

Passguide.PRINCE2 Practitioner.190 questions

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Passing Score: 800  
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PRINCE2 Practitioner

PRINCE2 Practitioner Exam

- Practice test includes online and offline study material, and labs, and the practice exercises were all time available without any time bounding.
- By this you can will be able to determine some troubleshooting techniques which you need to learn as it will help you scenarios on the exam . So I'm pretty happy with it.
- It provided me with lots of practical help and advice which I found very useful.
- I have correct many of questions answers. If there is any more then update this vce and re-upload.
- I only used these questions and got 95% marks with this. Perfect Show.

### Sections

1. PRINCE2 Principles
2. Business Case Theme

3. Organization Theme
4. Quality Theme
5. Plans Theme
6. Risk Theme
7. Change Theme
8. Progress Theme
9. Starting up and Initiating a Project
10. Directing a Project, Controlling a Stage and Managing Product Delivery
11. Managing a Stage Boundary and Closing a Project

## **Exam A**

### **QUESTION 1**

Which of the following principles describes this statement?" xxx defines tolerances for each project objective to establish limits of delegated authority"

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

**Correct Answer:** C

**Section:** PRINCE2 Principles

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 2**

When considering the business options in the business case, which of these is NOT an option?

- A. Do nothing
- B. Do the maximum
- C. Do the minimum
- D. Do something

**Correct Answer:** B

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

reliable answer.

### **QUESTION 3**

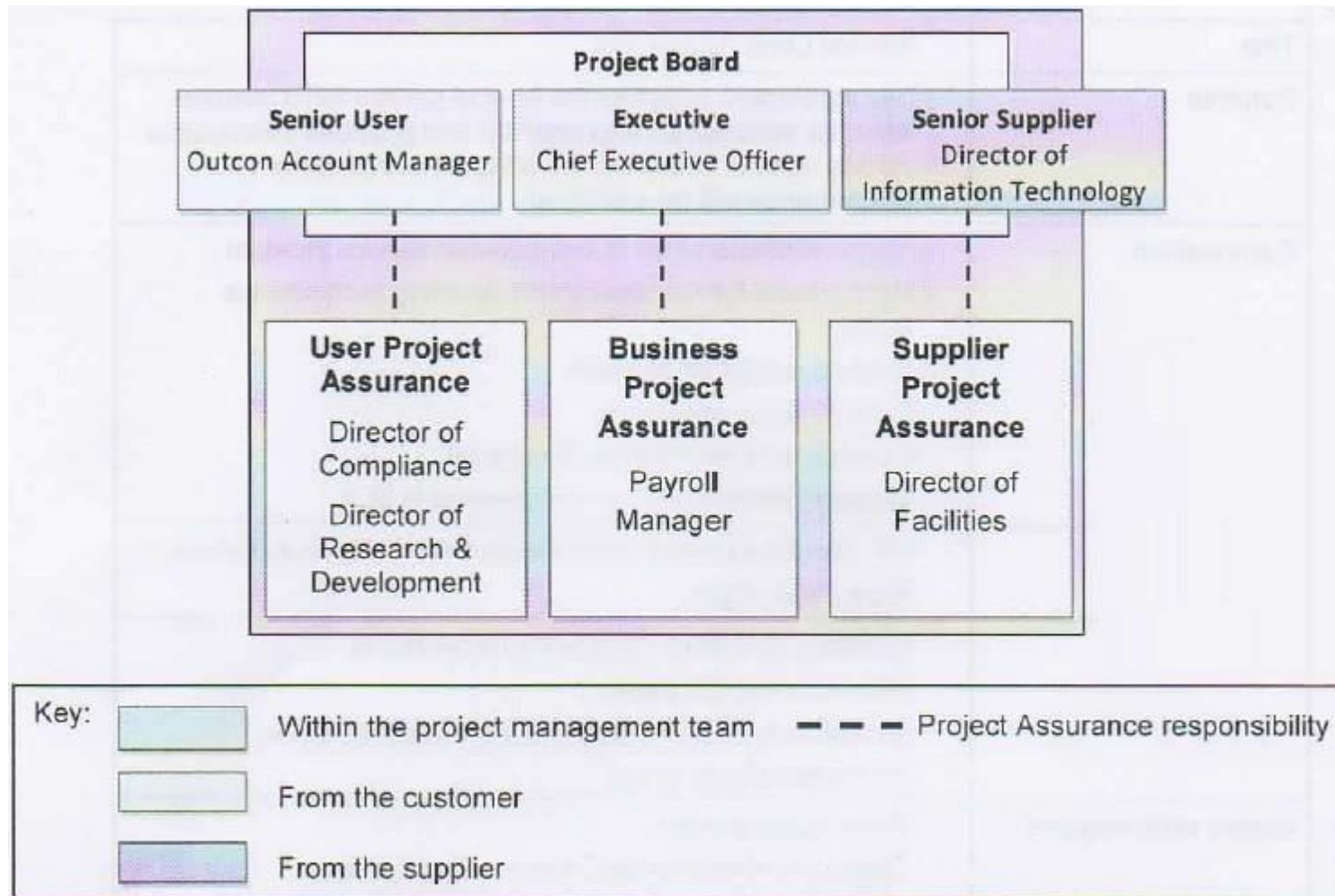
Which of the following roles cannot be combined?

- A. Executive and Senior User
- B. Project Manager and Project Support
- C. Project Assurance and Team Manager
- D. Senior Supplier and Supplier Assurance

**Correct Answer:** C  
**Section:** Organization Theme  
**Explanation**

**Explanation/Reference:**  
Explanation:

**QUESTION 4**  
Additional Information



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

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

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

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

**Payroll Manager:** Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards. Which 2 alternative actions apply to the proposed business assurance for this project?

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

**Correct Answer:** DE

**Section:** Organization Theme

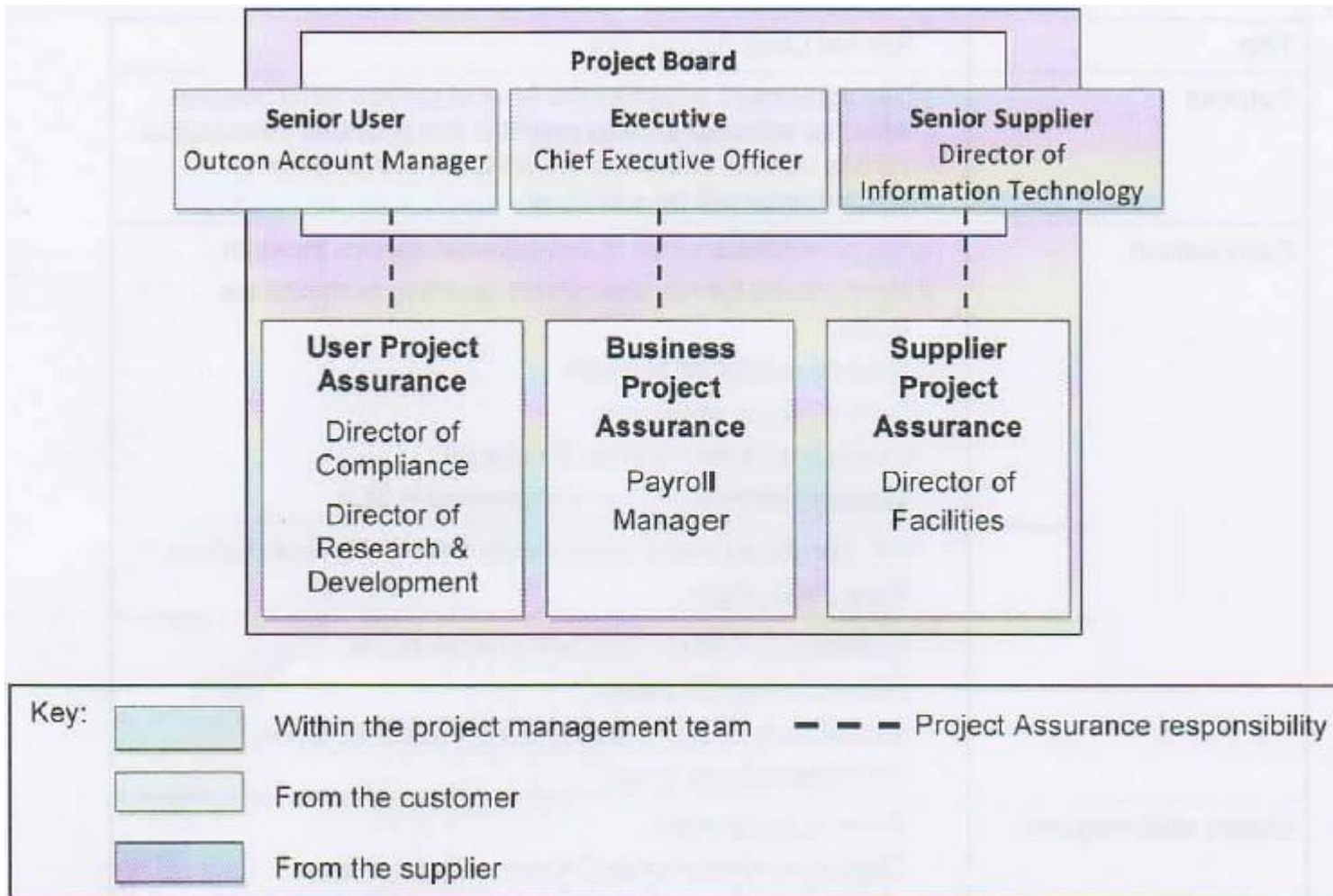
**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 5

Additional Information



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

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

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

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

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

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

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

**Correct Answer:** BD

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 6**

Which principle is central to the quality theme and provides explicit understanding of what the project will create?

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

**Correct Answer:** B

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 7**

Which of the following statements are True:

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

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

**Correct Answer:** A

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 8

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

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

**Correct Answer:** D

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 9

Which role is responsible for providing the customer's quality expectations and acceptance criteria for the project?

- A. Executive
- B. Corporate or Programme Management
- C. Senior User
- D. Project Assurance

**Correct Answer:** C  
**Section:** Quality Theme  
**Explanation**

**Explanation/Reference:**  
right answer.

**QUESTION 10**

Which management product defines the detailed nature, purpose and function of a product?

- A. Plan
- B. Quality Register
- C. Project Product Description
- D. Product Description

**Correct Answer:** D  
**Section:** Quality Theme  
**Explanation**

**Explanation/Reference:**  
Explanation:

**QUESTION 11**

Extract from the Project Product Description (with errors)

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

Which 2 statements apply to the Composition section?

A. Amend entry 2 to 'Selected paper'.

- B. Delete entry 3 because this is NOT a major product to be delivered by this project.
- C. Move entry 6 to Derivation because this product already exists.
- D. Delete entry 7 because these will be produced by the photographer.
- E. Add 'Calendars distributed to customers'.

**Correct Answer:** AB

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

## **QUESTION 12**

Extract from the Project Product Description (with errors)

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

Which 2 statements apply to the Development skills required section?

A. Move entry 13 to Composition because the appointment of the photographer is within the scope of this project.

- B. Move entry 13 to Derivation because this is a source of information for this project.
- C. Delete entry 14 because this skill is NOT required within this project.
- D. Delete entry 15 because this skill is NOT required within this project.
- E. Add 'Knowledge of Data Protection Act.

**Correct Answer:** DE

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 13**

Extract from the Project Product Description (with errors)

<b>Composition</b>	<ul style="list-style-type: none"> <li>1. Monthly calendar displays</li> <li>2. 100gsm glossy paper</li> <li>3. Full colour</li> <li>4. Selected envelope</li> <li>5. Chosen label design</li> <li>6. List of customers</li> <li>7. Selected photos</li> <li>8. Photo session schedule</li> </ul>
<b>Derivation</b>	<ul style="list-style-type: none"> <li>9. New company logo design</li> <li>10. Previous calendar designs</li> <li>11. Internal creative team</li> <li>12. Production cost forecast</li> </ul>
<b>Development skills required</b>	<ul style="list-style-type: none"> <li>13. Photographer</li> <li>14. Internal creative team</li> <li>15. Printer</li> </ul>
<b>Customer's quality expectations</b>	<ul style="list-style-type: none"> <li>16. Professional photos</li> <li>17. 10% more calendars should be printed than required to allow for any late additions to the list of customers</li> <li>18. Compliance with applicable corporate standards</li> <li>19. The calendar should reflect the company image as described in the corporate branding standards</li> <li>20. The calendar will increase orders by at least 10% with a minimum of 10 further orders from the list of prospective customers within 12 months</li> </ul>
<b>Acceptance criteria</b>	<ul style="list-style-type: none"> <li>21. Appearance - each photo should be sufficiently attractive and humorous that the customer wants to display it</li> <li>22. Appearance - new company logo promotes strong image</li> <li>23. Security - complies with Data Protection Act</li> <li>24. Accuracy - public holidays match the list supplied by Marketing on 01 November</li> </ul>

Which 2 statements apply to the Customer's quality expectations section?

A. Delete entry 16 because this should be shown on the Product Description for the photos.

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

**Correct Answer:** BE

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 14**

Additional Information

Product Description

Quality notes from the Daily Log

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

The service level agreement between MFH and the selected service provider will specify the type and quality of service required. The selected service provider must follow the industry standards for providing outsourced services. MFH has a quality management system which contains a document control procedure for all its documentation, however this does not include change management.

All project documents will be subject to a quality review. Nominated products will require a formal approval record signed-off by the quality review chair. Extract from the draft Quality Management Strategy (may contain errors) Introduction

1. This document defines the approach to be taken to achieve the required quality levels during the project.
2. The Project Board will have overall responsibility for the Quality Management Strategy.
3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.

Quality management procedure - Quality standards

4. The selected service provider will operate to industry standards for providing outsourced services.
5. MFH document standards will be used.

Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.

Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be

achieved.

Which is a correctly defined acceptance criterion for the service level agreement (SLA) with the selected service provider?

- A. The SLA must extend for the full duration of the service contract.
- B. Any changes to the SLA must be managed through formal change control.
- C. External consultants are to assist in the creation of the SLA.
- D. The selected service provider should be located locally.

**Correct Answer:** A

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 15**

Additional Information

Product Description

Quality notes from the Daily Log

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

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

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

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

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

1. This document defines the approach to be taken to achieve the required quality levels during the project.
  2. The Project Board will have overall responsibility for the Quality Management Strategy.
  3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.
- Quality management procedure - Quality standards
4. The selected service provider will operate to industry standards for providing outsourced services.
  5. MFH document standards will be used.

Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.

8. Approval records for products that require them will be stored in the quality database.

Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.

10. Team Managers will provide details of quality checks that have been carried out.

11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.

12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Which is a correctly defined acceptance criterion for the transferred facilities computer system?

- A. Must be subject to regular back-ups.
- B. Planned periods of shutdowns of the computer system must be kept to a minimum.
- C. No (zero) loss of system functionality.
- D. Back-up of data must be kept until the data is no longer needed.

**Correct Answer: C**

**Section: Quality Theme**

**Explanation**

**Explanation/Reference:**

reliable answer.

#### **QUESTION 16**

Additional Information

Product Description

Quality notes from the Daily Log

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

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

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

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

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

- 1. This document defines the approach to be taken to achieve the required quality levels during the project.
- 2. The Project Board will have overall responsibility for the Quality Management Strategy.
- 3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.

Quality management procedure - Quality standards

- 4. The selected service provider will operate to industry standards for providing outsourced services.
- 5. MFH document standards will be used.

#### Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.

7. Configuration Item Records will be maintained for each product to describe its status, version and variant.

8. Approval records for products that require them will be stored in the quality database.

#### Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.

10. Team Managers will provide details of quality checks that have been carried out.

11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.

12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Which is a correctly defined acceptance criterion for the transferred staff?

A. No staff are to be left behind.

B. Staff should be transferred as soon as possible.

C. All legal requirements are adhered to for the transfer of staff.

D. Retained staff should be of reasonable competence to maintain the SLA.

**Correct Answer: C**

**Section: Quality Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

#### QUESTION 17

Additional Information

Product Description

Quality notes from the Daily Log

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

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

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

All project documents will be subject to a quality review. Nominated products will require a formal approval record signed-off by the quality review chair.  
Extract from the draft Quality Management Strategy (may contain errors) Introduction

1. This document defines the approach to be taken to achieve the required quality levels during the project.
  2. The Project Board will have overall responsibility for the Quality Management Strategy.
  3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.
- Quality management procedure - Quality standards
4. The selected service provider will operate to industry standards for providing outsourced services.
  5. MFH document standards will be used.

## Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.

## Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Which is a correctly defined acceptance criterion for the running cost of the outsourced service?

- A. Must be kept to a minimum.
- B. Must be kept to a level acceptable to the Ministry of Food Hygiene.
- C. Subject to market conditions.
- D. The annual increase to be less than half the rate of inflation.

**Correct Answer: D**

**Section: Quality Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 18

Additional Information

Product Description

Quality notes from the Daily Log

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

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

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

management.

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

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

1. This document defines the approach to be taken to achieve the required quality levels during the project.
  2. The Project Board will have overall responsibility for the Quality Management Strategy.
  3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.
- Quality management procedure - Quality standards
4. The selected service provider will operate to industry standards for providing outsourced services.
  5. MFH document standards will be used.

Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.

Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Although it is not specified in the current corporate branding standards, the MFH corporate logo should be shown on the front page of the service level agreement.

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

**Correct Answer: C**

**Section: Quality Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 19**

Additional Information

Product Description

Quality notes from the Daily Log

The Director of Information Technology Division (DIT) has been asked to ensure that any changes to the outsourced staff employment contracts adhere

to employment law. The DIT will review future job descriptions of the transferred staff before the final contract is signed with the selected service provider.

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

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

All project documents will be subject to a quality review. Nominated products will require a formal approval record signed-off by the quality review chair.  
Extract from the draft Quality Management Strategy (may contain errors) Introduction

1. This document defines the approach to be taken to achieve the required quality levels during the project.
2. The Project Board will have overall responsibility for the Quality Management Strategy.
3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.

