project manager will learn about the project work, but this is not the primary reason to involve the project team. Answer option D is incorrect. It is possible to create assignments while completing the activity list, but usually all of the activities are defined and sequenced, and then resources are assigned to manage availability and utilization.

**NEW QUESTION 188**

You work as the project manager for BlueWell Inc. Mark, a project team member, has some doubts related to the outputs of the control schedule process. Which of



the following is an output of the control schedule process?

- A. Project schedule
- B. Lessons learned
- C. Change request
- D. Activity resource requirement

**Answer: C**

**Explanation:**

Only change request is a valid answer. The five outputs of the control schedule process are work performance measurements, organizational process assets updates, change requests, the project management plan updates, and project document updates. Change requests are requests to expand or reduce the project scope, modify policies, processes, plans, or procedures, modify costs or budgets or revise schedules. These requests for a change can be direct or indirect, externally or internally initiated, and legally or contractually imposed or optional. A Project Manager needs to ensure that only formally documented requested changes are processed and only approved change requests are implemented. Answer option D is incorrect. Activity resource requirement is not an output of the control schedule process.

Answer option A is incorrect. The project schedule is not an output of the control schedule process.

Answer option B is incorrect. Lessons learned is not an output of the control schedule process.

**NEW QUESTION 189**

You work as a project manager for BlueWell Inc. You and your project team is undergoing the decision making process for the project. You want to involve key participants to gain acceptance and commitment to make the solution work. Which of the following phases of the decision- making model defines this process of work?

- A. Ideas to action
- B. Problem definition
- C. Problem solution generation
- D. Solution action planning

**Answer: D**

**Explanation:**

The various phases of the decision making process are as follows: Problem definition: This phase explores, clarifies and defines the problem. Problem solution generation: This phase draws out the new idea generating process by brainstorming multiple solutions and rejecting premature decisions. Ideas to action: This phase defines the evaluation criteria, rate pros and cons of alternatives and helps in selecting the best solution. Solution action planning: This phase involves key participants to gain acceptance and commitment to make the solution work. Solution evaluation planning: This phase performs the post implementation analysis, evaluations and lessons learned. Evaluation of the outcome and process: This phase evaluates how well the problem was solved or project goals were achieved.

**NEW QUESTION 190**

Harry works as a project manager for BlueWell Inc. He is determining the budget of the project. According to the PMBOK, there are seven inputs to this process. Which one of the following is NOT an input to the determine budget process?

- A. Contract
- B. Reserve analysis
- C. Scope baseline
- D. Project schedule

**Answer: B**

**Explanation:**

Reserve analysis is not an input to the determine budget process. It is a technique used for determining the budget. The inputs to the determine budget process are as follows: Activity cost estimates Basis of estimates Scope baseline Project schedule Resource calendars Contracts Organizational process assets

**NEW QUESTION 192**

You're a project manager and you've completed your project schedule. The schedule will take 18 months to complete the project work. Throughout the schedule there are instances that the project work will require the project team members to work more than fifty hours per week. If you must adhere to a maximum of 45 hours of project work per team member, per week, what will likely happen to your project schedule as it stands right now?

- A. Nothing, the 45 hours limit is a guideline.
- B. The project will take longer to complete.
- C. The project will take less time to complete.
- D. The project will require more resources.

**Answer: B**

**Explanation:**

If a resource leveling heuristic, such as 45 hours maximum per time period, is enforced on the project, then the project schedule will take longer to complete. What is resource leveling heuristics? Resource leveling heuristics is a prioritization method that allocates inadequate resources to critical path activities first. It is a schedule network analysis technique useful to a schedule that has already been analyzed by the critical path method. It is used when shared or critical essential resources are only available at certain times, in limited quantities, or to keep resource usage at a constant level. It is a technique that resolves resource conflicts by delaying tasks within their slack allowances. Resource leveling is the process in which project teams come across problems when developing their project schedules. If a company has multiple projects running simultaneously that require the same resources, then problems can arise. It can often cause the critical path method to change.

