EXAM ANSWERS
PROJECT MANAGEMENT FUNDAMENTALS V6.0

Instructions: Note the correct answer for each multiple-choice question in the appropriate space on the answer sheet.

1. Which of the following is an excellent tool for communicating with the sponsor or upper management?
    a. Work breakdown structure
    b. Responsibility assignment matrix
    c. Milestone chart
    d. E-mail

2. The project manager should establish cost, schedule, and scope baselines
    a. When the project's scope is proposed to the sponsor
    b. When the scope, cost and schedule are approved by the stakeholders
    c. When the WBS is created
    d. When the change management procedure is prepared

3. The project charter is used to formally authorize a project. It also provides the following except
    a. Gives the project existence
    b. Defines the Project Definition Document
    c. Contains the product description
    d. Describes the Project Manager's authority

4. The project manager is interviewing stakeholders to determine needs, requirements and exclusions. Which of the following is true?
    a. Documented requirements must be clear and concise, because they form the basis of project plans
    b. All of the stakeholder needs will be implemented
    c. Requirements baseline contributes to scope creep
    d. Involving the sponsor in requirements gathering is too costly

5. The project manager and the team are reviewing tasks to produce an accurate cost estimate. What estimating method are they using?
    a. Top-down estimating
    b. Analogous estimating
    c. Parametric estimating
    d. Bottom-up estimating

6. The team is putting together the risk plan, once approved then the plan should
   a. Be reviewed only by the project sponsor
   b. Contain response strategies for each risk
   c. Be done only once and then frozen (during the Plan phase)
   d. Always add time to work packages

7. Which of the following best shows who is working on what part of the project?
   a. Product Breakdown Structure (PBS)
   b. Work Breakdown Structure (WBS)
   c. Organizational Breakdown Structure (OBS)
   d. Gantt chart

8. A project manager does not control the budget for her project. In which type of organizational structure is she likely working?
   a. Functional
   b. Strong Matrix
   c. Projectized
   d. Close-knit

9. Which of the following is the ultimate result of a change control system?
   a. Approved/rejected changes
   b. Change requests
   c. Impact analysis
   d. Project finishing late

10. The project manager and team have completed analyzing the severity of the project's risks. What is the best risk response to use for low impact and low probability risks?
    a. Transfer
    b. Mitigate
    c. Insurance
    d. Acceptance

11. During estimating, the project manager is trying to determine the amount of labor hours that will be needed to complete each task. The project manager is estimating
    a. Duration
    b. Productivity
    c. Task Cost
    d. Effort

12. All of the following are advantages of a top-down estimate except
    a. It is quick and easy to produce
    b. It is less costly to produce
    c. **It is very accurate**
    d. Project details do not need to be known

13. You have just created a schedule baseline. Which of the following is true about activities on the critical path?
    a. **Float is zero**
    b. Float is negative
    c. Float is positive
    d. Float = Early Finish – Late Start

14. On your project the CV>0 and SV<0 Which of the following is the best thing to do to bring the project in line with plans?
    a. Nothing, the project is ahead of schedule and under budget
    b. **Spend money to add resources and get back on schedule**
    c. Cut expenses such as travel
    d. Validate the project requirements

15. The Team Development Life Cycle consists of four phases
    a. Meet and Greet, Compete, Retreat, Repeat
    b. Defining, Planning, Monitoring, Closing
    c. **Form, Storm, Norm, Perform**
    d. Identify, Analyze, Track, Control

16. Which of the following is not true about risk management?
    a. Prioritizing means determining which risks are important to mitigate
    b. Risks are assessed continuously
    c. The Project Management Knowledge Network (PMKN) is a source for identifying risks
    d. **Project manager always controls the contingency and management reserves**

17. Why does the project manager spend time and money to develop the project team?
    a. Team-building activities are fun
    b. Team goes out together socially after work
    c. **The team performance will improve**
    d. Team likes it

18. All of the following are true about the Seven Keys to Success ^{TM} except
    a. Effective at all stages of the project
    b. Many of the keys are interrelated, such as Stakeholders and Business Benefits
    c. Identify and prioritize corrective actions
    d. **Replaces the need for WWPMM**

19. Risk Analysis involves which of the following?
    a. Risk Rating Matrix
    b. Earned Value
    c. Contingency planning
    d. Management reserves

20. The project manager needs to collect metrics to
    a. Fulfill a requirement in project planning
    b. Provide a way to hold a project review
    c. Enable the project manager to have a tool for measuring the progress of a project and communicate its status quantitatively
    d. Support earned value forecasting

21. A key stakeholder has requested a change to the scope of the project. The project manager should
    a. Implement the request quickly to avoid rework
    b. Analyze the impact of the request on the project
    c. Update the risk response plan
    d. Update the requirements baseline

22. Which of the following is not a main cause of troubled projects?
    a. Failure to reach an understanding of the requirements
    b. Ineffective project startup
    c. Failure to follow IBM internal processes and guidelines
    d. Inability to solve technical problems

23. Which tool is used to report the health of a project?
    a. Project Definition Document
    b. Seven Keys Status Report
    c. Program Operations Support Tool
    d. Engagement Support Environment

24. Project closeout should begin
    a. After the client has accepted the deliverables
    b. When half the budget has been spent
    c. On the first day of the project
    d. After the last project review

25. All of the following are used to identify risks except
    a. Brainstorming
    b. Root cause identification
    c. Risk situational factors
    d. Insurance

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