Quality management procedure - Quality standards

4. The selected service provider will operate to industry standards for providing outsourced services.
5. MFH document standards will be used.

Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.

Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

The service level agreement looks like any other MFH document.

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

**Correct Answer: D**

**Section: Quality Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 20

Additional Information

Product Description

Quality notes from the Daily Log

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

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

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

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

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

1. This document defines the approach to be taken to achieve the required quality levels during the project.
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- Quality management procedure - Quality standards
4. The selected service provider will operate to industry standards for providing outsourced services.
  5. MFH document standards will be used.

Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.

Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

None of the reviewers have proof-reading skills.

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

**Correct Answer: A**

**Section: Quality Theme**

## Explanation

### Explanation/Reference:

Explanation:

### QUESTION 21

Additional Information

Product Description

Quality notes from the Daily Log

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

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

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

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

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

1. This document defines the approach to be taken to achieve the required quality levels during the project.
2. The Project Board will have overall responsibility for the Quality Management Strategy.
3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.

Quality management procedure - Quality standards

4. The selected service provider will operate to industry standards for providing outsourced services.
5. MFH document standards will be used.

Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.

Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

The service level agreement contains a number of technical terms that are missing from its glossary of terms.

- A. Obtain agreement from the Director of Facilities Division to add these into the glossary of terms within the remaining +2 days tolerance.

- B. Raise an issue (off-specification).
- C. Raise an issue (request for change).
- D. No action required.

**Correct Answer:** A

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 22**

Who sets the tolerances for a work package?

- A. The project board
- B. The project manager
- C. The team manager
- D. Corporate or programme management

**Correct Answer:** B

**Section:** Plans Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 23**

Which of the following is not part of the composition of a Plan?

- A. Pre-requisites
- B. Assumptions
- C. Quality responsibilities
- D. Product descriptions

**Correct Answer:** C

**Section:** Plans Theme

**Explanation**

**Explanation/Reference:**

nicely answered.

**QUESTION 24**

Who is responsible for committing user resources to the project?

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

**Correct Answer:** A

**Section:** Plans Theme

**Explanation**

**Explanation/Reference:**

Explanation:

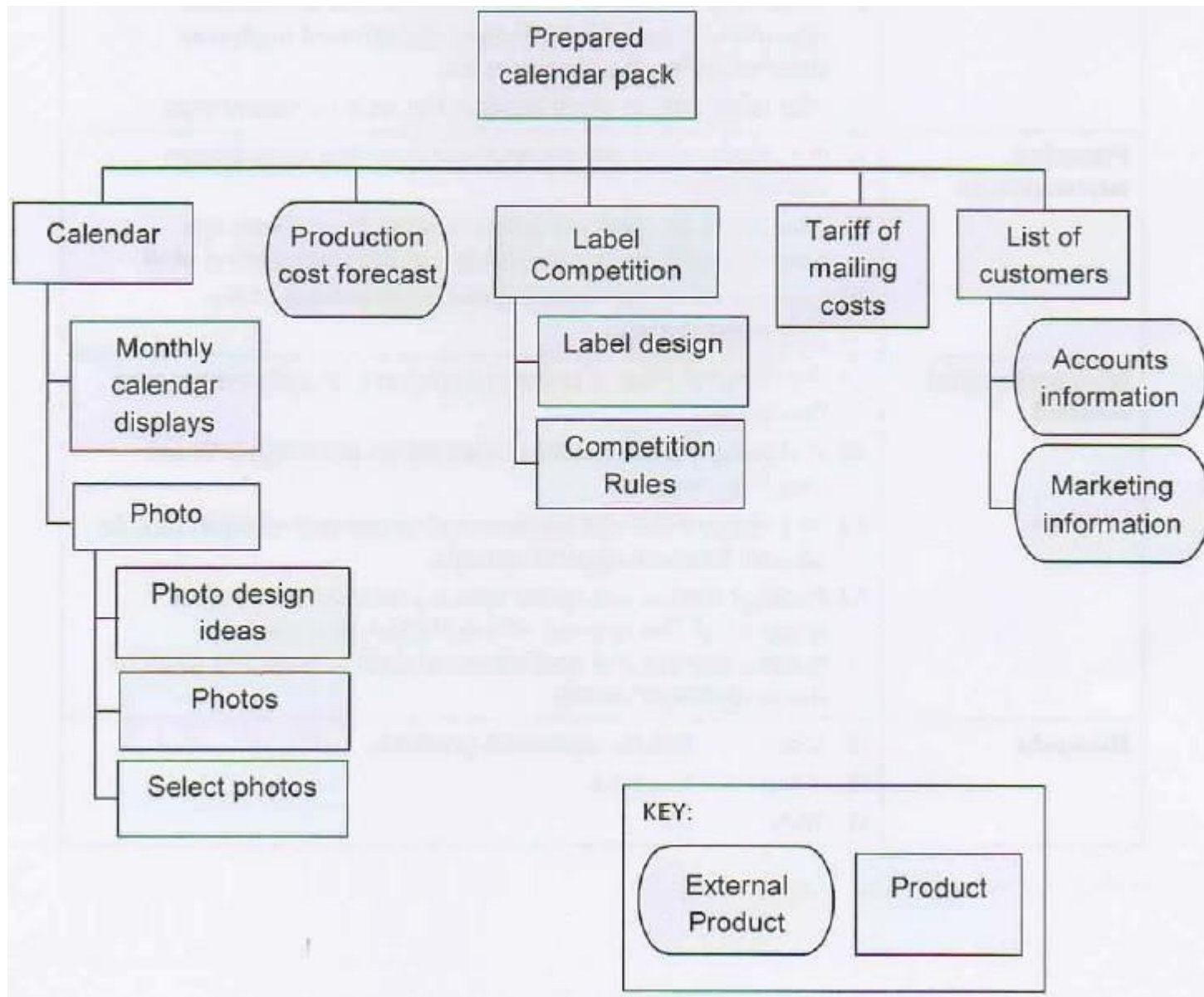
**QUESTION 25**

Product Summary

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

Using the tariff of mailing costs available from the Post Office, a production cost forecast will be produced to allow the CEO and the Marketing Director to decide whether to continue with the project. If they decide to continue, they will give the approval to launch the internal label design competition. Competition rules will be required to communicate details of the competition to the staff. The chosen label design will then be selected from the competition entries. The photos for the calendar must be based on existing photo design ideas available from the Marketing department. The selected photos will be chosen from these. Monthly calendar displays will be created to show the required layout of each page.

Product Breakdown Structure (contains errors)



Extract from Stage Plan for stage 3.  
 (All entries are true statements but may not be shown under the correct heading or in the correct document).

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

The Stage Plan for stage 3 has been produced.

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

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

Which 2 statements apply to the Plan prerequisites section?

- A. Delete entry 2 because these are project benefits not prerequisites of the stage.
- B. Delete entry 3 because the production cost forecast is a deliverable of stage 2, not a prerequisite for stage 3.
- C. Delete entry 4 because the customer list is a deliverable of stage 2, not a prerequisite for stage 3.
- D. Add 'Engineering team must be made available for photos'.
- E. Add 'Compliance with the Data Protection Act'.

**Correct Answer:** AC

**Section:** Plans Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 26**

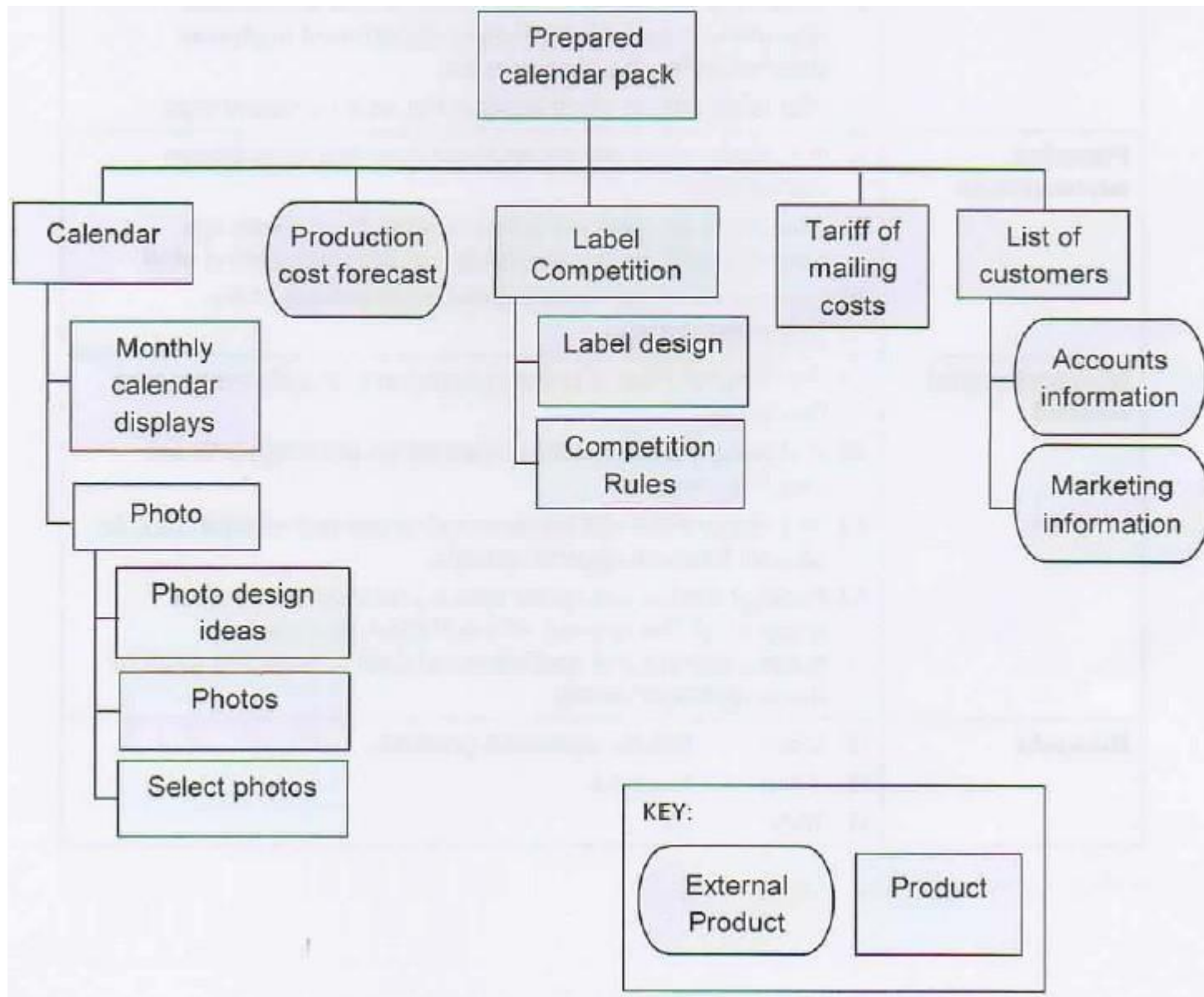
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Competition rules will be required to communicate details of the competition to the staff. The chosen label design will then be selected from the competition entries. The photos for the calendar must be based on existing photo design ideas available from the Marketing department. The selected photos will be chosen from these. Monthly calendar displays will be created to show the required layout of each page.

Product Breakdown Structure (contains errors)



Extract from Stage Plan for stage 3.

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

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

The Stage Plan for stage 3 has been produced.

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

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

Which 2 statements apply to the External dependencies section?

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

**Correct Answer:** DE

**Section:** Plans Theme

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 27

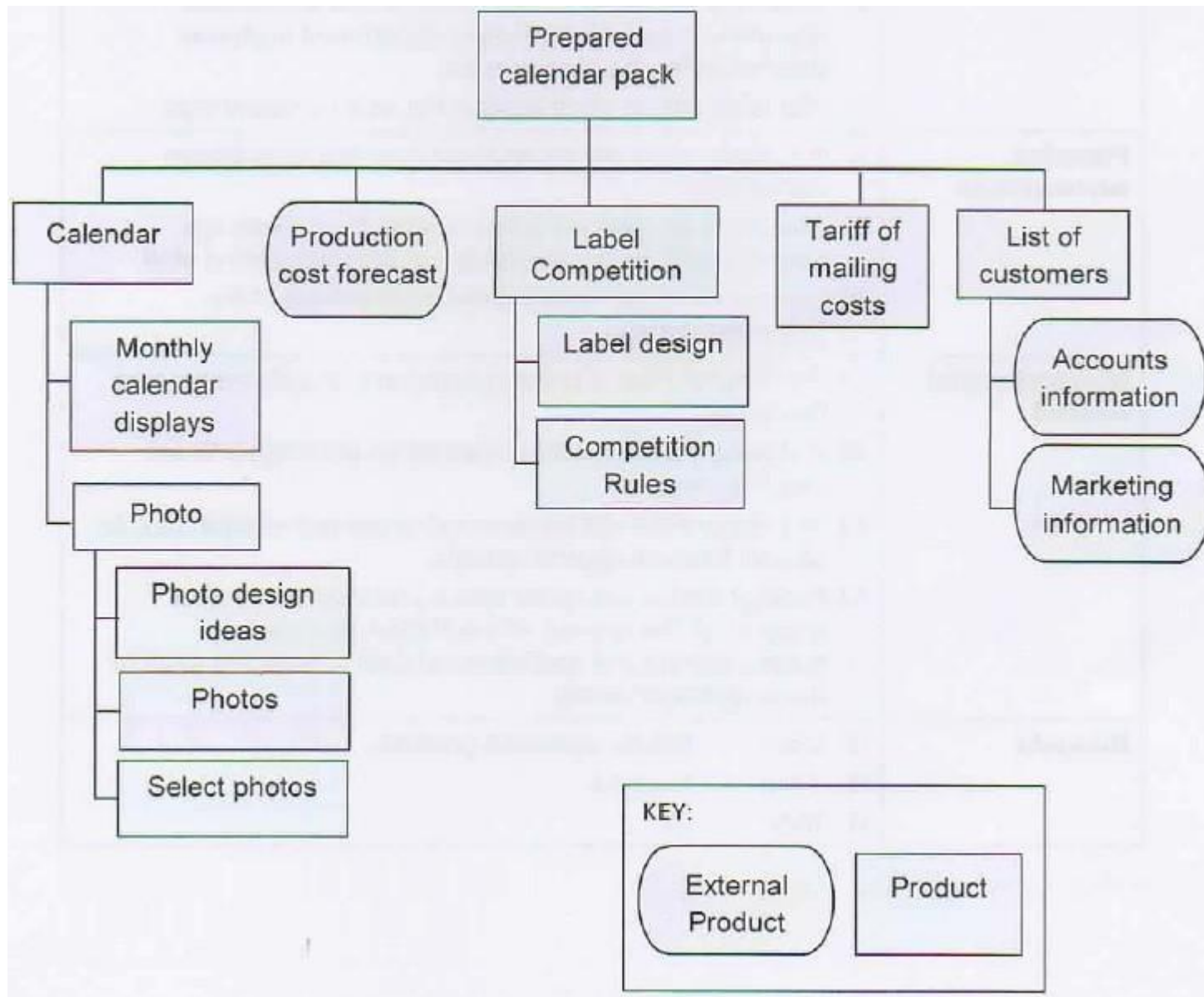
Product Summary

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

Using the tariff of mailing costs available from the Post Office, a production cost forecast will be produced to allow the CEO and the Marketing Director to decide whether to continue with the project. If they decide to continue, they will give the approval to launch the internal label design competition.

Competition rules will be required to communicate details of the competition to the staff. The chosen label design will then be selected from the competition entries. The photos for the calendar must be based on existing photo design ideas available from the Marketing department. The selected photos will be chosen from these. Monthly calendar displays will be created to show the required layout of each page.

Product Breakdown Structure (contains errors)



Extract from Stage Plan for stage 3.

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

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

The Stage Plan for stage 3 has been produced.

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

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

Which 2 statements apply to the Planning assumptions section?

- A. No change to entry 8 because this cannot be confirmed until all of the label designs entries have been received and an assessment made.
- B. Move entry 8 to External dependencies because the label designs are created outside of the scope of the project.
- C. Delete entry 9 because the photo session schedule should have been approved as part of stage 2.
- D. Move entry 9 to External dependencies because the photo session schedule is created by the professional photographer.
- E. Delete entry 10 because the inclusion of different members from the Engineering team in each photo should be shown in the Product Description for the photos.

**Correct Answer:** AE

**Section:** Plans Theme

**Explanation**

**Explanation/Reference:**

Explanation:

## **QUESTION 28**

Scenario

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

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

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

Which 2 statements should be recorded under the Roles and responsibilities heading?

- A. Each risk will be assigned a risk owner.
- B. Risks exceeding the agreed project risk tolerance will be reported to the Project Board.
- C. Risk tolerances are allocated to each stage by the Project Manager.
- D. Project Assurance will ensure that project risks are identified, assessed and controlled according to the agreed risk management procedure.
- E. An external consultant is to facilitate a risk identification workshop.

**Correct Answer:** BD

**Section:** Risk Theme

**Explanation**

**Explanation/Reference:**

sophisticated answer.

## QUESTION 29

Scenario

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

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

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

- A. Proximity categories for this project are: Imminent; Within the stage; Within the project; Beyond the project.
- B. The risk of MFH having no outsourcing experience will be categorized as Stage 4 proximity.
- C. Imminent risks are those which may occur within two weeks.
- D. Any risk with a proximity category of imminent will be estimated as having a very high impact.
- E. The risk of staff leaving the organization will be categorized as beyond the project proximity.

**Correct Answer:** CD

**Section:** Risk Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 30****Scenario**

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

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

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

Which 2 statements should be recorded under the Risk tolerance heading?

- A. Corporate management's threshold level of risk exposure is any combination of high and very high impact and probability.
- B. The Project Board's threshold level of risk exposure is any combination of medium, high and very high impact, with high and very high probability.
- C. The Project Manager's threshold level of risk exposure is low impact and probability.
- D. The cost of all fallback plans must be contained within the project's tolerance.
- E. The risk budget will have a tolerance of +/- 10%.