Answer option A is incorrect. The 45-hour limit is a restriction on the project.

Answer option C is incorrect. The project will not take less time to complete because the project team members won't be able to complete as much work in the same amount of time.

Answer option D is incorrect. The project may require more resources if the project manager and management want the project to finish by a particular date. In this question, however, the focus is on what will happen to the project schedule, not the project staffing.

#### NEW QUESTION 194

John works as a project manager for BlueWell Inc. His project has a budget of \$795,000 and he has spent \$325,000 on the project. But, he has completed only 40 percent of the project work till now. Management wants to know what the project's cost performance index is. What value will John report?

- A. 0.76
- B. 0.85
- C. 0.80
- D. 0.92

**Answer:** D

#### Explanation:

Cost performance index (CPI) is used to calculate performance efficiencies. It is used in trend analysis to predict future performance. CPI is the ratio of earned value to actual cost. The CPI is calculated based on the following formula:  $CPI = \text{Earned Value (EV)} / \text{Actual Cost (AC)}$  If the CPI value is greater than 1, it indicates better than expected performance, whereas if the value is less than 1, it shows poor performance. The CPI value of 1 indicates that the project is right on target. In this instance, it's

$$EV = 0.40 * 750,000$$

$$= 300,000$$

$$CPI = EV/AC$$

$$= 300,000/325,000$$

$$= 0.92$$

#### NEW QUESTION 196

Yolanda is the project manager for her organization. She is creating a performance report for her sponsor. Typically, the performance report includes all of the following factors except for which one?

- A. Current status of risk and issues
- B. Quality control activities
- C. Analysis of past performance
- D. Work to be completed next

**Answer:** B

#### Explanation:

Quality control activities are not included in the performance report, but are documented in the quality management plan. A performance report is made by the project team detailing activities, milestones, problems, accomplishments, and identified issues. Performance reports are used to report some key information as follows: Current status Scheduled activities Significant accomplishment for the period Forecasts Issues

Answer option C is incorrect. Analysis of past performance can be included in the performance report to make the report more elaborate.

Answer option A is incorrect. Current status of risk and issues can be included in the performance report.

Answer option D is incorrect. Work to be completed next can be included in the performance report.

#### NEW QUESTION 201

Jenny is the project manager for her organization. Her project is not doing well on project schedule performance, and management wants her to predict how the project schedule and cost will end. Management has asked Jenny to report and forecast her project's performance based on the Judgmental methods. Which of the following judgmental methods will Jenny use to accomplish the task? Each correct answer represents a complete solution. Choose all that apply.

- A. Forecast by analogy
- B. Technology forecasting
- C. Autoregressive moving average
- D. Scenario building

**Answer:** ABD

#### Explanation:

The judgmental forecasting method incorporates intuitive judgments, opinions and subjective probability estimates. Some examples of judgmental forecasting are as follows: Composite forecasts

Surveys Delphi method

Scenario building Technology forecasting Forecast by analogy

Answer option C is incorrect. Autoregressive moving average is an example of the causal/econometric method.

#### NEW QUESTION 206

Della works as a Project Manager for BlueWell Inc. A number of projects are running under her guidance. You, being a team leader of a project, provide Della the performance indexes of your project. The schedule variance (SV) of your project is zero. What does this figure depict?

- A. Project is right on target.
- B. Project is ahead of the schedule.
- C. Project is behind the schedule.
- D. Costs are higher than planned.

**Answer:** A

#### Explanation:

According to the question, the schedule variance (SV) of the project is zero. A value of 0 indicates that the project is right on target. Schedule variance (SV) is a measure of schedule performance on a project. The variance notifies that the schedule is ahead or behind what was planned for this period in time. The schedule variance is calculated based on the following formula:  $SV = \text{Earned Value (EV)} - \text{Planned Value (PV)}$  If the resulting schedule is negative, it indicates that the project is behind schedule. A value greater than 0 shows that the project is ahead of the planned schedule. A value of 0 indicates that the project is right on target.

