

MCQ- PROJECT MANAGEMENT

UNIT-1

1. What is the term for organizational development through a formally designed organizational structure?
 - A. Organic
 - B. Mechanistic
 - C. Formal
 - D. Structured

2. How can organizational structures that are characterized by democratic and inclusive styles of management be described?
 - A. Hierarchical
 - B. Bureaucratic
 - C. Flat
 - D. Functional

3. Specialization is a feature of which organizational structure?
 - A. Matrix
 - B. Divisional
 - C. Multi-divisional
 - D. Functional

4. What is the term for an autonomous business entity within an overall corporate enterprise which is set apart from other areas of the business?
 - A. Subsidiary
 - B. Strategic partnership
 - C. Strategic alliance
 - D. Strategic business unit

5. What is not a purpose of an organizational structure?
 - A. To coordinate people and resources
 - B. To organize lines of communication
 - C. To formalize authority
 - D. To limit workers' right

6. Who is named as Father of Value Analysis ?
 - A. Lawrence D. Miles
 - B. George Terborgh

C. Michael Jucius

D. Edwin B. Flippo

7. The **PERT** in project management means program evaluation and _____ technique.

- A resource
- B reconciliation
- C reconsideration
- D review

8. "Risk" usually _____ as the project progresses.

- A increases
- B reduces
- C remains same
- D becomes negligible

9. Assembling project team and assigning their responsibilities are done during which phase of a project management?

- A Initiation
- B Planning
- C Execution
- D Closure

10. If any one factor of a project changes, _____ other factor(s) is/are likely to be affected.

- A all
- B one
- C at least one
- D at most one

11. Business Value =

- A Tangible Elements
- B Intangible Elements
- C Tangible Elements – Intangible Elements
- D Tangible Elements + Intangible Elements

12. Which from the following is NOT a tangible element?

- A Fixtures
- B Trademarks
- C Monetary assets
- D Stockholder equity

13. Which from the following represents the correct project cycle?

- A Planning → Initiating → Executing → Closing
- B Planning → Executing → Initiating → Closing
- C Initiating → Planning → Executing → Closing
- D Initiating → Executing → Planning → Closing

14. The strategy used to correct resource over-allocations by balancing demand for resources and the available supply is known as

- A resource assignment
- B resource levelling
- C resource splitting
- D resource scheduling

15. A horizontal bar chart that shows project tasks against a calendar is called
- A milestone
 - B goal
 - C Gantt chart
 - D PERT chart

UNIT-2

1. While assessing your project processes, you have identified some uncontrolled process variations. Which of the following would be the appropriate chart you may use for this purpose?

Select one:

- A. Pareto diagram
- B. PERT chart
- C. Control chart
- D. HR personnel chart

2. Once the project is approved and moves into the planning stage, what happens in the next phase of the project life cycle?

Select one:

- A. Agreements for risk sharing need to be concluded.
- B. The total risk on the project typically reduces as activities are performed without loss.
- C. Risks must be weighed against the potential benefit of the project's success in order to decide if the project should be chosen.
- D. Risks are identified with each major group of activities.

3. Risk must be considered in the _____ phase and weighed against the potential benefit of the project's success in order to decide if the project should be chosen.

Select one:

- A. completion
- B. execution
- C. planning
- D. initiation

4. Due to the rapid expansion of your company, your boss decides to establish a project management office (PMO) within the company and asks you to take the lead. According to the PMBOK guide, to be the ideal PMO you can do which of the following?

Select one:

- A. Speed up a specific ongoing project.
- B. Find opportunities for collaborative project management.
- C. Reassign the resources that have been assigned to ongoing projects.
- D. Reduce the assigned resources to existing projects.

5. Why does the creation of processes for developing teams, establishing priorities, and distributing work and tasks require different sets of skills?

Select one:

- A. Because resources on the project management team may view it as permanent
- B. Because resources on the project management team may view it as temporary

C. Because resources on the project team are not aware of the technical aspects of the initiative

D. Because members of the project management team are not aware of the knowledge and skills of the other people working on the project

6. Under which of the following conditions would teams be more effective than individuals?

Select one:

A. When speed is important

B. When the activities involved in solving the problem are very detailed

C. When the actual document needs to be written

D. When innovation is required

7. Which of the following is the process of understanding the knowledge, skills, and abilities needed to manage a task and then matching the team members with the right skills to do that work?