**Correct Answer:** BD

**Section:** Risk Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 31**

Which of the following is the definition for an off-specification?

- A. An issue the Project Manager needs to resolve or escalate
- B. Something forecast or currently not meeting specification

- C. A proposal for a change to a baseline
- D. A statement of concern

**Correct Answer: B**

**Section: Change Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 32**

In which strategy would the change control process be recorded?

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

**Correct Answer: B**

**Section: Change Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 33**

If the Project Board are too busy to authorize all change requests themselves they can appoint?

- A. A Change Authority
- B. A Change Board
- C. A Change Committee
- D. A Change Budget

**Correct Answer: C**

**Section: Change Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 34**

What is the purpose of a Product Status Account?

- A. A set of records that describe information about the project
- B. A log used to record problems or concerns about products
- C. An audit or review to compare actual status of products
- D. A report covering the status about the state of the projects products within

**Correct Answer: D**

**Section: Change Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 35**

When examining a project issue, which three aspects should be considered?

- 1. Performance targets
- 2. Business Case
- 3. Resources
- 4. Risk

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

**Correct Answer: C**

**Section: Change Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 36**

Who would be responsible for maintaining the Configuration Item Records?

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

D. Team Manager

**Correct Answer: B**

**Section: Change Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 37**

Scenario:

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

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

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

**Correct Answer: A**

**Section: Change Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 38**

Scenario:

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

According to PRINCE2, which statement about appointing the MFH Quality Manager to administer the configuration management procedure is correct?

- A. The MFH Quality Manager should administer the configuration management procedure on this project because this task should always be assigned to corporate or programme management.
- B. The MFH Quality Manager should only administer the configuration management procedure on one project at a time. If the MFH Quality Manager already performs this task on another project, another individual should be appointed.
- C. The MFH Quality Manager would be suitable to perform this task because he is the author of the document control process and is likely to have the knowledge required for this role.

**Correct Answer:** C

**Section:** Change Theme

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 39

Scenario:

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

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

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

**Correct Answer:** A

**Section:** Change Theme

**Explanation**

**Explanation/Reference:**

definite answer.

## QUESTION 40

Scenario:

The Ministry of Food Hygiene (MFH) has a quality management system which contains a document control process to manage all documentation

requirements. The document control process was created by the MFH Quality Manager, who now maintains all of MFH's documents and performs an organization-wide configuration management role. The MFH Quality Manager will administer the configuration management procedure for the Restructuring project since this must comply with the MFH document control process.

What products will be impacted by this change?

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

**Correct Answer: D**

**Section: Change Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 41**

Scenario:

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

What additional risk will this place on the project?

- A. None because risks associated with the centralization and rationalization of the Facilities Division will be managed by another project.
- B. These changes will delay stage 3 by three weeks.
- C. There is only £70k left in the project change budget.
- D. The reduced value of the contracted services required by the Outsourcing project may result in an insufficient number of proposals being received.

**Correct Answer: A**

**Section: Change Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 42**

Scenario:

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

What will be the impact on the benefits?

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

**Correct Answer: A**

**Section: Change Theme**

**Explanation**

**Explanation/Reference:**

#### **QUESTION 43**

If Project tolerances were threatened, who needs to be notified?

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

**Correct Answer: C**

**Section: Progress Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 44**

During which process would the stage tolerances be set?

- A. Controlling a Stage
- B. Initiating a Project

- C. Managing a Stage Boundary
- D. Directing a Project

**Correct Answer: D**

**Section: Progress Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 45**

Which of the following is not a factor to consider when determining the length of a stage?

- A. The amount of resources available in the short term
- B. How far ahead you can sensibly plan in detail
- C. The technical stages within the project
- D. The amount of risk associated with the project

**Correct Answer: A**

**Section: Progress Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 46**

Which statement is TRUE with regard to technical stages?

- A. Technical stages can only occur sequentially
- B. Technical stages define where management decisions are appropriate
- C. Technical stages often overlap
- D. Technical stages define the commitment of resources and authority to spend

**Correct Answer: C**

**Section: Progress Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 47**

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

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

**Correct Answer:** B

**Section:** Progress Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 48**

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

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

**Correct Answer:** C

**Section:** Progress Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 49**

Project Scenario

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

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

The project is currently in initiation and will have two further stages:

Stage 2 will include the activities to:

Stage 3 will include the activities to:

A production cost forecast, based on the options and costs for the paper, envelope, printing and marketing of the calendar is to be produced in stage 2. However, the actual production and distribution of the calendars is not within the scope of the project. The product cost forecast will be reviewed by the Project Board to determine whether the project should continue. It is now 05 October and the prepared calendar pack must be delivered to the print company by 30 November, to enable printing and distribution of the calendar in time for Christmas. The cost of the activities to develop the specialist products and the cost of the project management activities are estimated to be £20,000. There is a project time tolerance of +1 week /-2 weeks and a project cost tolerance of +£6,000 / -£6,000. A change budget of £500 has been allocated but there is no risk budget.

During stage 2, if the Project Manager decides to recommend that the Project Plan is revised to finish three weeks later, which statement is correct?

- A. The tolerances stated in the Project Plan CANNOT be changed.
- B. The Executive needs to seek formal approval from corporate management to implement this change.
- C. The current project must close prematurely and be restarted with a new Project Plan, a new Business Case and new Risk Register.
- D. The revision of the Project Plan would have to wait until the end stage assessment of stage 2.

**Correct Answer: B**

**Section: Progress Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

## **QUESTION 50**

Project Scenario

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

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

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

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

**Correct Answer: A**

**Section: Progress Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 51**

Project Scenario

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

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

The project is currently in initiation and will have two further stages:

Stage 2 will include the activities to:

Stage 3 will include the activities to:

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

Project Board to determine whether the project should continue. It is now 05 October and the prepared calendar pack must be delivered to the print company by 30 November, to enable printing and distribution of the calendar in time for Christmas. The cost of the activities to develop the specialist products and the cost of the project management activities are estimated to be £20,000. There is a project time tolerance of +1 week /-2 weeks and a project cost tolerance of +£6,000 / -£6,000. A change budget of £500 has been allocated but there is no risk budget.

Whilst identifying the mailing costs for the calendars the Project Manager was surprised to find the costs could vary considerably depending on the size of the package and the delivery service used. For the purpose of this project, the Project Manager has selected an appropriate service but feels that a corporate standard for postage would have reduced the time and effort invested. It could reduce the company's overheads by up to £20k per year. How should the Project Manager record this observation within the project?

- A. Produce a project mandate, outlining the potential savings to be achieved by the introduction of a corporate standard.
- B. Make a note of the observation in the Daily Log to be transferred to a Benefits Review Plan at the end of the project.
- C. Record the observation in an Exception Report to the Project Board.
- D. Make an entry in the Lessons Log for future consideration by corporate management.

**Correct Answer: D**

**Section: Progress Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

## **QUESTION 52**

Project Scenario

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

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

The project is currently in initiation and will have two further stages:

Stage 2 will include the activities to:

Stage 3 will include the activities to:

A production cost forecast, based on the options and costs for the paper, envelope, printing and marketing of the calendar is to be produced in stage 2. However, the actual production and distribution of the calendars is not within the scope of the project. The product cost forecast will be reviewed by the Project Board to determine whether the project should continue. It is now 05 October and the prepared calendar pack must be delivered to the print company by 30 November, to enable printing and distribution of the calendar in time for Christmas. The cost of the activities to develop the specialist

products and the cost of the project management activities are estimated to be £20,000. There is a project time tolerance of +1 week /-2 weeks and a project cost tolerance of +£6,000 / -£6,000. A change budget of £500 has been allocated but there is no risk budget.

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

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

**Correct Answer: D**

**Section: Progress Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 53**

Scenario:

Techniques, processes and procedures

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

Joint agreements

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

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

Tolerances

4. None.

Constraints

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

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

7. +£10,000 / -£25,000.

Reporting arrangements

8. Highlight Report every Monday by 10.00 am.

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

10. Project Manager must be notified of any issues immediately by telephone.

Problem handling and escalation

11. Impact analysis of all issues must be completed within 24 hours.

Extracts or references

12. The Stage Plan for stage 4 is available from Project Support.

Approval method

13. Project Assurance will review the completed Work Package and confirm completion

Which 2 statements apply to either the Techniques, processes and procedures or Constraints sections?

- A. Delete entry 1 because this section should contain the techniques, processes and procedures required for specialist product development.
- B. Add 'There must be minimum disruption to current services' to Constraints.
- C. Move entry 5 to Techniques, processes and procedures because this is a technique which staff should be aware of.
- D. Delete entry 6 because this applies to Office Moves Limited and is therefore outside the Work Package.
- E. Delete entry 7 because this should be contained in the Quality skills required section of the Product Description.

**Correct Answer:** DE

**Section:** Progress Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 54**

Scenario:

Techniques, processes and procedures

- 1. Any threat that may result in a loss of MFH data must be escalated immediately.

Joint agreements

- 2. Work is to start at the beginning of week 2 (Stage 4).
- 3. The project will take two years to complete, at an estimated cost of £2.5m.

Tolerances

- 4. None.

Constraints

- 5. MFH staff must not be involved in any heavy lifting during the removal of existing IT equipment.
- 6. Installation work must take place during MFH normal working hours.
- 7. +£10,000 / -£25,000.

Reporting arrangements

- 8. Highlight Report every Monday by 10.00 am.
- 9. The report must contain a summary of all products worked on during the previous week.
- 10. Project Manager must be notified of any issues immediately by telephone.

Problem handling and escalation

- 11. Impact analysis of all issues must be completed within 24 hours.

Extracts or references

- 12. The Stage Plan for stage 4 is available from Project Support.

Approval method

- 13. Project Assurance will review the completed Work Package and confirm completion

Which 2 statements apply to either the Reporting arrangements or Problem handling and escalation sections?

- A. Replace entry 8 with 'Checkpoint Report every Monday by 10.00 am' because Highlight Reports are intended for the Project Board.
- B. Delete entry 9 because this level of detail is unnecessary.
- C. Move entry 10 to Problem handling and escalation because that section describes how issues are handled.
- D. Add 'Any risks identified to be added to the Risk Register' to Reporting arrangements.
- E. Delete entry 11 because the impact analysis should be provided when the issue is notified.

**Correct Answer:** DE

**Section:** Progress Theme

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 55

Scenario:

Techniques, processes and procedures

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

Joint agreements

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

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

Tolerances

4. None.

Constraints

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

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

7. +£10,000 / -£25,000.

Reporting arrangements

8. Highlight Report every Monday by 10.00 am.

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

10. Project Manager must be notified of any issues immediately by telephone.

Problem handling and escalation

11. Impact analysis of all issues must be completed within 24 hours.

Extracts or references

12. The Stage Plan for stage 4 is available from Project Support.

Approval method

13. Project Assurance will review the completed Work Package and confirm completion

Which 2 statements apply to either the Extracts or references or Approval method sections?

- A. Delete entry 12 because this should be the Team Plan not the Stage Plan.
- B. A suitable entry for Extracts or references would be 'Product Descriptions are available from Project Support'.

- C. Move entry 13 to Reporting arrangements because this describes how completion will be advised to the
- D. Project Manager.
- E. Delete entry 13 because this is NOT a Project Assurance responsibility.
- F. Add 'The Project Manager is to be advised of completion of the Work Package by email'.

**Correct Answer:** AB

**Section:** Progress Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 56**

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

- A. Legislation
- B. Corporate Strategy
- C. Risks
- D. Mandate

**Correct Answer:** D

**Section:** Starting up and Initiating a Project

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 57**

Who is responsible for appointing the Project Manager?

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

**Correct Answer:** C

**Section:** Starting up and Initiating a Project

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 58**

During which of the following activities is the Project Product Description created?

- A. Design and appoint the Project Management Team
- B. Prepare the outline business case
- C. Select the project approach and assemble the project brief
- D. Plan the initiation stage

**Correct Answer: B**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 59**

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

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

**Correct Answer: B**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 60**

Who is responsible for the initial creation of the Configuration Item records?

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

**Correct Answer:** D

**Section:** Starting up and Initiating a Project

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 61**

Additional Information

Extract from the Communication Management Strategy.

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

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

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board. The project is now at the end of the initiation stage. Having decided that the Calendar project is a relatively simple project, the Project Manager

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

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

There is no project schedule in the Project Initiation Documentation. How can project progress be tracked without a schedule to track against?

- A. This is an error as a Gantt chart or some form of time line, where actuals will be recorded and tracked against the planned schedule of delivery, is mandatory.
- B. Progress can be recorded and tracked using the product checklist, with the planned and actual quality management activities captured in the Daily Log.
- C. With a clear end date of 30 November, and a small number of Work Packages, the Project Board should track project progress using individual Team Plans.

**Correct Answer: B**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 62

Additional Information

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There is no Project Brief. How can there be a common understanding of the desired outcomes for the prepared calendar pack?

- A. The simple Project Initiation Documentation contains the Quality Management Strategy. This contains details of the acceptance criteria for this project.
- B. The Project Brief should have been produced and approved before the project progressed into the initiation stage.
- C. The simple Project Initiation Documentation contains the project definition.

**Correct Answer: C**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 63**

Additional Information

Extract from the Communication Management Strategy.

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<b>Records</b>	6. A record should be maintained for each product of the project. As a minimum this should show the project name, product name, product title, and version number. 7. External email and correspondence relating to the Calendar project should be recorded electronically in the project folder. 8. Information received in hard copy should, where possible, should be scanned and filed as above.
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There is no mention of any Stage Plans, yet there are two further stages proposed. How will this be resolved?

- A. It is appropriate for the Calendar project to be run as two further stages as there is a key decision to be made at the end of stage 2. Stage Plans will be produced.
- B. Whilst the activities are divided into two further stages, there is no reason why the Calendar project should use stages. The project will therefore be run as a single stage project and the activities will be added to the Initiation Stage Plan.
- C. There will be three Stage Plans, the two management stages plus an additional stage to plan and complete the activities of the Closing a Project process.

**Correct Answer:** A

**Section:** Starting up and Initiating a Project

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 64**

Additional Information

Extract from the Communication Management Strategy.

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

Without a Risk Register how can project risks, the progress of risk actions taken to date and the current status of residual risks be measured?

- A. The Daily Log was correctly used to monitor risks during the Starting up a Project process. It will be used to capture all risks, actions, decisions, assumptions
- B. It was not appropriate to use the Daily Log to capture all risks and issues during the Starting up a Project process. Separate registers should have been set up for risks, issues and lessons learned. This will now be done.
- C. In a simple project, the Project Initiation Documentation (PID) should contain a register for recording risk information and monitoring project risks throughout the delivery stages. The register will now be added to the PID.

**Correct Answer:** A

**Section:** Starting up and Initiating a Project

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 65

Additional Information

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

Which statement applies to the Introduction section?

- A. No change to entry 1 because this shows the purpose and content of this document.
- B. Amend entry 1 to read 'This document contains the controls and reporting to be established for the project management team'.
- C. Amend entry 1 to read 'This document contains the means and frequency of communication between the project management team, the print company and other external parties.

**Correct Answer:** A

**Section:** Starting up and Initiating a Project

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 66**

Additional Information

Extract from the Communication Management Strategy.

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

Which statement applies to the Communication procedure section?

- A. No change to entry 2 because this is a sufficient description of the process required.
- B. Amend entry 2 to include MNO Manufacturing Company standards for both internal and external company communications.
- C. Delete entry 2 because only variations from the MNO Manufacturing Company standards should be recorded here.

**Correct Answer: B**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 67**

Additional Information

Extract from the Communication Management Strategy.

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

<b>Introduction</b>	1. This document contains details of how the project management team will send information to individuals working on the Calendar project, and receive information from them.
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This question provides a number of changes which may or may not be required to the Extract from the Communication Management Strategy provided in the additional information.

Which statement applies to the Tools and techniques section?

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

**Correct Answer: B**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 68**

Additional Information

Extract from the Communication Management Strategy.

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

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board. The project is now at the end of the initiation stage. Having decided that the Calendar project is a relatively simple project, the Project Manager

combined the Starting Up a Project process and the Initiating a Project process. No Project Brief has been produced. Instead the Project Manager used the project mandate to produce a simple Project Initiation Documentation (PIO). The PIO includes the Business Case, a product checklist and several Product Descriptions, Including the Project Product Description. Short sections are also included for each of the strategies and the controls to be applied. The Project Manager has elected to use the Daily Log to record all risks, issues, lessons and quality - results. After the initiation stage there will be two further stages during which a small number of Work Packages will be authorized. While these are being managed, the Project Manager will hold regular checkpoints, which will support the production of weekly Highlight Reports to the Project Board.

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

What statement applies to the Records section?

- A. Move entry 6 to the Configuration Management Strategy because it defines the identification scheme for the project's products.
- B. Move entry 7 to Communication procedure because it refers to the method to be used for communication to external parties.
- C. Move entry 8 to Tools and techniques because it refers to a filing technique.

**Correct Answer:** A

**Section:** Starting up and Initiating a Project

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 69**

Additional Information

Extract from the Communication Management Strategy.

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

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

Which statement applies to the Timing of communication activities section?

- A. Delete entry 9 because activities for controlling the project should be planned as part of Project controls in the Project Initiation Documentation.
- B. No change to entry 9 because it describes the timing of performance reports.
- C. Delete entry 10 because Highlight Reports are a Project Board control, the frequency of which should be recorded in the Project controls section of the Project Initiation Documentation.

**Correct Answer:** B

**Section:** Starting up and Initiating a Project

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 70**

Additional Information

Extract from the Communication Management Strategy.

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

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

Which statement applies to the Stakeholder analysis: Interested parties section?

- A. Add 'Internal Creative Team'.
- B. Delete entry 11 because the photographer is internal to the project management team.
- C. Delete entry 12 because the printing of the calendars is outside of the scope

**Correct Answer:** A

**Section:** Starting up and Initiating a Project

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 71**

Additional Information

Extract from the Communication Management Strategy.