Answer option C is incorrect. The negative SV means that project is behind the schedule. Answer option D is incorrect. This result can be drawn by looking at the cost variance (CV) of the project.

Answer option B is incorrect. The positive SV depicts that the project is ahead of the planned schedule.

#### NEW QUESTION 207

A project team installs 2,500 light fixtures in a new office building, and each light fixture takes one hour to install. The project manager can predict that it will take 2,500 hours to complete the work. However, which of the following statements most accurately describes this parametric estimate assumption?

- A. As workers complete the installation, efficiency will increase and durations will decrease.
- B. As workers complete the installation, errors and risks will increase the actual completion.
- C. As workers complete the installation, effort will diminish and efficiency will decrease.
- D. As workers complete the installation, labor will diminish so duration will increase.

**Answer:** A

#### Explanation:

When project team workers complete repetitive tasks, efficiency through learning will diminish the overall duration of the project tasks. A parametric estimate is an estimate that uses a parameter to predict the costs of the project, such as cost per network drop or cost per software license. Parametric estimating technique utilizes the statistical relationship that exists between a series of historical data and a particular delineated list of other variables.

Answer options B, D, and C are incorrect. These are not the valid statements.

#### NEW QUESTION 209

You are the project manager for your organization. You are working with your project team to define the project network diagram. Several of the activities in the project schedule appear to have external constraints. Who among the following determines which dependencies are external to the project?

- A. Project team
- B. Project sponsor
- C. Project manager
- D. Project management team

**Answer:** D

#### Explanation:

The project management team defines which activities are external to the project. An external dependency is any nonproject activity that is external to the project but has a direct impact on the project activities. An external dependency may be an inspector or any agency that may have to give prior approval before the project can move forward. These dependencies are external to the organization and are determined by the project management team to find which dependencies are external all through the process of sequencing the activities.

Answer option C is incorrect. The project manager may be part of the project management team, but this is not the best choice.

Answer option A is incorrect. The project team does not define this relationship. Answer option B is incorrect. The project sponsor would not define the external dependencies.

#### NEW QUESTION 211

Virginia is the project manager for her company. She has used a previous project as a basis for her current project because they are similar in nature. Virginia has adapted nearly all of the previous project plans for her current project - including the project schedule, risk register, and communications management plan. She has worked with management to update the plans to adapt them to the current project. What are the previous project management plans called in this instance?

- A. Expert judgment
- B. Analogous estimate
- C. Templates
- D. Parametric estimate

**Answer:** C

#### Explanation:

The best answer for this question is a template. When projects adapt previous project plans for the current project, it is an example of a project template. Template is an activity list or a part of the activity list taken from the previous project and used in a new project.

Answer option D is incorrect. A parametric estimate is an estimate that uses a parameter to predict the costs of the project, such as cost per network drop or cost per software license. Parametric estimating technique utilizes the statistical relationship that exists between a series of historical data and a particular delineated list of other variables.

Answer option A is incorrect. Expert judgment is not the best choice for this question. Expert judgment is a technique based on a set of criteria that has been acquired in a specific knowledge area or product area. It is obtained when the project manager or project team requires specialized knowledge that they do not possess. Expert judgment involves people most familiar with the work of creating estimates. Preferably, the project team member who will be doing the task should complete the estimates. Expert judgment is applied when performing administrative closure activities, and experts should ensure the project or phase closure is performed to the appropriate standards.

Answer option B is incorrect. Analogous is an estimating technique that uses the values of parameter, such as scope, cost, budget, and duration or measures of scale such as size, weight, and complexity from a previous, similar activity as the basis for estimation of the same parameter for a future activity. It is a top-down estimating technique and is a form of expert judgment. It provides a lower degree of accuracy than other estimating techniques.

This technique is primarily used when there is a limited amount of detailed information about the project or program.