Select one:

A. Benchmarking

B. Expediting

C. Procurement

D. Delegation

8. There is _____ correlation between project complexity and project risk. Select one:

a. an unknown

b. a positive

c. no

d. a negative

9. As a new project manager, Karen was worried about a statement from her client: “your project deliverable is in low quality with low grade”. According to PMBOK, how can you help Karen distinguish the differences between “quality” and “grade”?

Select one:

A. Quality and grade represent the same thing.

B. Low quality can never be a problem, but low grade is.

C. Low quality represents a true problem, but low grade might not be the case.

D. Low quality with high grade is always desirable to your client. e. High quality always represents high grade.

10. During the _____ of a project, the project manager focuses on developing the project infrastructure needed to execute the project and developing clarity around the project charter and scope.

Select one:

A. completion

B. start-up

C. execution

D. evaluation

11. What is the first step in developing a risk management plan?

Select one:

A. Analyse the risks.

- B. Estimate the likelihood of the risks occurring.
- C. Identify potential project risks.
- D. Develop a risk mitigation plan.

12. Complete the following statement. As the project progresses into the execution phase:

Select one:

- A. risks need to be checked off on activities that have been performed.
- B. the total risk on the project typically increases.
- C. risks are identified with each major group of activities.
- D. a risk response plan can be used to identify increasing levels of detailed risk analysis.

13. Which of the following statements about achieving a common understanding of the project purpose is true?

Select one:

- A. A common understanding means building a consensus and disagreement regarding a project's purpose is often fatal to project execution.
- B. Developing a common understanding involves defining project success, determining potential barriers to success, establishing milestones, and identifying decision-makers.
- C. The methods and processes employed to develop a common understanding depend on the duration of the project.
- D. Irrespective of the complexity of the project, developing a common understanding usually involves informal discussions that last a few hours.

14. What is considered to be the most useful skill for a project manager who works in a matrix environment in order to achieve project goals?

Select one:

- A. Leadership skill
- B. Influencing
- C. Conflict management skill
- D. Time management

15. Marco is an investor, and Jon is a project team member. Both have intensive technical background for the project that you are managing. However, recently they have disagreed on the next step to take for the project. They both decide to defer to whoever has the authority to make this decision. Who has the authority to decide which direction should be taken for the project?

Select one:

- A. Project manager
- B. Stakeholders
- C. The project team
- D. Investors

UNIT-3

1. A critical path network diagram does NOT:

- A. Help determine the amount of float
- B. Identify the particularly important activities
- C. Calculate earned value
- D. Calculate the duration of the whole project

2. Changes to the project involve moving from:
- A. Project control stage to project definition stage
 - B. Project control stage to project planning stage
 - C. Project control stage to understanding the project environment stage
 - D. None of the above
3. The project life cycle consists of
- A. Understanding the scope of the project
 - B. Objectives of the project
 - C. Formulation and planning various activities
 - D. All of the above
4. Resource requirement in project becomes constant while the project is in its _____ progress stage.
- A. 40 to 55%
 - B. 55 to 70%
 - C. 70 to 80%
 - D. 80 to 95%
5. Costs that are not directly related to the products or services of the project but are indirectly related to performing the project.
- A. Intangible Costs
 - B. Sunk Cost
 - C. Tangible Costs
 - D. Indirect Costs
6. Which of the following statements is true?
- A. PERT is considered as a deterministic approach and CPM is a probabilistic technique.
 - B. PERT is considered as a probabilistic techniques and CPM is considered as a deterministic approach.
 - C. PERT and CPM are both probabilistic techniques.
 - D. PERT and CPM are both considered as deterministic approaches.
7. An uncertain event or condition that, if it occurs, has a positive or negative effect on a project objective is termed.
- A. Random Chance
 - B. Disaster
 - C. Risk
 - D. Hazard
8. The cost impact of a risk event occurring as a project proceeds through its life cycle tends to
- A. Slowly rise
 - B. Slowly drop
 - C. Drop sharply and then level out
 - D. Rise sharply and then level out
9. A portfolio can best be defined as:
- A. a group of projects and programs carried out within an organization
 - B. a group of programs carried out under the sponsorship of an organization

- C. a group of projects carried out under the sponsorship of an organization
- D. a range of products and services offered by an organization

10. Which of the following is not correct about initial phase of a project?

- A. The cost associated at the beginning of the project is highest.
- B. Stakeholders have maximum influence during this phase
- C. The highest uncertainty is at this stage of the project.
- D. All the above statements are correct.