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

Which statement applies to the Information needs for each interested party section?

- A. Delete entry 13 because the activity to provide the weekly updates should be scheduled in the relevant Stage Plan.
- B. Move entry 13 to Tools and techniques because it describes the method to be used to communicate to the individual producing the staff newsletter.
- C. Delete entry 14 because this relates to the development of a particular product and should be recorded under Development interfaces within the relevant Work Package.

**Correct Answer: C**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 72**

Which statement is an appropriate entry for the Lessons Log?

- A. This is the first time that the Ministry of Food Hygiene (MFH) has been involved in outsourcing.
- B. Based on feedback from other government departments, the Ministry of Trade and Industry has provided the names of two outsourcing companies that are unreliable and should not be included as potential service providers.
- C. The feasibility study estimated that the outsourcing project would take two years to complete.
- D. Only the Information Technology Division and Facilities Division will be outsourced.

**Correct Answer: B**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 73**

Which statement is an appropriate entry for the project approach heading within the Project Brief?

- A. The initial estimates from the feasibility study will be verified during the initiation stage.
- B. MFH must better manage suppliers' performance.
- C. The Information Technology Division and the Facilities Division will be outsourced to a single service provider.
- D. The Project Manager will be responsible for ensuring that the agreed project approach remains an appropriate choice.

**Correct Answer: C**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 74**

During stage 1 the level of performance expected from the service provider was changed. After this change was agreed which of these products will require updating?

- A. Project Brief because this is maintained throughout the project to reflect the customer's quality expectations.
- B. Project Product Description because this contains details of the expected performance of the project's products.
- C. Quality Management Strategy because this is where all of the customer's quality expectations of the project's products should be documented.

**Correct Answer: B**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 75**

While capturing previous lessons, the Project Manager discovered several interesting facts about outsourcing.

Which fact is an appropriate lesson for the Outsourcing project?

- A. Outsourcing is a growth industry and is being implemented by many private sector organizations.
- B. Four other government departments are also considering outsourcing some of their business functions next year.
- C. Contracts with service providers should include the timescale within which readiness for service is expected following the transfer of equipment and staff.

**Correct Answer: C**

**Section: Starting up and Initiating a Project**

**Explanation****Explanation/Reference:**

Explanation:

**QUESTION 76**

While deciding on how the work of the project should be approached the following were considered.

Which statement is appropriate for inclusion in the project approach heading in the Project Brief?

- A. The Project Manager will involve the selected service provider in the creation of the Stage Plan for stage 4.
- B. New up-to-date software will be obtained to produce the graphical sections of the Project and Stage Plans.
- C. The detailed designs (future process, systems, operating and organization models) will be based on the existing high-level designs.

**Correct Answer: C**

**Section: Starting up and Initiating a Project**

**Explanation****Explanation/Reference:**

Explanation:

**QUESTION 77**

While planning the initiation stage, the Project Manager reviewed some threats that had been recorded in the Daily Log.

Which threat should have been assessed for possible risk responses to be included in the Initiation Stage Plan?

- A. MFH has no experience in outsourcing and this may affect understanding of what is required, resulting in inadequate plans and strategies.
- B. The Project Brief is a complex document and may not be approved by the Executive.
- C. There is a shortage of service providers so there is a possibility that no suitable service providers respond to the request for proposals. This would prevent the Outsourcing project from proceeding.

**Correct Answer: C**

**Section: Starting up and Initiating a Project**

**Explanation****Explanation/Reference:**

Explanation:

**QUESTION 78**

While preparing the Risk Management Strategy, the Project Manager considered the commercial customer/supplier environment and how this may affect the management of risk. Which approach should the Outsourcing project adopt?

- A. Plan to use the selected service provider's risk management procedures.
- B. All project risks associated with the specialist deliverables should be owned by the selected service provider.
- C. Due to the sensitive nature of this project, consideration should be given to creating a separate Risk Register to be held by MFH and the selected supplier.

**Correct Answer: C**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

## **QUESTION 79**

While preparing the Configuration Management Strategy, the Project Manager considered the options for change control. He decided to recommend a change budget of £250k, but was undecided on the Change Authority to recommend.

Which option is an appropriate Change Authority for the Outsourcing project?

- A. The selected service provider to approve and implement all changes.
- B. Senior User(s) and Project Assurance representatives, within the limits of the recommended change budget.
- C. The Director of Facilities and the Director of Information Technology to approve all changes.

**Correct Answer: B**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

## **QUESTION 80**

While preparing the Quality Management Strategy, the Project Manager noticed that the corporate quality management system does not specifically cover project management.

Which option provides an appropriate way for the Project Manager proceed?

- A. Record the development of a corporate quality management system for project management as a prerequisite of the Project Plan.
- B. Proceed with the project without a Quality Management Strategy and adopt the selected service provider's standards in stage 4.
- C. Seek relevant organizational standards, then facilitate a workshop to discuss the Quality Management Strategy with Project Assurance.

**Correct Answer: C**

**Section: Starting up and Initiating a Project**

## **Explanation**

### **Explanation/Reference:**

Explanation:

### **QUESTION 81**

Which project controls should be established for the Outsourcing project?

- A. Highlight Reports to the Project Manager; Exception Reports to the Project Board when project tolerances are forecast to be exceeded.
- B. Highlight Reports to the Project Board; Exception Reports to corporate management when stage tolerances are forecast to be exceeded.
- C. Highlight Reports to the Project Board; Exception Reports to the Project Board when stage or project tolerances are forecast to be exceeded.

**Correct Answer: C**

**Section: Starting up and Initiating a Project**

## **Explanation**

### **Explanation/Reference:**

Explanation:

### **QUESTION 82**

When does Directing a Project begin?

- A. From the beginning of Starting up a Project
- B. From the beginning of Initiating a Project
- C. From the completion of Starting up a Project
- D. From the completion of Initiating a Project

**Correct Answer: C**

**Section: Directing a Project, Controlling a Stage and Managing Product Delivery**

## **Explanation**

### **Explanation/Reference:**

Explanation:

### **QUESTION 83**

Which management product do the Project Board use to decide whether to authorize initiation?

- A. Project Brief
- B. Business Case

- C. Project Initiation Documentation
- D. Project Product Description

**Correct Answer:** A

**Section:** Directing a Project, Controlling a Stage and Managing Product Delivery

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 84**

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

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

**Correct Answer:** D

**Section:** Directing a Project, Controlling a Stage and Managing Product Delivery

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 85**

Which activity is responsible for updating the stage plan with actual during Controlling a Stage?

- A. Review the stage status
- B. Review work package status
- C. Report Highlights
- D. Take corrective action

**Correct Answer:** C

**Section:** Directing a Project, Controlling a Stage and Managing Product Delivery

**Explanation**

**Explanation/Reference:**

good answer.

**QUESTION 86**

During Executing a Work package, specialist products are created and quality reviews are carried out - which management product captures the details of these reviews?

- A. Team Plan
- B. Checkpoint Report
- C. Quality Register
- D. Configuration Item Record

**Correct Answer:** C

**Section:** Directing a Project, Controlling a Stage and Managing Product Delivery

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 87**

While producing the Team Plan to deliver the agreed Work Package, it became apparent that the user representatives assigned 10 check some of the products were unsuitable.

Which 2 actions should the Team Manager take in response to this situation?

- A. Consult the Senior Supplier to assign suitable reviewers.
- B. Discuss the situation with Project Assurance and agree the changes or additions to the reviewers.  
Advise the Project Manager of this risk.
- C. Ensure the Quality Register is updated with details of the agreed amendments to the reviewers.
- D. Notify the Project Manager by raising an Exception Report explaining that the original reviewers are unsuitable.

**Correct Answer:** AB

**Section:** Directing a Project, Controlling a Stage and Managing Product Delivery

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 88**

The chair of a quality review meeting advised the Team Manager that, because there were so many major issues, the product had been rejected. The presenter estimated that the corrections would take about two weeks. The re-assessment of the product will take a further week, resulting in a three-week delay. The Work Package only has one week tolerance.

Which 2 actions should the Team Manager take in response to this situation?

- A. Ask the reviewers to work overtime to prevent the delay.
- B. Ensure that the situation is included in the next Highlight Report.
- C. Raise an issue explaining that tolerances are forecast to be exceeded.
- D. Advise the Project Manager of the risk that there may be a two-week delay in the delivery of one of the products.
- E. Ensure that the Quality Register is updated with the quality review result.

**Correct Answer:** CE

**Section:** Directing a Project, Controlling a Stage and Managing Product Delivery

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 89

The Team Manager has received notification that the new hardware and software solution has been installed and completed, but there is a concern that it has not been approved by the appropriate people.

Which 2 actions should the Team Manager take to check that the completed products have been approved as required?

- A. Check the Work Package to ascertain who should approve the completed Work Package.
- B. Check the Product Descriptions to ascertain who should have approved the products.
- C. Check the Configuration Management Strategy for product handover procedures.
- D. Check the approval records as required in the Work Package.
- E. Check the Product Descriptions for the quality method required.

**Correct Answer:** BD

**Section:** Directing a Project, Controlling a Stage and Managing Product Delivery

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 90

The Work Package has been in progress for four weeks and has four weeks remaining. The Information Technology Team Manager is concerned that he has no idea what the service provider is doing about preparing to accept the transfer of Information Technology equipment and staff. He is uncertain about what should be happening.

Which 2 initial actions should the Team Manager take in response to this concern?

- A. Notify the Project Manager by raising an Exception Report.
- B. Raise this concern in the next fortnightly Checkpoint Report.
- C. Check the Communication Management Strategy to ascertain what records of communications with the service provider are required.
- D. Check the Information Technology Work Package for development interfaces to see whether the service provider Team Manager should have been liaising with the Information Technology team during development.
- E. Raise an issue to notify the Project Manager of this concern.

**Correct Answer:** DE

**Section:** Directing a Project, Controlling a Stage and Managing Product Delivery

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 91**

When updating the project plan as part of Managing a stage boundary, what else might be updated?

- A. Exception Plan
- B. Project Management team
- C. Business Case
- D. Project Initiation Documentation

**Correct Answer:** A

**Section:** Managing a Stage Boundary and Closing a Project

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 92**

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

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

A. 1, 2, 3

B. 1, 3, 4

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

**Correct Answer:** A

**Section:** Managing a Stage Boundary and Closing a Project

**Explanation**

**Explanation/Reference:**

genuine answer

**QUESTION 93**

Which of the following activities could trigger the production of an exception plan?

- A. Review Stage status
- B. Giving ad hoc direction
- C. Escalating a project issue
- D. Report stage end

**Correct Answer:** B

**Section:** Managing a Stage Boundary and Closing a Project

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 94**

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

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

**Correct Answer:** B

**Section:** Managing a Stage Boundary and Closing a Project

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 95**

Which of the following activities is NOT an action of preparing for planned closure?

- A. Update the project plan with actual
- B. Update the Project Management Team
- C. Request a product status account
- D. Confirm project has delivered what is defined in Project Product Description

**Correct Answer:** B

**Section:** Managing a Stage Boundary and Closing a Project

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 96**

Which principle is supported by the activity Evaluate the Project?

- A. Continued Business Justification
- B. Defined roles and responsibilities
- C. Learn from experience
- D. Manage by stages

**Correct Answer:** C

**Section:** Managing a Stage Boundary and Closing a Project

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 97**

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

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

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

- A. Benefits Review Plan
- B. Lessons Log

- C. Exception Report
- D. End Project Report

**Correct Answer: D**

**Section: Managing a Stage Boundary and Closing a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 98**

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

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

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

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

**Correct Answer: D**

**Section: Managing a Stage Boundary and Closing a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 99**

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

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

Which product should show that the project has been closed prematurely and has not achieved the objectives defined in the Project Initiation Documentation (PID)?

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

**Correct Answer: B**

**Section: Managing a Stage Boundary and Closing a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 100**

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

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

Which product should register that the risk of a competitor producing a calendar at the same time was identified at the beginning of the project but the assessment of this risk appears to have been poor?

- A. Issue Register
- B. Follow-on action recommendations
- C. Lessons Report
- D. Risk Register

**Correct Answer: C**

**Section: Managing a Stage Boundary and Closing a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 101**

##### **Scenario**

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

Do nothing.

Re-engineer selected business functions.

Outsource selected business functions.

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

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

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

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

Use PRINCE2.

Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.

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

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

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

Initial estimates indicated that the project would cost £2.5m and take two years to complete.

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

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

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

**Hot Area:**

**Correct Answer:**

**Section: Business Case Theme**

**Explanation**

**Explanation/Reference:**

**QUESTION 102**

Extract from the Project Product Description (with errors)

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

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

Understanding the customer's quality expectations.

Approval of the project's products.

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

Hot Area:

Correct Answer:

Section: Quality Theme

Explanation

Explanation/Reference:

#### QUESTION 103

Extract from the Project Product Description (with errors)

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

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

Drop down the right answer

### Column 1

Half the size of the selected envelope.

Attractive large font.

Project Board.

+5% 1-5% of the required label size.

### Column 2

Hot Area:

Correct Answer:

Section: Quality Theme

Explanation

Explanation/Reference:

### QUESTION 104

Additional Information

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

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

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

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

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

Drop down the right answer.

### Column 1

Record the risk in the Risk Register and monitor the situation.

Decide not to compete and cancel the project.

Bring the target date of this project forward.

Wait for confirmation of the rival's calendar and, if required, include additional gifts with the calendar as an extra incentive.

Carry on with the project as planned on the basis that the MNO Manufacturing Company calendar is believed to be of better quality.

Add a unique reference number to every calendar and hold a prize draw each month.

### Column 2







Hot Area:

Correct Answer:

Section: Risk Theme

Explanation

Explanation/Reference:

### QUESTION 105

Additional Information

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

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

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

**Hot Area:**

**Correct Answer:**

**Section: Risk Theme**  
**Explanation**

**Explanation/Reference:**

#### **QUESTION 106**

Scenario

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

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

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

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

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

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

## Column 1

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

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

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

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

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

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

## Column 2

Hot Area:

Correct Answer:

Section: Risk Theme  
Explanation

Explanation/Reference:

### QUESTION 107

Scenario

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

The Engineering Manager was made aware of this requirement but when asked he reported that he has received no communication from the photographer. The Project Manager has tried to call the photographer and has had no response. The Project Manager believes there is a risk that

Portraits Ltd are overbooking work and prioritizing other clients' work. If Portraits Ltd do not deliver on schedule the project will be delayed and the expected benefits will be reduced.

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

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

Using the Project Scenario answer the following question. The Plan for stage 3 has been approved and work has commenced.

Column 1 contains a number of issues for this project. Select from Column 2 the appropriate category for each issue. Each selection from Column 2 can be used once, more than once or not at all.

Drop down the right answer from column 1 to column 2.

## Column 1

Although NOT previously considered, the Engineering Manager now wants to amend the Product Description for the photos to include images of his latest production machinery.

The Marketing Director feels that the calendar may NOT be of sufficient quality to achieve the projected benefits.

The Marketing department have identified some new customers and want to include them in the approved list of customers.

The photographer has ignored the agreed photo session schedule. He has interrupted the work of the engineering staff to take the photos for the calendar.

The chosen label design has been signed-off in error as the old company logo has been used. Inclusion of the new company logo was specified.

The Project Manager has received notification of a postal strike occurring in December.

## Column 2

**Hot Area:**

**Correct Answer:**

**Section: Change Theme**  
**Explanation**

**Explanation/Reference:**

**QUESTION 108**

Scenario

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

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

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

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

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

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

### Column 1

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

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

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

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

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

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

### Column 2

Hot Area:

Correct Answer:

Section: Change Theme  
Explanation

Explanation/Reference:

### QUESTION 109

Project Scenario

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

There has been a reduction in the number of orders at the MNO Manufacturing Company due in part to the increased marketing activities of its competitors. To help counter this, the company has decided to create a promotional calendar for next year for all its current and prospective customers.

The end product of this project will be a prepared calendar pack, ready for printing. The design of the calendar will be similar to one sent out previously, and must reflect the company image as described in the existing corporate branding standards. Another project is currently producing a new company logo when is to be printed on each page of the promotional calendar. The prepared calendar pack will consist of:

The project is currently in initiation and will have two further stages:

Stage 2 will include tie activities to:

Stage 3 will include the activities to:

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

It is now 05 October and the prepared calendar pack must be delivered to the print company by 30 November, to enable printing and distribution of the calendar in time for Christmas. The cost of the activities to develop the specialist products and the cost of the project management activities are estimated to be £20,000. There is a project time tolerance of +1 week /-2 weeks and a project cost tolerance of +£6,000 / -£6,000. A change budget of £500 has been allocated but there is no risk budget.

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement For each line identify the appropriate option, from options 1 to 6, that applies. Each option can be used once, more than once or not at all.

**Hot Area:**

**Correct Answer:**

**Section: Progress Theme**

**Explanation**

**Explanation/Reference:**

### **QUESTION 110**

Scenario:

Techniques, processes and procedures

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

Joint agreements

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

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

Tolerances

4. None.

Constraints

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

6. Installation work must take place during MFH normal working hours.
7. +£10,000 / -£25,000.
- Reporting arrangements
8. Highlight Report every Monday by 10.00 am.
9. The report must contain a summary of all products worked on during the previous week.
10. Project Manager must be notified of any issues immediately by telephone.
- Problem handling and escalation
11. Impact analysis of all issues must be completed within 24 hours.
- Extracts or references
12. The Stage Plan for stage 4 is available from Project Support.
- Approval method
13. Project Assurance will review the completed Work Package and confirm completion

Column 1 is a list of actions that occur during the Controlling a Stage process. For each action in Column 1, select from Column 2 the PRINCE2 theme that is being applied. Each selection from Column 2 can be used once, more than once or not at all.

Drop down the answer from column 1 to column 2.

### Column 1

Ensure that each product in a completed Work Package has gained its required approval, as defined in its Product Description.