#### NEW QUESTION 216

Cathy is the project manager of the NNQ Project. She currently has completed 45 percent of the project but was scheduled to have 65 percent of the project completed. This project has a budget of \$344,000 and was scheduled to last four months. Cathy has spent \$198,998 to date on the project. Based on this information, what is the estimate at completion for the NNQ Project?

- A. -\$98,217.78
- B. -\$44,198
- C. \$441,025.64
- D. \$243,219.78

**Answer:** C

#### Explanation:

The estimate at completion (EAC) formula is the Budget at Completion (BAC)/Cost Performance Index (CPI). In this instance, the CPI is .78 and the BAC is \$344,000. Cathy's project isn't doing too well.

Answer option D is incorrect. This value represents the estimate to complete for the project.

Answer option B is incorrect. This value represents the negative cost variance.

Answer option A is incorrect. This value represents the negative value the project will have once all the work is completed.

**NEW QUESTION 221**

What project management plan will document the time frame and frequency for the distribution of required information?

- A. Scope Management Plan
- B. Communications Management Plan
- C. Stakeholder Management Plan
- D. Schedule Management Plan

**Answer: B**

**Explanation:**

The project's Communications Management Plan defines what information will be distributed, when it will be distributed, to whom it will be distributed, and the modality of the information.

Answer option D is incorrect. The Schedule Management Plan defines the project work, when the project work will happen, resource utilization, and how the schedule will be monitored and controlled.

Answer option C is incorrect. There is a stakeholder management strategy, but not a Stakeholder Management Plan.

Answer option A is incorrect. The project's Scope Management Plan defines how the scope will be created, how the changes will be allowed, how the scope will be executed, monitored and controlled, and finally closed.

**NEW QUESTION 225**

Billy is the project manager of the PQW Project and she has an assigned project budget of \$655,000. Currently she is 80 percent complete with the project though she was scheduled to be 100 percent done by this date. She has spent \$490,000 to date and other than the project schedule, which was delayed because of a vendor, the project is going well. What should Billy report as her schedule performance index for this project?

- A. 1.23
- B. 100 percent because the vendor caused her lateness
- C. .80
- D. \$524,000

**Answer: C**

**Explanation:**

Schedule performance index (SPI) is the measure of schedule efficiency on a project. It is used in trend analysis to predict future performance. SPI is the ratio of earned value to planned value. The SPI is calculated based on the following formula:  $SPI = \text{Earned Value (EV)} / \text{Planned Value (PV)}$  If the SPI value is greater than 1, it indicates better than expected performance, whereas if the value is less than 1, it shows poor performance. The SPI value of 1 indicates that the project is right on target. You can find the planned value by multiplying where Billy should be in the project, 100 percent, by the project's budget. In this instance the planned value is \$655,000 because she is to be 100 percent complete. Answer option B is incorrect. The SPI simply reports a value not an explanation.

Answer option A is incorrect. 1.23 is the cost performance index for the project. Answer option D is incorrect. \$524,000 is the earned value for the project.

**NEW QUESTION 230**

Harry is the project manager of a large network installation project. This project requires Harry to add network cable to each office and cubicle of a 14-story office building. Harry will receive a bonus for good time and cost performance in this project. What law of economics would prevent Harry from exponentially adding labor to the project work in an effort to complete the work in a very small amount of time?

- A. Parkinson's Law
- B. Law of Diminishing Returns
- C. Law of Economics
- D. Moore's Law

**Answer: B**

**Explanation:**

The law of diminishing returns state that the user cannot exponentially add labor to a project to reduce the amount of time required to complete the project work. In other words, Harry cannot keep doubling the workforce on this project to reduce the project duration down to just a few minutes. The law of diminishing returns state that "the user will get less and less output when he add additional doses of an input while holding other inputs fixed. In other words, the marginal product of each unit of input will decline as the amount of that input increases holding all other inputs constant." Diminishing returns mean that the extra labor causes output to fall, which means that the MPL is negative. In other words, the change in output per unit increase in labor is negative and total output is falling.