11. Which is the first stage in the project management model?

- A. Understanding the project environment
- B. Project definition
- C. Project control
- D. Project planning

12. Which of the following is a factor that influences project selection?

- A. Perceived and real needs
- B. List of potential and ongoing projects
- C. Current organizational environment
- D. All of the above

13. When classifying and ranking projects, which of the following refers to the amount and type of resources the project requires and their availability?

- A. Value chain availability
- B. Business placement
- C. Resource availability
- D. Potential benefits

14. When classifying and ranking projects, which of the following refers to the extent to which the project is viewed as helping the organization achieve its strategic objectives and long-term goals?

- A. Resource availability
- B. Business placement
- C. Strategic alignment
- D. Potential benefits

15. During feasibility analysis it is necessary to examine several alternative solutions because

- (i) a comparison of alternatives will lead to a cost-effective solution
- (ii) a pre-conceived single solution may turn out to be unimplementable
- (iii) it is always good to examine alternatives
- (iv) management normally looks at alternatives

- A. i and iii
- B. i and iv
- C. i and ii
- D. ii and iv

UNIT-4

1. Which of the following is a main reason why project managers need to understand their organization's mission and strategy?

- A. They can better focus on the immediate customer
- B. They can make appropriate decisions and adjustments
- C. So they can be effective project advocates
- D. Both B and C are correct

2. Project managers who do not understand the role that their project plays in accomplishing the organization's strategy tend to make all the following mistakes except:

- A. Focusing on low priority problems
- B. Overemphasizing technology as an end in and of itself
- C. Focusing on the immediate customer
- D. All the above are likely mistakes

3. Susie's department is implementing many projects. She finds herself starting and stopping work on one task to go and work on another task, and then return to the work on the original task. Susie is experiencing

- A. Poor scheduling
- B. Excess work burden
- C. Flexible tasking
- D. Multitasking

4. Project selection criteria are typically classified as:

- A. Financial and non-financial
- B. Short-term and long-term
- C. Strategic and tactical
- D. Required and optional

5. Which of the following financial models are typically included in project selection?

- A. Payback
- B. Net present value
- C. Internal rate of return
- D. Both A and B are correct

6. Projects are usually classified into all but one of the following categories. Which one is not one of the typical classifications?

A. Compliance and emergency

B. Operational

C. Strategic

D. Political necessity

7. Jose is looking at a document that outlines the specific tasks and subtasks required to complete the writing of a technical support manual. The method that was probably used to develop the document is most likely

A. Responsibility matrix

B. Organization breakdown structure

C. Work breakdown structure

D. Priority matrix

8. The first step in creating the necessary information to manage a project is to

A. Establish project priorities

B. Define the project scope

C. Verify the budget available

D. Assign team members to work on the project

9. In reviewing the project plan, Susan sees that the first prototype is due by October 12. This would be best classified as a

A. Project target

B. Limit item

C. Milestone

D. Project objective

10. "To construct a high-quality, custom home within five months at costs not to exceed \$150,000" is best classified as

A. A deliverable

B. A milestone

C. An objective

D. A limit

11. The process of forecasting or approximating the time and cost of completing project deliverables is called

A. Budgeting

B. Predicting

C. Estimating

D. Planning

12. A good starting point for developing time and cost estimates is

A. Past experience

B. Work packages

C. Task analysis

D. Time and motion studies

13. Typical kinds of costs found in a project include

A. Direct costs

B. Project overhead costs

C. General and administrative costs

D. A, B, and C are all included

14. Which of the following would be considered a direct project cost?

A. Labor

B. Materials

C. Equipment

D. A, B, and C are all considered direct costs

15. Reasons why estimating time and cost are important include all of the following except:

A. To schedule work

B. To determine how long the project should take and cost

C. To develop cash flow needs

D. All of the above are valid reasons

ANSWER KEY

1	B	11	D	21	D	31	C	41	A	51	D
2	C	12	B	22	D	32	A	42	D	52	C
3	D	13	C	23	B	33	D	43	C	53	B
4	D	14	B	24	C	34	D	44	C	54	C
5	D	15	C	25	B	35	D	45	C	55	C
6	A	16	C	26	C	36	B	46	D	56	C
7	D	17	D	27	A	37	C	47	D	57	A

8	B	18	D	28	B	38	A	48	D	58	D
9	A	19	B	29	B	39	A	49	A	59	D
10	C	20	B	30	C	40	A	50	D	60	D