Carry out an analysis of a potential event that may have a favourable impact on the project's objectives.

Define the tolerance within a Work Package to be agreed with a Team Manager.

### Column 2

Hot Area:

Correct Answer:

Section: Progress Theme

Explanation

Explanation/Reference:

**QUESTION 111**

The Calendar project was delivered as originally planned, and is now preparing for planned closure.

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

**Hot Area:**

**Correct Answer:**

**Section: Managing a Stage Boundary and Closing a Project**

**Explanation**

**Explanation/Reference:**

**QUESTION 112**

Which of the following principles uses Product Descriptions to provide clarity by defining each product's purpose, composition, derivation, format, quality criteria and quality method?

- A. Tailor to suit the project environment
- B. Focus on products
- C. Manage by stages
- D. Continued business justification

**Correct Answer: B**

**Section: PRINCE2 Principles**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 113**

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

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

**Correct Answer: B**

**Section: PRINCE2 Principles**

## **Explanation**

### **Explanation/Reference:**

Explanation:

### **QUESTION 114**

Which statement best explains the purpose of Tailor to suit the project environment?

- A. Ensure project controls are based on project's scale, complexity, importance, capability and risk
- B. To use a set of pre-defined templates for the size of project
- C. To tailor the use of the principles to suit the project
- D. To pick which PRINCE2 processes to apply and which to leave out

**Correct Answer:** D

**Section:** PRINCE2 Principles

## **Explanation**

### **Explanation/Reference:**

### **QUESTION 115**

Which of the following statements describes an outcome?

- A. Any of the projects specialist products
- B. A result of the change derived from using the project's products
- C. A measurable improvement resulting from a change
- D. Something perceived as advantages by a stakeholder

**Correct Answer:** B

**Section:** Business Case Theme

## **Explanation**

### **Explanation/Reference:**

Explanation:

### **QUESTION 116**

Which of the following should NOT be included in the business case?

- A. Reasons
- B. Major Risks

- C. Business options
- D. Business approach

**Correct Answer: D**

**Section: Business Case Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 117**

During a work package the Team manager needs to keep the project manager informed, which management product is used for this?

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

**Correct Answer: B**

**Section: Directing a Project, Controlling a Stage and Managing Product Delivery**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 118**

Two weeks after starting work the Team Manager noticed that each completed product had exceeded its estimated effort by around 10%. If this trend continues the Work Package will exceed its agreed cost tolerance of 5%.

Which 2 actions should the Team Manager take in response to this situation?

- A. Check the status of the products currently being worked on and analyze the effort expended, to determine if the trend is continuing.
- B. Update the Team Plan by increasing all future work estimates by 10%.
- C. Amend the Work Package and ensure that the revised targets are met.
- D. Escalate the situation in the next Checkpoint Report.
- E. Raise an issue that costs will exceed tolerance if the current trend continues.

**Correct Answer: AE**

**Section: Directing a Project, Controlling a Stage and Managing Product Delivery**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 119****Scenario****Additional Information**

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

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

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

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

A number of alternatives were explored, including:

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

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

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

**Hot Area:****Correct Answer:****Section: Business Case Theme****Explanation****Explanation/Reference:****QUESTION 120**

Column 1 is a list of entries from the Daily Log that occurred during stage 4 in the Controlling a Stage process. For each entry in Column 1, select the first management product from Column 2 that should have been updated, or created, as a result of the entry. Each selection from Column 2 can be used once, more than once or not at all.

Drop down the right answer from column 1 to column 2.

### Column 1

The Executive has asked for a minor change to the baselined detailed design document. This change will not affect any other products.

Staff communication was very useful in getting support from MFH staff who will be using the outsourced services.

The Facilities Team Manager requires formal instructions to begin the planned work to transfer the Facilities equipment and staff to the selected service provider.

The selected service provider highlighted that there are likely to be delays with Government departments getting work signed-off after completion.

### Column 2

Hot Area:

Correct Answer:

Section: Directing a Project, Controlling a Stage and Managing Product Delivery  
Explanation

Explanation/Reference:

#### QUESTION 121

Additional Information

Product Description

Quality notes from the Daily Log

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

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

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

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

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

1. This document defines the approach to be taken to achieve the required quality levels during the project.

2. The Project Board will have overall responsibility for the Quality Management Strategy.

3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.

Quality management procedure - Quality standards

4. The selected service provider will operate to industry standards for providing outsourced services.

5. MFH document standards will be used.

Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.

7. Configuration Item Records will be maintained for each product to describe its status, version and variant.

8. Approval records for products that require them will be stored in the quality database.

Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.

10. Team Managers will provide details of quality checks that have been carried out.

11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.

12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Which statement applies to the Introduction section?

A. Delete entry 1 because the project approach is defined in the Project Brief.

B. Delete entry 2 because this is the Project Manager's responsibility.

C. Delete entry 3 because it is the Project Manager's responsibility to implement the Quality Management Strategy.

D. Move entry 3 to the Roles and responsibilities section because this is a quality responsibility.

**Correct Answer: D**

**Section: Quality Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 122**

Additional Information

Product Description

Quality notes from the Daily Log

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

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

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

All project documents will be subject to a quality review. Nominated products will require a formal approval record signed-off by the quality review chair. Extract from the draft Quality Management Strategy (may contain errors) Introduction

1. This document defines the approach to be taken to achieve the required quality levels during the project.
  2. The Project Board will have overall responsibility for the Quality Management Strategy.
  3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.
- Quality management procedure - Quality standards
4. The selected service provider will operate to industry standards for providing outsourced services.
  5. MFH document standards will be used.

Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.

Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Which statement applies to the Quality standards section?

- A. Delete entry 4 because external suppliers are responsible for applying any relevant standards to their work.
- B. Delete entry 5 because the lack of a change management procedure makes the MFH document standards unsuitable.
- C. Add 'All contracts must conform to current employment laws'.
- D. Add 'PRINCE2 change control procedures will be used to manage any changes to baselined products'.

**Correct Answer: C**

**Section: Quality Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 123**

Additional Information

Product Description

Quality notes from the Daily Log

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

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

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

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

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

1. This document defines the approach to be taken to achieve the required quality levels during the project.
2. The Project Board will have overall responsibility for the Quality Management Strategy.
3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.

Quality management procedure - Quality standards

4. The selected service provider will operate to industry standards for providing outsourced services.
5. MFH document standards will be used.

Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.

Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Which statement applies to the Records section?

- A. Delete entry 6 because this information should be included in Stage or Team Plans.
- B. Move entry 6 to the Reporting section because the information should be used to report on quality activities.
- C. Delete entry 7 because this should be included in the Configuration Management Strategy.
- D. Delete entry 8 because the results of quality reviews are recorded in the Quality Register.

**Correct Answer: C**

**Section: Quality Theme**  
**Explanation**

**Explanation/Reference:**  
Explanation:

**QUESTION 124**

Additional Information  
Product Description

Quality notes from the Daily Log

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

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

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

All project documents will be subject to a quality review. Nominated products will require a formal approval record signed-off by the quality review chair.  
Extract from the draft Quality Management Strategy (may contain errors) Introduction

1. This document defines the approach to be taken to achieve the required quality levels during the project.
2. The Project Board will have overall responsibility for the Quality Management Strategy.
3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.

Quality management procedure - Quality standards

4. The selected service provider will operate to industry standards for providing outsourced services.
5. MFH document standards will be used.

Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.

Roles and responsibilities

9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Which statement applies to the Roles and responsibilities section?

- A. Delete entry 9 because this should only be recorded in the Product Description.
- B. Delete entry 10 because this is the responsibility of the quality review chair.
- C. Delete entry 11 because only the Project Manager can update the Quality Register.
- D. Amend entry 12 because this is the responsibility of supplier assurance.

**Correct Answer:** D

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

## QUESTION 125

Which other management product is created when the Business case is updated during Initiating a Project?

- A. Post project review plan
- B. Risk Register
- C. Benefits Review plan
- D. Issue Register

**Correct Answer:** C

**Section:** Starting up and Initiating a Project

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 126

Additional Information

Extract from the Communication Management Strategy.

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

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

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board. The project is now at the end of the initiation stage. Having decided that the Calendar project is a relatively simple project, the Project Manager

combined the Starting Up a Project process and the Initiating a Project process. No Project Brief has been produced. Instead the Project Manager used the project mandate to produce a simple Project Initiation Documentation (PIO). The PIO includes the Business Case, a product checklist and several Product Descriptions, Including the Project Product Description. Short sections are also included for each of the strategies and the controls to be applied. The Project Manager has elected to use the Daily Log to record all risks, issues, lessons and quality - results. After the initiation stage there will be two further stages during which a small number of Work Packages will be authorized. While these are being managed, the Project Manager will hold regular checkpoints, which will support the production of weekly Highlight Reports to the Project Board.

No Benefits Review Plan has been developed. Where should the schedule of benefit reviews be recorded?

- A. As deliverables of the project, all benefit reviews should be scheduled and documented in the Project Plan during initiation.
- B. Small projects do not require a schedule of benefit reviews as only one review is required towards the end of the project and this should be documented within the Business Case.
- C. Benefit reviews should be planned and recorded in the simple PID.

**Correct Answer: C**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 127**

Which statement is an appropriate entry for the Initiation Stage Plan?

- A. The Daily Log has been updated with the new risks which were identified while preparing the Initiation Stage Plan.
- B. The plan is based on the external outsourcing consultants being available at the start of the initiation stage.
- C. The initial project cost estimate of £2.5m, will have a tolerance of +£125k J-£75k.
- D. The project management team will consist of representatives from the IT and Facilities Divisions.

**Correct Answer: B**

**Section: Starting up and Initiating a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 128**

The Manage by Exception principle sets tolerances for six areas of the project, Time. Cost and Quality are three of them, what are the other three?

- A. Scope, People & Resources, Benefit
- B. Scope, Risk, Product

- C. Risk, Benefit, Product
- D. Scope, Risk, Benefit

**Correct Answer:** A

**Section:** PRINCE2 Principles

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 129

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

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

Which product should show that the staff photo sessions were disruptive to the Engineering Department as they had been scheduled during peak work times without consultation with the Engineering Manager?

- A. Follow-on action recommendations
- B. Lessons Report
- C. Project closure notification
- D. Risk Register

**Correct Answer:** B

**Section:** Managing a Stage Boundary and Closing a Project

**Explanation**

**Explanation/Reference:**

Explanation:

## QUESTION 130

The project has a cost tolerance of +5% I -5%, of which stage 2 has a tolerance of +£45k 1-£45k.

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

**Hot Area:**

**Correct Answer:**

**Section:** Plans Theme

**Explanation**

**Explanation/Reference:**

**QUESTION 131**

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

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

**Correct Answer: C**

**Section: Business Case Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 132**

Who is responsible for ensuring that the value-for-money solution is constantly reassessed?

- A. Business Assurance
- B. Senior User
- C. Corporate or Programme Management
- D. Reject Support

**Correct Answer: A**

**Section: Business Case Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 133**

Which of the following activities is the Executive responsible for?

- A. Ensure the desired outcome of the project is specified
- B. Responsible for the benefits review plan

- C. Assess and update the Business Case at the end of each stage
- D. Responsible for the Benefits Review Plan post project

**Correct Answer: B**

**Section: Business Case Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 134**

Scenario

Additional Information

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

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

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

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

A number of alternatives were explored, including:

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

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

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

**Correct Answer:** AC  
**Section:** Business Case Theme  
**Explanation**

**Explanation/Reference:**  
Explanation:

**QUESTION 135**

Scenario

Additional Information

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

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

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

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

A number of alternatives were explored, including:

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

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

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

**Correct Answer:** BD  
**Section:** Business Case Theme  
**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 136**

Scenario

Additional Information

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

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

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

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

A number of alternatives were explored, including:

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

Which 2 statements should be recorded under the Costs heading?

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

**Correct Answer:** BE

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 137**

### Scenario

#### Additional Information

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

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

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

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

A number of alternatives were explored, including:

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

Which 2 statements correctly define a Business Case risk which should be recorded under the Major risks heading?

- A. Operational costs will increase as a result of the recruitment campaign.
- B. The prepared calendar pack is to be delivered to the printers by the first week in December.
- C. If the calendar quality is poor customers will not use it, creating the reverse effect and reducing orders further.
- D. If any competitors launch a calendar at the same time this will reduce the impact of the MNO calendar and benefits will be reduced.
- E. Staff morale will improve as a result of the promotional calendar.

**Correct Answer:** CD

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

Explanation:

### QUESTION 138

#### Scenario

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

Do nothing.

Re-engineer selected business functions.

Outsource selected business functions.

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

One service provider should be contracted to provide the services currently provided by the Information Technology Division and the Facilities Division. A 10-year service contract should be agreed with the selected service provider.

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

Use PRINCE2.

Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.

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

Stage 3. Request and evaluate proposals, select service provider and agree contract. Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

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

Which 2 statements should be recorded under the Reasons heading?

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

**Correct Answer: CD**

**Section: Business Case Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

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

**QUESTION 139****Scenario**

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

Do nothing.

Re-engineer selected business functions.

Outsource selected business functions.

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

One service provider should be contracted to provide the services currently provided by the Information Technology Division and the Facilities Division. A 10-year service contract should be agreed with the selected service provider.

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

Use PRINCE2.

Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.

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

Stage 3. Request and evaluate proposals, select service provider and agree contract. Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

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

Which 2 statements should be recorded under the Business options heading?

A. The re-engineering of selected business functions would not provide the required outcome.

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

**Correct Answer:** CD

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

References:

### **QUESTION 140**

Scenario

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

Do nothing.

Re-engineer selected business functions.

Outsource selected business functions.

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

One service provider should be contracted to provide the services currently provided by the Information Technology Division and the Facilities Division. A 10-year service contract should be agreed with the selected service provider.

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

Use PRINCE2.

Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.

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

Stage 3. Request and evaluate proposals, select service provider and agree contract. Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

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

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

- A. The 10-year outsourcing contract, at current prices, will be worth £80m.
- B. Outsourcing would allow MFH to take advantage of the best services the outsourcing industry has to offer.
- C. The total expected savings over 10 years, at current prices, is £20m.
- D. The 10-year outsourcing contract will enable MFH to stabilize costs at agreed levels.
- E. The confirmed cost of the Outsourcing project is £2.5m, but with considerable savings over 10 years.

**Correct Answer:** CD

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

References:

#### **QUESTION 141**

Scenario

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

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Outsource selected business functions.

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One service provider should be contracted to provide the services currently provided by the Information Technology Division and the Facilities Division. A 10-year service contract should be agreed with the selected service provider.

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

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Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.

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Stage 3. Request and evaluate proposals, select service provider and agree contract. Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

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

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

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

**Correct Answer:** CE

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

References:

## **QUESTION 142**

Scenario

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

Do nothing.

Re-engineer selected business functions.

Outsource selected business functions.

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

One service provider should be contracted to provide the services currently provided by the Information Technology Division and the Facilities Division. A 10-year service contract should be agreed with the selected service provider. The feasibility study developed high-level designs of the current organization, processes, systems and operating models, plus an outline Business Case for the required project. The external consultants also made the following recommendations for the management of the project:

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Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.

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Stage 3. Request and evaluate proposals, select service provider and agree contract. Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

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

Which 2 statements should be recorded under the Timescale heading?

- A. The contract with the selected service provider will be agreed during stage 3.
- B. The expected benefits will be calculated over 10 years from completion of the project.
- C. If more MFH divisions are added to the scope of the services to be outsourced, the project timescale will be extended and the realization of benefits will be delayed.
- D. The expected benefits should start to be realized as soon as the outsourced services become operational at the end of stage 4.
- E. The transfer of equipment and staff is estimated to take six weeks.

**Correct Answer:** AB

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 143**

Which of the following statements is true of the business interest on the project?

- A. Ensures the project provides value for money

- B. Ensures the requirements for the project are defined
- C. Ensures the products produced meet the desired quality
- D. Represents the users of the product

**Correct Answer:** A

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 144**

Which of the following represents the four key characteristics a good Project board should display?