Answer option C is incorrect. This is not a valid project management term.

Answer option A is incorrect. Parkinson's Law states that work will expand to the amount of time allotted to it.

Answer option D is incorrect. Moore's Law is based on Intel's Gordon Moore who stated that processor speeds generally double in power every 18 months.

**NEW QUESTION 235**

Vicky is the project sponsor of Robert's project. She has requested several changes for the project scope and these changes have, of course, been approved. Robert needs to incorporate the project scope changes into the activity list. Where else should Robert reflect these project changes?

- A. Project final report
- B. Scope baseline
- C. Quality control mechanism
- D. Cost baseline

**Answer: B**



**Explanation:**

All scope changes should also be updated in the project scope baseline. The scope baseline is the project scope statement, work breakdown structure (WBS), and the WBS dictionary.

Answer option D is incorrect. If the changes affect cost then the cost baseline would also be updated. The question did not indicate that there would be a change in the project cost. Answer option C is incorrect. Quality control does not change. It always reflects the demands of the project scope.

Answer option A is incorrect. The project final report evaluates the success and failures of the project scope.

**NEW QUESTION 238**

You are the project manager for your organization. Your current project has a schedule variance of -\$37,500 and a schedule performance index of 0.94. What do these values mean in regard to project performance?

- A. Your project is likely to be late and over budget.
- B. Your project is performing well.
- C. Your project has a planned value of \$600,000.
- D. Your project is six percent off schedule and has a considerable schedule variance.

**Answer: D**

**Explanation:**

A schedule variance is found by subtracting the planned value from the earned value. A -\$37,500 schedule variance is considerable for most projects, but combined with a schedule that is six percent off schedule is more serious. The size of the project, however, and the defined project budget, needs to be determined to evaluate how serious the variance is. Schedule variance (SV) is a measure of schedule performance on a project. The variance notifies that the schedule is ahead or behind what was planned for this period in time. The schedule variance is calculated based on the following formula:  $SV = \text{Earned Value (EV)} - \text{Planned Value (PV)}$ . If the resulting schedule is negative, it indicates that the project is behind schedule. A value greater than 0 shows that the project is ahead of the planned schedule. A value of 0 indicates that the project is right on target.

Answer option B is incorrect. This project is not performing well based on the given information.

Answer option A is incorrect. This project is likely to be late, but we do not know how costs are performing in this question.

Answer option C is incorrect. There is not enough information to determine how well the project is performing from this answer.

**NEW QUESTION 241**

Gary is the project manager of the NGH project for his organization. He and the project team have created the initial WBS. Before Gary and the project team begin creating the activity list, Gary wants the project team to help him create a unique numbering system for the deliverables identified in the WBS. What numbering system can Gary and the project team apply to the WBS to identify the components of the WBS?

- A. Code of accounts
- B. Chart of accounts
- C. Component numbering
- D. Activity linkage sequencing

**Answer: A**

**Explanation:**

The code of accounts is a hierarchical numbering system that uniquely identifies each deliverable of the WBS and segments the WBS by levels of numbering.

Answer option C is incorrect. Component numbering is not a valid term for project management.

Answer option B is incorrect. A chart of accounts is a financial tracking and assignment tool for common deliverables and activities an organization performs for its customers.

Answer option D is incorrect. Activity linkage sequencing is not a valid project management term.

**NEW QUESTION 244**

Which of the following techniques is used to perform progressive elaboration planning where the work to be accomplished in the near future is planned in detail at a low level of the work breakdown structure?

- A. Imminent activity management
- B. Predecessor-only diagramming
- C. Rolling wave planning
- D. Decomposition

**Answer: C**

**Explanation:**

Rolling wave planning is a technique to plan and do the most imminent project work before moving onto the details that are far off in the project schedule and project plan. Rolling wave planning is a technique for performing progressive elaboration planning where the work to be accomplished in the near future is planned in detail at a low level of the work breakdown structure. The work to be performed within another one or two reporting periods in the near future is planned in detail as work is being completed during the current period. Answer options B and A are incorrect. These are not valid project management terms. Answer option D is incorrect. Decomposition is the process of breaking down work packages into the activity list.