- A. Authority, Credibility, Commitment, Availability
- B. Authority, Credibility, Delegation, Availability
- C. Authority, Availability, Connections, Delegation
- D. Authority, Credibility, Connections, Delegation

**Correct Answer:** B

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

Explanation:

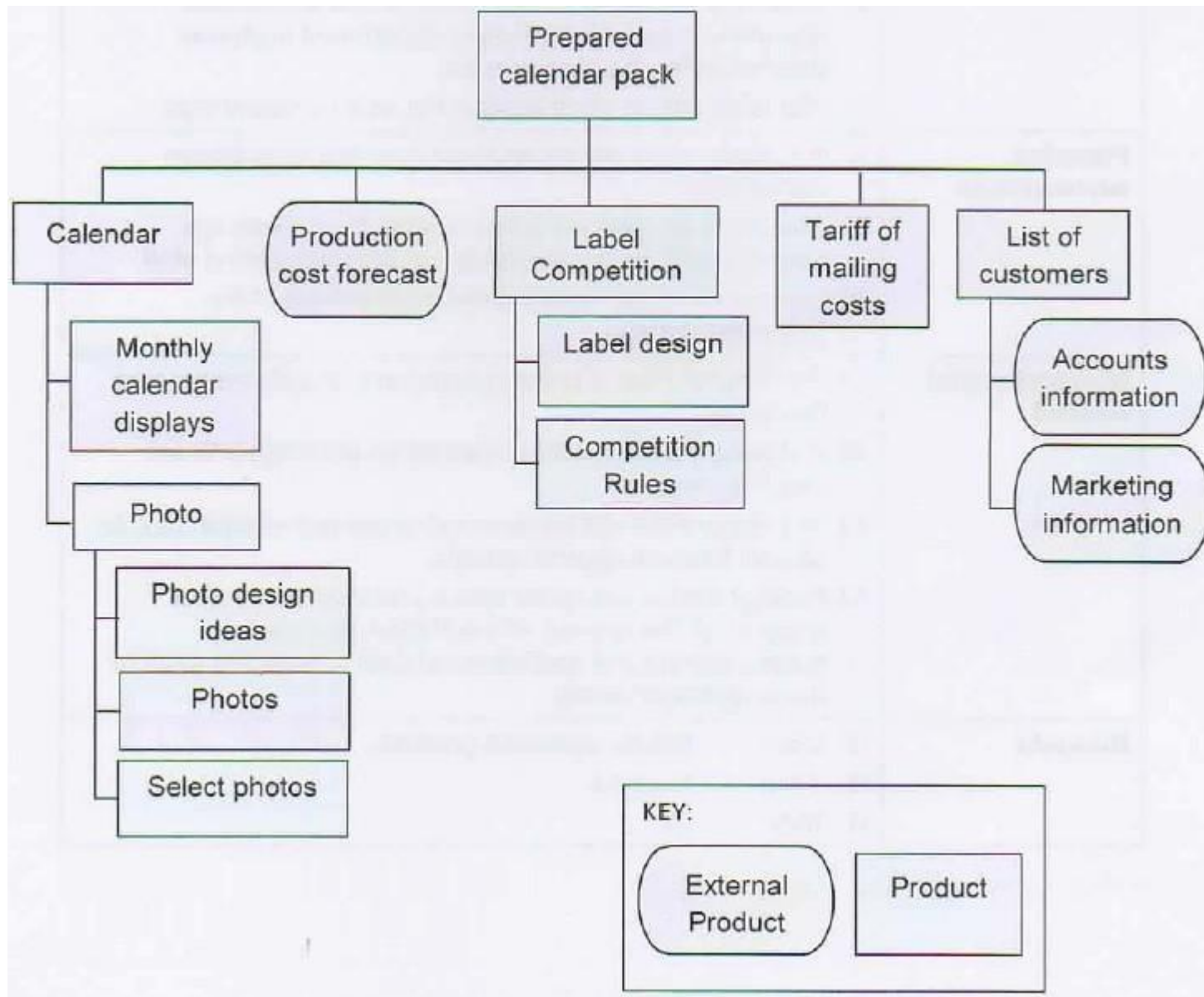
**QUESTION 145**

Product Summary

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

Using the tariff of mailing costs available from the Post Office, a production cost forecast will be produced to allow the CEO and the Marketing Director to decide whether to continue with the project. If they decide to continue, they will give the approval to launch the internal label design competition. Competition rules will be required to communicate details of the competition to the staff. The chosen label design will then be selected from the competition entries. The photos for the calendar must be based on existing photo design ideas available from the Marketing department. The selected photos will be chosen from these. Monthly calendar displays will be created to show the required layout of each page.

Product Breakdown Structure (contains errors)



Extract from Stage Plan for stage 3.  
(All entries are true statements but may not be shown under the correct heading or in the correct document).

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

The Stage Plan for stage 3 has been produced.

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

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

Which 2 statements apply to the Monitoring and control section?

- A. Delete entry 11 because this relates to the monitoring and controlling of the Project Plan, not the Stage Plan.
- B. No change to entry 12 because this describes how the Project Board will control the stage. ~
- C. C Move entry 12 because the Highlight Reports are deliverables of this stage and should be shown under Product descriptions.
- D. Delete entry 13 because this is part of the Controlling a Stage process.
- E. Delete entry 14 because the Product Status Account is NOT an ad-hoc report. It is produced at the end of each stage to identify any variations between planned status, reported status and actual status of the stage's products.

**Correct Answer:** AB

**Section:** Plans Theme

**Explanation**

**Explanation/Reference:**

Explanation:

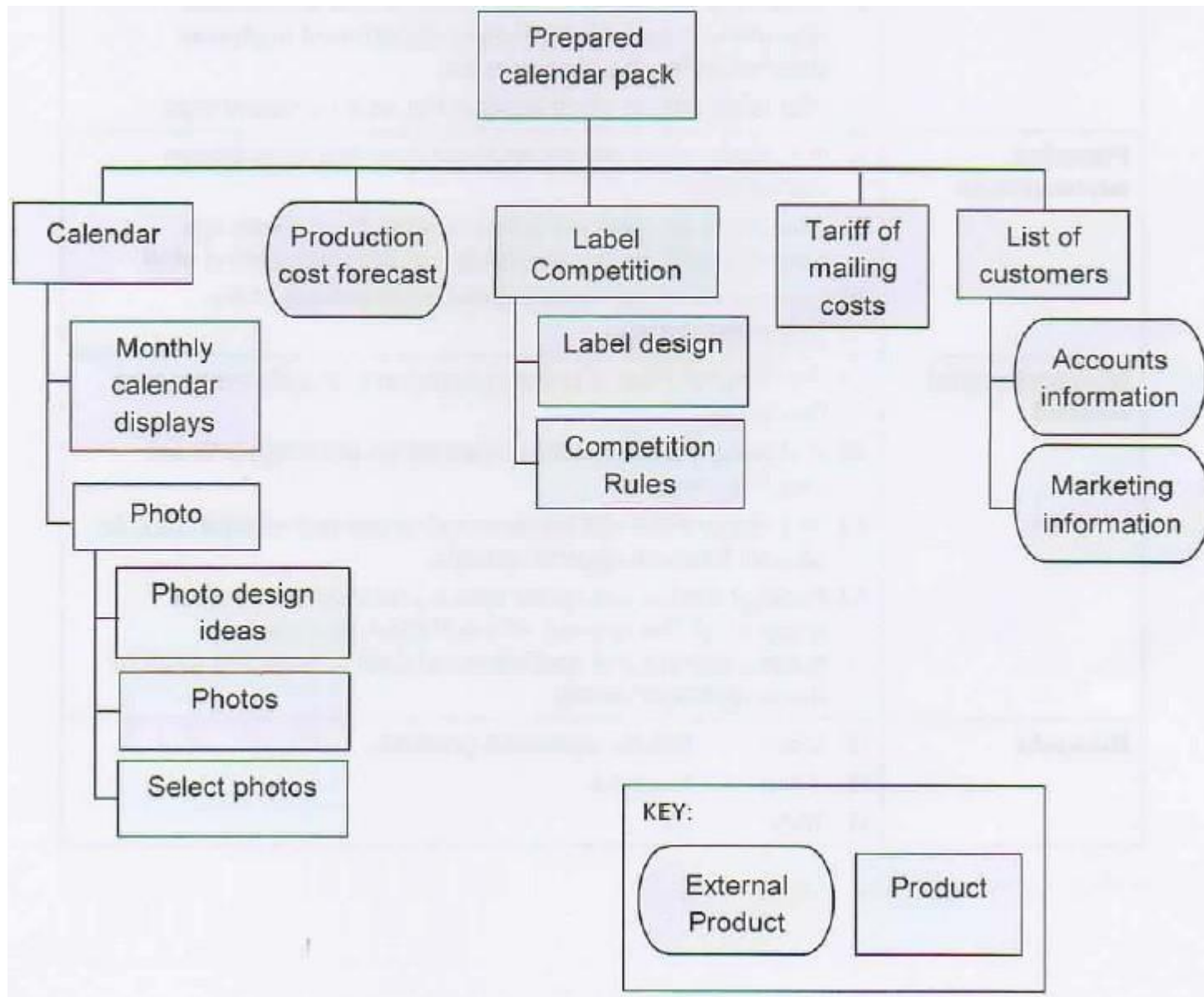
#### **QUESTION 146**

Product Summary

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

Using the tariff of mailing costs available from the Post Office, a production cost forecast will be produced to allow the CEO and the Marketing Director to decide whether to continue with the project. If they decide to continue, they will give the approval to launch the internal label design competition. Competition rules will be required to communicate details of the competition to the staff. The chosen label design will then be selected from the competition entries. The photos for the calendar must be based on existing photo design ideas available from the Marketing department. The selected photos will be chosen from these. Monthly calendar displays will be created to show the required layout of each page.

Product Breakdown Structure (contains errors)



Extract from Stage Plan for stage 3.  
(All entries are true statements but may not be shown under the correct heading or in the correct document).

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

The Stage Plan for stage 3 has been produced.

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

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

Which 2 statements apply to the Budgets section?

- A. Amend entry 15 because it should also include the cost of management activities.
- B. Delete entry 16 because timescales should NOT be shown under the heading of budgets.
- C. Delete entry 17 because the risk budget should be shown in the Risk Management Strategy.
- D. Add 'Change budget - £500'.
- E. Add 'Cost tolerance - +£6k 1-£6k

**Correct Answer:** AD

**Section:** Plans Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 147**

Which of the following statements is False regarding the Risk Management Strategy?

- A. It captures and maintains all relevant information on identified threats and opportunities
- B. It documents the risk tolerances
- C. It documents the approach to risk
- D. It identifies responsibilities towards risk for the project

**Correct Answer:** A

**Section:** Risk Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 148**

There are four steps in the Risk Management procedure, what are they?

- A. Identify, Assess, Resource, Implement
- B. Identify, Evaluate, Resource, Implement
- C. Identify, Assess, Plan, Implement
- D. Identify, Evaluate, Plan, Implement

**Correct Answer: C**

**Section: Risk Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 149**

Which of the following risk responses can be used for either an opportunity or a threat?

- A. Reduce
- B. Share
- C. Reject
- D. Enhance

**Correct Answer: B**

**Section: Risk Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 150**

Which of the following statements best describes what a risk owner is?

- A. Best placed to keep an eye on the risk
- B. Carry out the response actions to a risk
- C. Responsible for management, monitoring and control of all aspects of a risk
- D. Reports to the project manager regularly on the status of a risk

**Correct Answer: C**

**Section: Risk Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 151**

#### **Scenario**

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

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

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

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

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

**Correct Answer: BD**

**Section: Risk Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 152**

#### **Scenario**

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

The Engineering Manager was made aware of this requirement but when asked he reported that he has received no communication from the photographer. The Project Manager has tried to call the photographer and has had no response. The Project Manager believes there is a risk that Portraits Ltd are overbooking work and prioritizing other clients' work. If Portraits Ltd do not deliver on schedule the project will be delayed and the expected benefits will be reduced. The contract is to be reviewed and Portraits Ltd reminded of their agreement. The project is now in stage 2. The Project Manager has heard about the possibility of a competitor also producing a calendar to be delivered earlier than the target date for this project. There is a threat that the early release of a competitor's calendar may weaken the impact of the MNO Manufacturing Company calendar, thereby reducing the anticipated benefits of the Calendar project.

Which 2 statements should be recorded under the Timing of risk management activities heading?

- A. During stage 4, the selected service provider will manage any risks to their Business Case and report these to the Project Manager on a weekly basis.
- B. The Project Board should hold monthly meetings to review project progress.
- C. When closing a project, the follow-on action recommendations should be updated with any risks relating to the realization of benefits after the outsourced services go live.
- D. Any new risks identified during product development should be reported to the Project Manager by the Team Manager when delivering the completed Work Package.
- E. When authorizing a stage, the Project Board will check that the exposure to risk is still acceptable.

**Correct Answer:** BE

**Section:** Risk Theme

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 153**

Drop down the right answer from Column 1 to column 2.

## Column 1

This plan includes the detailed design of the process model, systems model, operating model and organization model.

A monthly stage status report will be provided to the Project Board.

The high-level models, produced in the feasibility study by the management consultant, will be used by the project.

The Project Board has approved the recommendation to outsource both the Information Technology Division and the Facilities Division to one service provider and this decision must remain in place.

Based on advice from the Ministry of Trade and Industry that, in their experience, drafting a service level agreement is a lengthy process, allowances have been made for this in the Stage Plan for stage 2.

Time: +2 weeks 1-2 weeks.

## Column 2

Hot Area:

Correct Answer:

Section: Plans Theme  
Explanation

Explanation/Reference:

### QUESTION 154

Additional Information

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

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

Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. Whilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar. Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

Bright Lights: This is the local office supplies company. It supplies all the stationery and office equipment needs of the company and will supply the stationery for this project. Portraits Ltd: This is a professional photographic company with a number of excellent photographers and a history of successful work. This company has been selected to take the photos for the company calendar. It has yet to be decided which of the photographers to use.

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

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

**Correct Answer:** CD  
**Section:** Organization Theme  
**Explanation**

**Explanation/Reference:**  
Explanation:

**QUESTION 155**  
Additional Information

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

Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image. Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. Whilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar. Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

Bright Lights: This is the local office supplies company. It supplies all the stationery and office equipment needs of the company and will supply the stationery for this project. Portraits Ltd: This is a professional photographic company with a number of excellent photographers and a history of successful work. This company has been selected to take the photos for the company calendar. It has yet be decided which of the photographers to use.

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

- A. He started the company 25 years ago.
- B. He knows his job very well.
- C. He restricts his visits to the engineering area.
- D. He has the authority to commit resources as required.
- E. He has an overall perspective of the business's strategic requirements.

**Correct Answer: DE**

**Section: Organization Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 156**

Additional Information

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

Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image. Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. Whilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar. Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

Bright Lights: This is the local office supplies company. It supplies all the stationery and office equipment needs of the company and will supply the stationery for this project. Portraits Ltd: This is a professional photographic company with a number of excellent photographers and a history of successful work. This company has been selected to take the photos for the company calendar. It has yet be decided which of the photographers to use.

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

- A. She can represent the Marketing department.
- B. She previously had a successful career in publicity.
- C. The Marketing department will help to deliver the benefits of this project.

- D. The project will be funded from the business marketing budget.
- E. A number of the products will be produced by the Sales department and the Marketing department.

**Correct Answer:** AC

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 157**

Additional Information

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

Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image. Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. Whilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar. Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

Bright Lights: This is the local office supplies company. It supplies all the stationery and office equipment needs of the company and will supply the stationery for this project. Portraits Ltd: This is a professional photographic company with a number of excellent photographers and a history of successful work. This company has been selected to take the photos for the company calendar. It has yet to be decided which of the photographers to use.

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

- A. He joined the company last year with huge enthusiasm.
- B. He would like to move into the Marketing department in the future and sees this as an opportunity to work closely with the Marketing Director.
- C. The launch of a company calendar will impact the Sales department.
- D. He reports directly to the Marketing Director.
- E. He is able to represent current and prospective customer interests.

**Correct Answer:** CE

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

appropriate answer.

**QUESTION 158**

## Additional Information

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

Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image. Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. Whilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar. Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

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Which 2 statements explain why the Purchasing Manager should be appointed as a Senior Supplier for this project?

- A. He is responsible for the organization's procurement activities.
- B. He is responsible for the performance of supplier contracts.
- C. He was an engineer and worked in that area before taking up his current position.
- D. He can influence the external supplier's Business Case.
- E. He is not appropriate for the role of Executive or Senior User.

**Correct Answer:** AB

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 159**

## Additional Information

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

Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to

represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image. Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. Whilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar. Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

Bright Lights: This is the local office supplies company. It supplies all the stationery and office equipment needs of the company and will supply the stationery for this project. Portraits Ltd: This is a professional photographic company with a number of excellent photographers and a history of successful work. This company has been selected to take the photos for the company calendar. It has yet to be decided which of the photographers to use.

Which 2 statements explain why Central Records should be appointed as Project Support for this project?

- A. They control the receipt, identification, versions, storage and issue of all project products within the company's projects.
- B. They already exist within the organization and have been with the company for many years.
- C. They will ensure compliance with all company policies and procedures.
- D. They perform a quality assurance function across all projects.
- E. They have knowledge of the organizational standards that will be applicable to the project.

**Correct Answer:** AE

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 160**

Scenario:

Techniques, processes and procedures

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

Joint agreements

2. Work is to start at the beginning of week 2 (Stage 4).
3. The project will take two years to complete, at an estimated cost of £2.5m.

Tolerances

4. None.

Constraints

5. MFH staff must not be involved in any heavy lifting during the removal of existing IT equipment.
6. Installation work must take place during MFH normal working hours.
7. +£10,000 / -£25,000.

Reporting arrangements

8. Highlight Report every Monday by 10.00 am.
9. The report must contain a summary of all products worked on during the previous week.

10. Project Manager must be notified of any issues immediately by telephone.  
Problem handling and escalation
11. Impact analysis of all issues must be completed within 24 hours.  
Extracts or references
12. The Stage Plan for stage 4 is available from Project Support.  
Approval method
13. Project Assurance will review the completed Work Package and confirm completion

At the end of stage 3, the service provider will be selected and the contract awarded. During stage 4, the Account Manager for the selected service provider will work with the Project Manager to complete the transition of the services to the selected service provider.

**Hot Area:**

**Correct Answer:**

**Section: Progress Theme**  
**Explanation**

**Explanation/Reference:**

**QUESTION 161**

Which of the following statements is NOT correct?

The Learn from Experience principle suggests that lessons should be actively sought...

- A. When Starting a Project
- B. When Initiating a Project
- C. As the project progresses
- D. As the project closes

**Correct Answer: B**  
**Section: PRINCE2 Principles**  
**Explanation**

**Explanation/Reference:**  
Explanation:

**QUESTION 162**

Who is responsible for ensuring that Communication Management Strategy is appropriate and that planned communication activities actually take place?

- A. Project Assurance
- B. Project Manager
- C. Corporate or Programme Management
- D. Project Support

**Correct Answer:** A

**Section:** Organization Theme

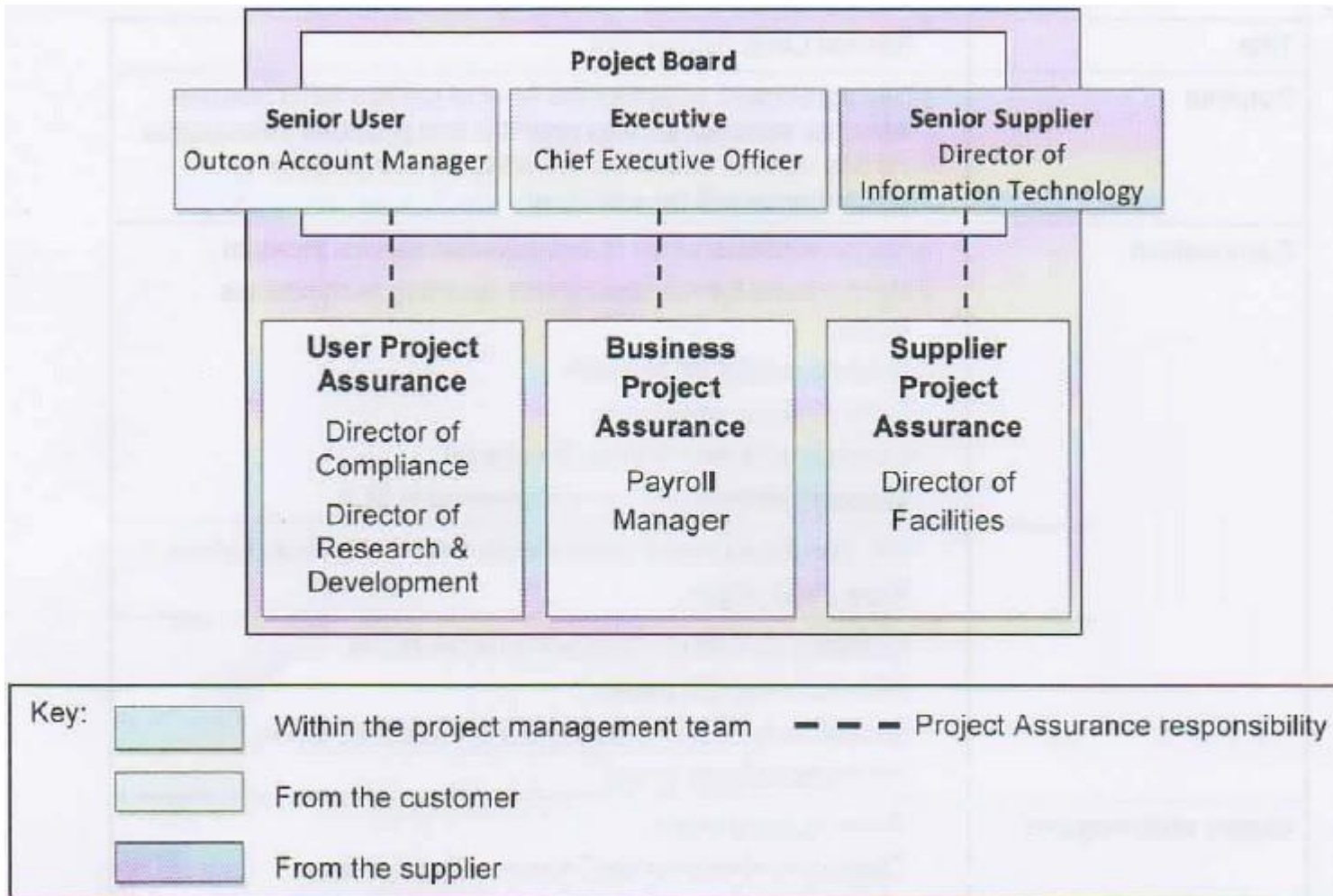
**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 163**

Additional Information



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

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

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

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

Payroll Manager: Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards. Which 2 alternative actions apply to the proposed Senior Supplier for this project?

- A. Retain because she is responsible for the design of the future Information Technology organization and working practices.
- B. Add 'Director of Facilities' because he is responsible for the design of the future organization, processes, systems and operation models for Facilities.
- C. Add 'Hardware Manager' because he provides computer hardware to all business functions and will be impacted by the outcome.
- D. Remove because she only represents the Information Technology Division.
- E. Replace with 'Director of Facilities' because he supports the initiative and has many ideas about how to improve the service.

**Correct Answer:** AB

**Section:** Organization Theme

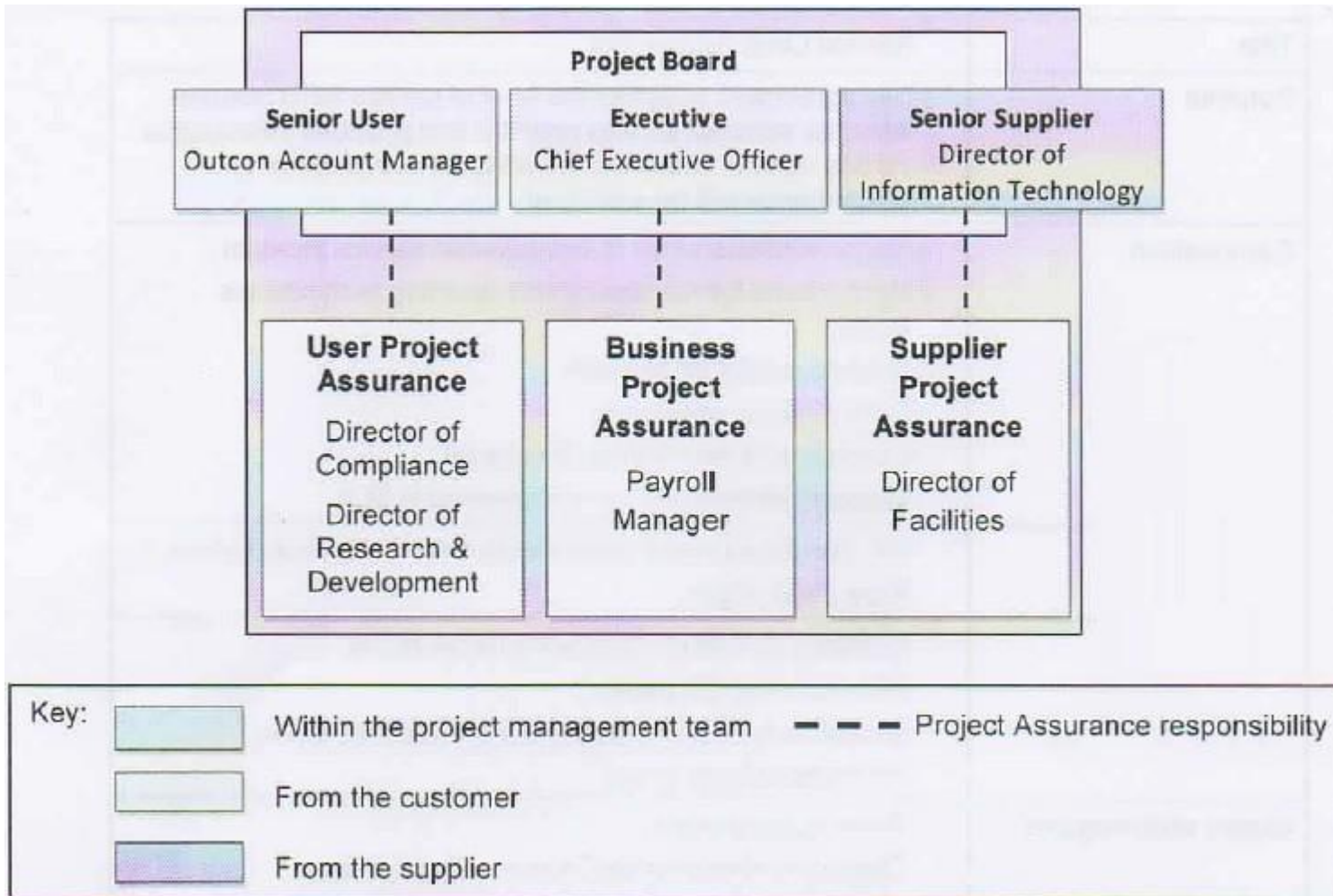
**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 164**

Additional Information



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

Payroll Manager: Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards. Which 2 alternative actions apply to the proposed user assurance for this project?

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

**Correct Answer:** BE

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 165**

In the PRINCE2 Quality review technique, who would most likely carry out the role of administrator:

- A. Project manager
- B. Project support
- C. Team Manager
- D. Project Assurance

**Correct Answer:** B

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 166**

Extract from the Project Product Description (with errors)

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

Which 2 statements apply to the Derivation section?

A. Move entry 9 to Composition because this is within the scope of the project.

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

**Correct Answer:** CD

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 167**

Extract from the Project Product Description (with errors)

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

Which 2 statements apply to the Acceptance criteria section?

A. Amend entry 21 to 'Appearance - 12 photos each showing different members of staff.

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

**Correct Answer:** AC

**Section:** Quality Theme

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 168**

Project Scenario

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

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

The project is currently in initiation and will have two further stages:

Stage 2 will include the activities to:

Stage 3 will include the activities to:

A production cost forecast, based on the options and costs for the paper, envelope, printing and marketing of the calendar is to be produced in stage 2. However, the actual production and distribution of the calendars is not within the scope of the project. The product cost forecast will be reviewed by the Project Board to determine whether the project should continue. It is now 05 October and the prepared calendar pack must be delivered to the print company by 30 November, to enable printing and distribution of the calendar in time for Christmas. The cost of the activities to develop the specialist products and the cost of the project management activities are estimated to be £20,000. There is a project time tolerance of +1 week /-2 weeks and a project cost tolerance of +£6,000 / -£6,000. A change budget of £500 has been allocated but there is no risk budget.

At the end of initiation there is +1 week 1-2 weeks time tolerance for this project. Which statement is true?

- A. There can be no time tolerances for any of the stages.
- B. All of the project level time tolerance can be allocated to stage 2.
- C. The Stage Plan for stage 2 could create some additional project time tolerance by allowing no time tolerance in Team Plans.
- D. Additional time tolerance for the project could be found by adding extra resources without affecting other tolerances.

**Correct Answer: B**  
**Section: Progress Theme**  
**Explanation**

**Explanation/Reference:**  
Explanation:

**QUESTION 169**  
Project Scenario

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

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

The project is currently in initiation and will have two further stages:

Stage 2 will include the activities to:

Stage 3 will include the activities to:

A production cost forecast, based on the options and costs for the paper, envelope, printing and marketing of the calendar is to be produced in stage 2. However, the actual production and distribution of the calendars is not within the scope of the project. The product cost forecast will be reviewed by the Project Board to determine whether the project should continue. It is now 05 October and the prepared calendar pack must be delivered to the print company by 30 November, to enable printing and distribution of the calendar in time for Christmas. The cost of the activities to develop the specialist products and the cost of the project management activities are estimated to be £20,000. There is a project time tolerance of +1 week / -2 weeks and a project cost tolerance of +£6,000 / -£6,000. A change budget of £500 has been allocated but there is no risk budget.

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

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

**Correct Answer: C**

**Section: Progress Theme**  
**Explanation**

**Explanation/Reference:**  
Explanation:

**QUESTION 170**

Scenario:

Techniques, processes and procedures

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

Joint agreements

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

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

Tolerances

4. None.

Constraints

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

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

7. +£10,000 / -£25,000.

Reporting arrangements

8. Highlight Report every Monday by 10.00 am.

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

10. Project Manager must be notified of any issues immediately by telephone.

Problem handling and escalation

11. Impact analysis of all issues must be completed within 24 hours.

Extracts or references

12. The Stage Plan for stage 4 is available from Project Support.

Approval method

13. Project Assurance will review the completed Work Package and confirm completion.

Which 2 statements apply to either the Development Interfaces or Operations and maintenance interfaces sections?

- A. Delete entry 2 because this interface will be contained in the Communication Management Strategy.
- B. Delete entry 3 because this interface will be contained in the project control section of the Project Initiation Documentation.
- C. Amend entry 4 to 'The transferred products relating to the services provided by the Facilities Division'.
- D. Add 'Project Board, with responsibility for communicating progress to corporate management' to
- E. Operations and maintenance Interfaces.
- F. Add 'Facilities Team Manager, with responsibility for the transfer of services provided by the Facilities Division' to Development Interfaces.

**Correct Answer:** DF

**Section: Progress Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 171**

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

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

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

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

**Correct Answer: C**

**Section: Managing a Stage Boundary and Closing a Project**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 172****Additional Information**

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

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

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

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

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

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

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

Lines 1 to 5 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

**Hot Area:**

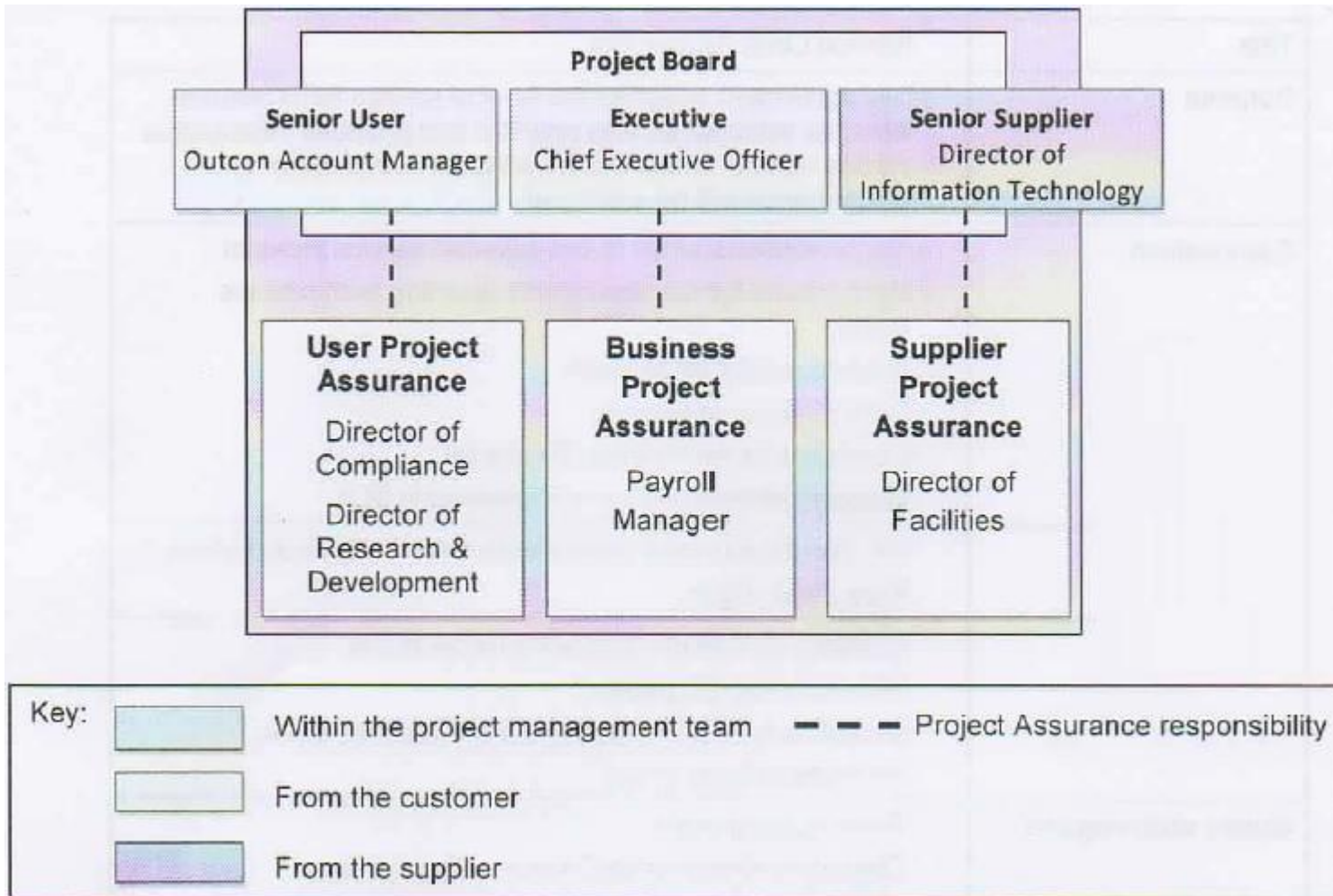
**Correct Answer:**

**Section: Organization Theme**  
**Explanation**

**Explanation/Reference:**

#### **QUESTION 173**

Additional Information



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

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

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

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

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

Using the Project Scenario and the additional information provided for this question in the Scenario Booklet, answer the following question about roles on the Outsourcing project.