**NEW QUESTION 249**

You are the project manager of the MQQ project. Unfortunately, this project is not performing well and you must do something to address the problems in your project. Based on your planning for monitoring and controlling project performance, you know that there are three outputs of performance reporting. Which one of the following is the only output that is most appropriate for this poorly performing project?

- A. Organizational process assets update
- B. Performance reports
- C. Performance re-baselining
- D. Change requests

**Answer: D**

**Explanation:**

Change requests are an output of performance report, and allow the project manager to address corrective actions and preventive actions to help the project get back in alignment with performance baselines.

Answer option B is incorrect. While performance reports are an output of the performance reporting, these reports do not specifically address the problems in the project.

Answer option A is incorrect. Updating the organizational process assets is an important activity, but it does not address the poor performance directly.

Answer option C is incorrect. Performance re-baselining is not an output of performance reporting so this choice is not valid.

#### NEW QUESTION 252

You are working with your project team to control the project schedule. You will need five inputs to this process throughout your project. Which one of the following is an output of the project schedule control, and NOT an input?

- A. Work performance information
- B. Project schedule
- C. Project management plan
- D. Work performance measurements

**Answer: D**

#### Explanation:

Work performance measurements are created from the work performance information. WPMs are an output of Control schedule, Control cost, and Control scope processes, which are monitoring and controlling processes. WPMs consist of planned versus actual performance indicators with respect to scope, schedule, and cost. They are documented and communicated to the stakeholders and are used to make project activity metrics, such as the following: Planned vs. Actual Technical performance and Scope performance Planned vs. Actual Schedule performance Planned vs. Actual Cost performance

Answer option A is incorrect. Work performance information is an input to the control schedule process and includes information on project progress and activity start and finish information.

Answer option C is incorrect. The project management plan is an input to the control schedule process.

Answer option B is incorrect. The project schedule is an input to the control schedule process.

#### NEW QUESTION 253

You are the project manager of the NHL Project for your organization. You are working with your project team to create the schedule baseline for this project. According to you, which of the following statements describes how the schedule baseline is created?

- A. It is derived from the constraints of the project.
- B. It is assigned to the project by management.
- C. It is created by the stakeholders.
- D. It is developed from the schedule network analysis.

**Answer: D**

#### Explanation:

The schedule baseline is a specific version of the project schedule developed from the schedule network analysis. It is built by networking individual work elements and verifying the path or paths with the longest total duration. That path is then compared against the project due date, or it may serve as the determinant of the project end date. Schedule baseline is a project schedule used in measuring project progress. It helps provide a comparison with the actual progress of work against the schedule and to determine if performance to date is within acceptable parameters. Any change caused by change in scope of the project invalidates the original schedule and requires a new baseline schedule.

Answer option A is incorrect. Management may impose constraints on the project, but according to the PMI, the baseline is developed from schedule network analysis.

Answer option B is incorrect. Constraints on the project typically include time, cost, and scope (among others), but the schedule baseline is only concerned with the time limits of the project.

Answer option C is incorrect. Project stakeholders are those entities within or without an organization, which: Sponsor a project or, Have an interest or a gain upon a successful completion of a project. Examples of project stakeholders include the customer, the user group, the project manager, the development team, the testers, etc. Stakeholders are anyone who has an interest in the project. Project stakeholders are individuals and organizations that are actively involved in the project, or whose interests may be affected as a result of project execution or project completion. They may also exert influence over the project's objectives and outcomes. The project management team must identify the stakeholders, determine their requirements and expectations, and, to the extent possible, manage their influence in relation to the requirements to ensure a successful project.

#### NEW QUESTION 258

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