**Hot Area:**

**Correct Answer:**

**Section: Organization Theme**  
**Explanation**

**Explanation/Reference:**

#### **QUESTION 174**

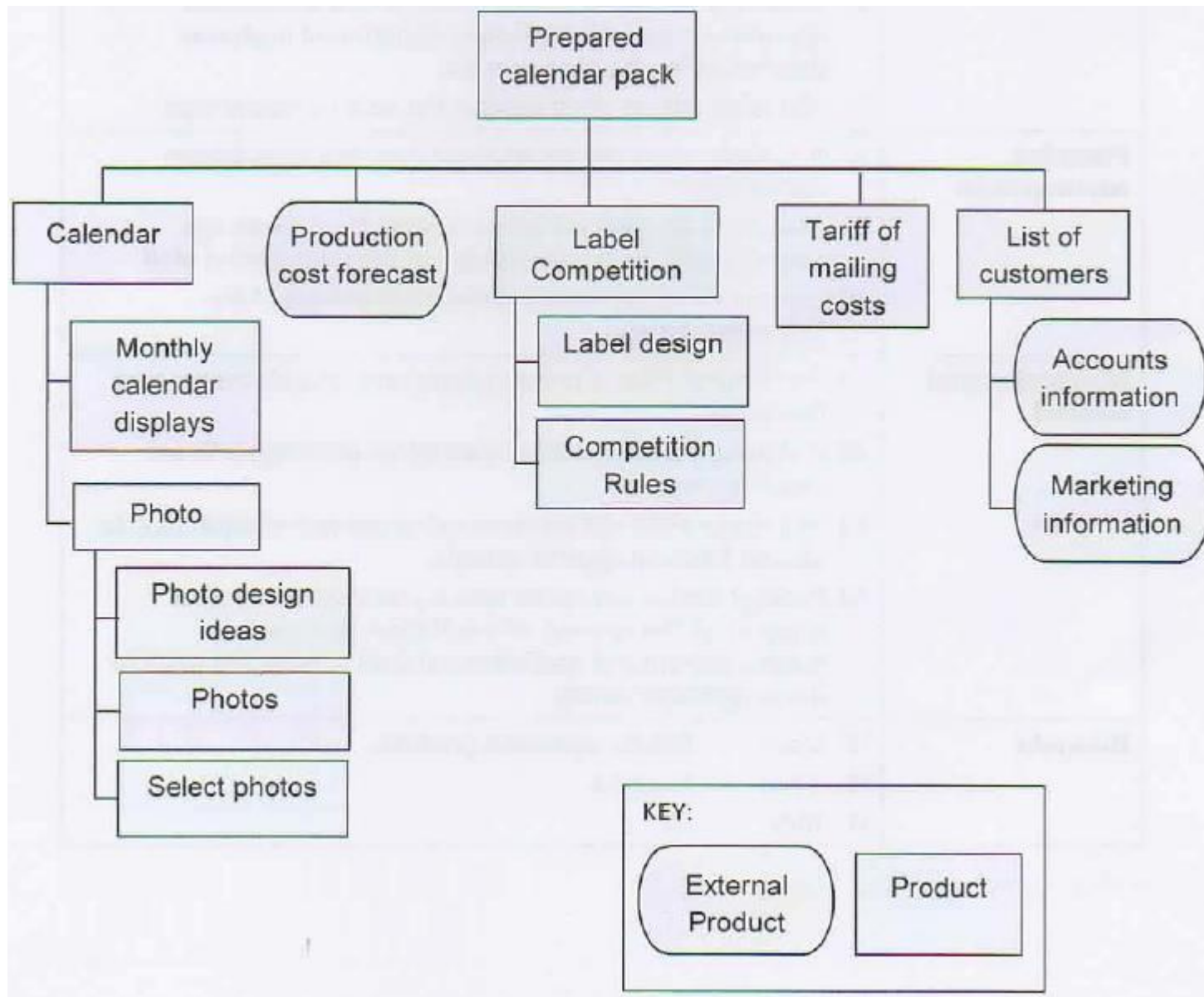
Product Summary

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

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

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

Product Breakdown Structure (contains errors)



Extract from Stage Plan for stage 3.  
(All entries are true statements but may not be shown under the correct heading or in the correct document).



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

Using the Product Summary and Product Breakdown Structure provided as additional Information for this question In the Scenario Booklet, answer the following question.

Column 1 is a list of some of the entries in the product breakdown structure. Determine whether each entry in Column 1 has been correctly shown in the product breakdown structure. Select from Column 2 the appropriate statement that correctly describes that entry. Each selection from Column 2 can be used once, more than once or not at all.

Column 1	Column 2
Production cost forecast	<input type="text"/>
Tariff of mailing costs	<input type="text"/>
Photo design ideas	<input type="text"/>
Accounts information	<input type="text"/>
Monthly calendar displays	<input type="text"/>
Label design	<input type="text"/>
Select photos	<input type="text"/>

Hot Area:

Correct Answer:

Section: Plans Theme

Explanation

Explanation/Reference:

#### QUESTION 175

PRINCE2 proposes 3 levels of Plan, which are they?

- A. Initiation, Project and Stage Plans
- B. Project, Stage and Exception Plans

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

**Correct Answer: D**

**Section: Plans Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 176**

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

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

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

**Correct Answer: D**

**Section: Plans Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 177**

Product based planning focuses on which of the following:

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

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

**Correct Answer:** A  
**Section:** Plans Theme  
**Explanation**

**Explanation/Reference:**  
Explanation:

**QUESTION 178**

Which statement is an appropriate entry for the outline Business Case heading within the Project Brief?

- A. 10 year service contract should be agreed with the selected service provider.
- B. External consultants were employed to conduct a feasibility study to identify the options, their likely costs and benefits.
- C. The project will run for two years and the benefits will be realized over 1a years.
- D. The project should be split into four management stages.

**Correct Answer:** C  
**Section:** Starting up and Initiating a Project  
**Explanation**

**Explanation/Reference:**  
Explanation:

**QUESTION 179**

Scenario

Additional Information

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

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

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

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

A number of alternatives were explored, including:

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

Which 2 statements should be recorded under the Reasons heading?

- A. The Marketing department believes that sending a promotional calendar to current and prospective customers will increase orders by at least 10%.
- B. 10% of customers have not re-ordered in this financial year.
- C. 1,500 orders are expected, each with an average profit of £2k.
- D. The Marketing department believes that the effect of a good company image, portrayed by a successful calendar, will last into a second year.
- E. MNO Manufacturing is experiencing a fall in orders due in part to the increased marketing activities of its competitors.

**Correct Answer:** BE

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 180**

Scenario

Additional Information

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

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

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

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

A number of alternatives were explored, including:

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

Which 2 statements should be recorded under the Business options heading?

- A. Produce a promotional calendar as a free Christmas gift to current and prospective customers.
- B. Use a professional photographer to create the photographs for the calendar.
- C. Create the photographs for the calendar internally.
- D. Outsource the creation of the calendar to a professional marketing company.
- E. Do nothing.

**Correct Answer:** AE

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 181**

Scenario

Additional Information

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

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

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

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

A number of alternatives were explored, including:

The calendar is seen as the favored option, as long as the company's competitors do not increase their marketing activity. Whilst the Marketing department wants a very high quality, glossy product, the project management team must be aware of the cost this will incur. Which 2 statements should be recorded under the Timescale heading?

- A. Benefits will be lost if the project is not completed on time.
- B. A recruitment campaign to fill the existing staff vacancies will need to take place in the next 12 months.
- C. Additional 10% increase in orders in year two.

- D. The prepared calendar pack must be delivered by the first week in December.
- E. The print company requires a 2 week notification period of the calendar pack delivery.

**Correct Answer:** CD

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 182**

Scenario

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

Do nothing.

Re-engineer selected business functions.

Outsource selected business functions.

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

One service provider should be contracted to provide the services currently provided by the Information Technology Division and the Facilities Division. A 10-year service contract should be agreed with the selected service provider.

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

Use PRINCE2.

Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.

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

Stage 3. Request and evaluate proposals, select service provider and agree contract. Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

The Outsourcing project has completed the Starting up a Project process and is now in the initiation stage. Because of the strategic importance of the project, the MFH Chief Executive Officer has taken the role of Executive. A PRINCE2-experienced Project Manager has been appointed from within

MFH. Staff within the business functions being outsourced will work with the external consultants who conducted the feasibility study to define the detailed designs.

Which 2 statements should be recorded under the Major risks heading?

- A. Due to market conditions a suitable service provider may not be found, possibly leading to premature closure of the project.
- B. Owing to employment contract changes staff may resist outsourcing, which would make it difficult to transfer staff to the selected service provider.
- C. MFH's operations may be reduced and the 1a-year contract may not achieve its estimated value of £80m, which would reduce the service provider's profit.
- D. The initial estimates, taken from the feasibility study report, indicate that the project will take two years to complete, which means that the business problems would remain for this period.
- E. The management stages recommended by the consultants may not be appropriate, resulting in confusion in planning.

**Correct Answer:** BD

**Section:** Business Case Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 183**

Which of the following is False?

A Successful project management team should.

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

**Correct Answer:** B

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

Explanation:

#### **QUESTION 184**

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

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

**Correct Answer:** D

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 185**

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

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

**Correct Answer:** A

**Section:** Risk Theme

**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 186**

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

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

**Correct Answer:** D

**Section:** Risk Theme

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 187**

#### **Scenario**

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

The Engineering Manager was made aware of this requirement but when asked he reported that he has received no communication from the photographer. The Project Manager has tried to call the photographer and has had no response. The Project Manager believes there is a risk that Portraits Ltd are overbooking work and prioritizing other clients' work. If Portraits Ltd do not deliver on schedule the project will be delayed and the expected benefits will be reduced. The contract is to be reviewed and Portraits Ltd reminded of their agreement. The project is now in stage 2. The Project Manager has heard about the possibility of a competitor also producing a calendar to be delivered earlier than the target date for this project. There is a threat that the early release of a competitor's calendar may weaken the impact of the MNO Manufacturing Company calendar, thereby reducing the anticipated benefits of the Calendar project.

Which 2 statements should be recorded under either the Records or Reporting headings?

- A. Project Support will maintain the Risk Register.
- B. The evaluated net effect of all risks will be updated at the end of each stage and included in the End Stage Report.
- C. The Change Authority will report monthly to the Project Manager on the status of the change budget.
- D. Risks that are likely to occur within the next two weeks should be recorded as imminent.
- E. A summary of risks will be maintained and included with the monthly Highlight Reports to the Project Board.

**Correct Answer: BC**

**Section: Risk Theme**

**Explanation**

**Explanation/Reference:**

Explanation:

### **QUESTION 188**

#### **Additional Information**

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

Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget,

from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image. Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. Whilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar. Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

Bright Lights: This is the local office supplies company. It supplies all the stationery and office equipment needs of the company and will supply the stationery for this project. Portraits Ltd: This is a professional photographic company with a number of excellent photographers and a history of successful work. This company has been selected to take the photos for the company calendar. It has yet be decided which of the photographers to use.

Which 2 statements explain why the Sales Manager should be appointed as User Assurance for this project?

- A. He joined the company last year with huge enthusiasm and is keen to increase sales.
- B. He can provide an evaluation of the potential impact the calendar will have on sales.
- C. He is able to advise on suitable stakeholder engagement of current and prospective customers.
- D. He would like to move into the Marketing department in the future and sees this as an opportunity to work closely with the Marketing Director.
- E. He can resolve any conflict in requirements between the Sales department and the Marketing department.

**Correct Answer:** BC

**Section:** Organization Theme

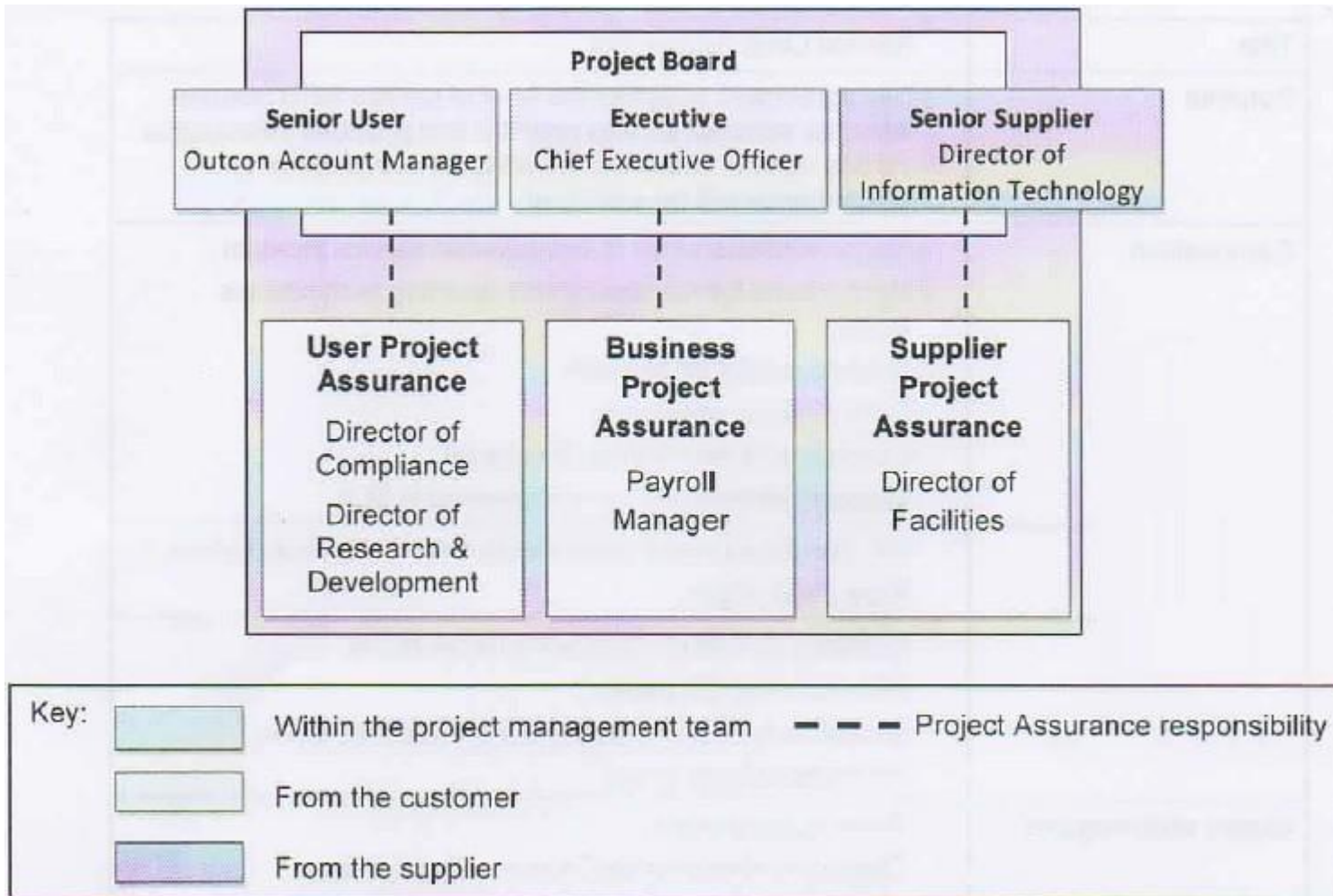
**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 189**

Additional Information



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

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

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

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

Payroll Manager: Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards. Which 2 alternative actions apply to the proposed Executive for this project?

- A. Retain because he accepts that outsourcing is the best solution.
- B. Replace with 'Director of Finance Division' because she can ensure a cost-conscious approach to the project that gives value for money.
- C. Retain because he has the right level of authority to be able to control the strategic nature of the Outsourcing project.
- D. Add 'Director of Finance' because she understands the operation of the Information Technology Division and the Facilities Division.
- E. Replace with 'Payroll Manager' because he is a very experienced and efficient qualified accountant.

**Correct Answer:** BC

**Section:** Organization Theme

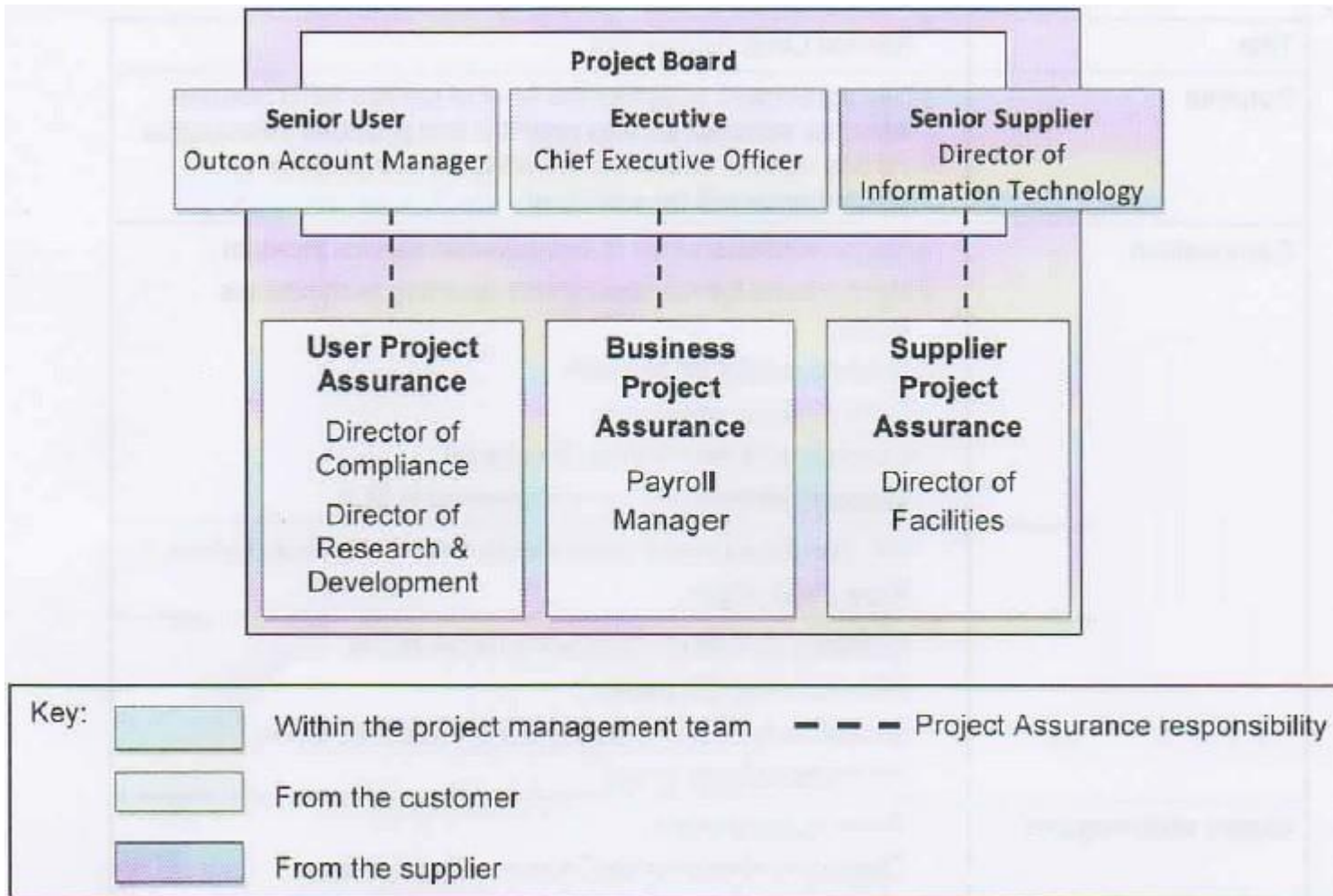
**Explanation**

**Explanation/Reference:**

Explanation:

**QUESTION 190**

Additional Information



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

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

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

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

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

Which 2 alternative actions apply to the proposed Senior User for this project?

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

**Correct Answer:** BC

**Section:** Organization Theme

**Explanation**

**Explanation/Reference:**

Explanation: