

Modern Project Management

Multiple Choice Questions

1. A professional organization for project management specialists is the
 - A. PMI.
 - B. AMA.
 - C. MIS.
 - D. IPM.
 - E. PMBOK.

2. Which of the following is NOT considered to be a characteristic of a project?
 - A. An established objective
 - B. A clear beginning and end
 - C. Specific time, cost and performance requirements
 - D. For internal use only
 - E. Something never been done before

3. Which of the following activities is NOT considered a project?
 - A. Developing a new software program
 - B. Designing a space station
 - C. Preparing the site for the Olympic Games
 - D. Production of automobile tires
 - E. Developing a new advertising program

4. Which of the following activities is the best example of a project?
- A. Processing insurance claims
 - B. Producing automobiles
 - C. Writing a policy manual
 - D. Monitoring product quality
 - E. Overseeing customer requests
5. Which of the following is NOT one of the stages of a project life cycle?
- A. Identifying
 - B. Defining
 - C. Planning
 - D. Executing
 - E. Closing
6. In the _____ stage of the project life cycle, project objectives are established, teams are formed, and major responsibilities are assigned.
- A. Identifying
 - B. Defining
 - C. Planning
 - D. Executing
 - E. Closing

7. In the _____ stage of the project life cycle, a major portion of the physical project work performed.
- A. Identifying
 - B. Defining
 - C. Planning
 - D. Executing
 - E. Closing
8. In the _____ stage of the project life cycle you are more likely to find status reports, changes, and the creation of forecasts.
- A. Identifying
 - B. Defining
 - C. Planning
 - D. Executing
 - E. Closing
9. In the _____ stage of the project life cycle the project's schedule and budget will be determined.
- A. Identifying
 - B. Defining
 - C. Planning
 - D. Executing
 - E. Closing

10. In the _____ stage of the project life cycle project the product is delivered to the customer and resources are reassigned.

- A. Identifying
- B. Defining
- C. Planning
- D. Executing
- E. Closing

11. Which of the following is NOT typical of a project manager?

- A. Managing a temporary activity
- B. Overseeing existing operations
- C. Managing a nonrepetitive activity
- D. Responsible for time, cost and performance trade-offs
- E. Work with a group of outsiders, including vendors and suppliers

12. Which of the following is NOT one of the driving forces behind the increasing demand for project management?

- A. Compression of the product life cycle
- B. Knowledge explosion
- C. Increasing need for multiproject management
- D. Declining need for product customization
- E. More sustainable business practices

13. Project management is ideally suited for a business environment requiring all of the following EXCEPT
- A. Accountability.
 - B. Flexibility.
 - C. Innovation.
 - D. Speed.
 - E. Repeatability.
14. Which dimension of project management centers on creating a temporary social system within a larger organizational environment that combines the talents of a divergent set of professionals working to complete the project?
- A. Communication
 - B. Sociocultural
 - C. Social
 - D. Technical
 - E. Scheduling
15. Which of the following statements is true?
- A. Project management is far from a standard way of doing business
 - B. Project management is increasingly contributing to achieving organizational strategies
 - C. Project management is being used at a consistent percentage of a firm's efforts
 - D. Project management is a specialty that few organizations have access to
 - E. All of these statements are false

16. Project management is important to understand when people are a part of a project team because they
- A. Work with others to create a schedule and budget.
 - B. Need to understand project priorities so they can make independent decisions.
 - C. Need to be able to monitor and report project progress.
 - D. Need to understand the project charter or scope statement that defines the objectives and parameters of the project.
 - E. All of these are reasons it is important for project team members to understand project management.
17. Project governance does NOT include
- A. Setting standards for project selection.
 - B. Overseeing project management activities.
 - C. Centralization of project processes and practices.
 - D. Options for continuous improvement.
 - E. Allowing project managers to plan the project the way they see fit.
18. Projects should align with the organization's overall strategy in order to
- A. Complete the project safely.
 - B. Reduce waste of scarce resources.
 - C. Ensure customer satisfaction.
 - D. Secure funding.
 - E. None of these are reasons why projects should align with the organization's overall strategy.

19. Two dimensions within the project management process are
- A. Technical and sociocultural.
 - B. Cost and time.
 - C. Planned and unexpected.
 - D. Established and new.
 - E. Unique and reoccurring.
20. Which of these is NOT part of the "technical dimension" of project management?
- A. WBS
 - B. Budgets
 - C. Problem solving
 - D. Schedules
 - E. Status reports
21. Which of these is NOT part of the "sociocultural dimension" of project management?
- A. Negotiation
 - B. Resource allocation
 - C. Managing customer expectations
 - D. Leadership
 - E. Dealing with politics
22. Corporate downsizing has increased the trend toward
- A. Reducing the number of projects a company initiates.
 - B. Outsourcing significant segments of project work.
 - C. Using dedicated project teams.
 - D. Shorter project lead times.
 - E. Longer project lead times.

23. Which of the following is NOT a reason why project management has become a standard way of doing business?
- A. Increased need for skilled management of stakeholders outside of organization
 - B. Projects need to be done faster
 - C. Organizations are doing more project work in-house instead of outsourcing
 - D. Organizations are executing more and more projects
 - E. Increased product complexity and innovation
24. Which of the following is typically the responsibility of a project manager?
- A. Meeting budget requirements
 - B. Meeting schedule requirements
 - C. Meeting performance specifications
 - D. Coordinating the actions of the team members
 - E. All of these are typical responsibilities
25. A series of coordinated, related, multiple projects that continue over an extended time period and are intended to achieve a goal is known as a
- A. Strategy.
 - B. Program.
 - C. Campaign.
 - D. Crusade.
 - E. Venture.

26. Which of the following is NOT true about project management?
- A. It is not limited to the private sector
 - B. Many opportunities are available for individuals interested in this career path
 - C. It improves one's ability to plan, implement and manage activities to accomplish specific organizational objectives
 - D. It focuses primarily on technical processes
 - E. It is a set of tools
27. As the number of small projects increase within an organization's portfolio, what is a challenge an organization faces?
- A. Sharing resources
 - B. Measuring efficiency
 - C. Managing risk
 - D. Prioritizing projects
 - E. All of these are challenges
28. Governance of all project management processes and procedures helps provide senior management with all of the following EXCEPT
- A. A method to ensure projects that are important to senior management are being implemented
 - B. An assessment of the risk their portfolio of projects represents
 - C. An overview of all project management activities
 - D. A metric to measure the improvement of managing projects relative to others in the industry
 - E. A big picture of how organizational resources are being used

29. Which of the following is a good example of a program?

- A. Planting a garden
- B. Developing a new residential area that includes six custom homes
- C. Developing a new marketing plan
- D. Taking notes each class meeting to prepare for the final
- E. Planning a wedding

30. Which of the following represents the correct order of stages within the project life cycle?

- A. Planning, Defining, Executing, Closing
- B. Closing, Planning, Defining, Executing
- C. Defining, Planning, Executing, Closing
- D. Executing, Defining, Planning, Closing
- E. Planning, Defining, Closing, Executing

Fill in the Blank Questions

31. Project management is not limited to the _____ sector.

32. The initial stage in the project life cycle is the _____ stage.

33. The final stage in the project life cycle is the _____ stage.

34. A professional organization for project managers that has grown from 93,000 in 2002 to more than 520,000 currently is the _____.

35. A major part of the project work, both physical and mental, takes place in the _____ stage of the project life cycle.

36. The project's schedule and budget will be determined in the _____ stage of the project life cycle.

37. A temporary endeavor undertaken to create a unique product, service, or result is a(n) _____.

38. In today's high-tech industries the product life cycle is averaging _____ to 3 years.

39. The advent of many small projects has created the need for an organization that can support _____ management.

40. Increased competition has placed a premium on customer satisfaction and the development of _____ products and services.

41. In some organizations, selection and management of projects often fail to support the overall _____ of the organization.

42. WBS, schedules, and budgets are examples of the _____ dimension of the project management process.

43. Leadership, teamwork, and negotiation are examples of the _____ dimension of the project management process.

44. A professional organization for project management specialists is the _____.

45. One of the defining characteristics of a project is that it has a singular purpose, i.e., an established _____.

46. Because projects have a defined beginning and end, the _____ is frequently used to manage the transitions of a project from start to completion.

47. The _____ typically passes sequentially through four stages.

48. The establishment of project goals, specifications, and responsibilities usually occurs in the _____ stage of the project life cycle.

49. Training the customer, reassigning staff, and releasing resources occurs in the _____ stage of the project life cycle.

50. Project managers are expected to ensure that appropriate trade-offs are made between the time, cost, and _____ requirements of the project.
- _____
51. An increase in the complexity of projects, because projects typically include the latest advances, can be the result of a growth in new _____.
- _____
52. A(n) _____ is a series of coordinated, related multiple projects that continue over an extended time intended to achieve a goal.
- _____
53. Applying a set of knowledge, skills, tools, and techniques to a collection of projects in order to move the organization toward its strategic goals is known as project _____.
- _____

True / False Questions

54. Because of the profitability motive, project management is nearly always limited to the private sector.
- True False
55. Most people who excel at managing projects never have the title of project manager.
- True False
56. The professional certification for project managers is a Project Management Professional (PMP).
- True False

57. Because of its flexibility, project management is equally useful in ongoing, routine work as well as unique, one-time projects.

True False

58. One of the defining characteristics of project management is that the projects are not confined to a single department but involve several departments and professionals.

True False

59. One of the characteristics that separate project management from other endeavors of the organization is that there are specific time, cost, and performance requirements.

True False

60. Not only is project management critical to many careers, the skill set is transferable across most businesses and professions.

True False

61. Since a construction company builds many buildings, the buildings built after the first do not fit the definition of a project.

True False

62. The first stage in the project life cycle is the concept stage.

True False

63. A major portion of the project work, both physical and mental, takes place during the production stage of the project life cycle.

True False

64. A program is a process designed to accomplish a common goal over time.

True False

65. Because of the requirement for in-depth expertise, project management is generally restricted to specialists.

True False

66. Project governance means applying a set of knowledge, skills, tools, and techniques to a collection of projects in order to move the organization toward its strategic goals.

True False

67. One of the most significant driving forces behind the demand for project management is the ever increasing lengthening of the product life cycle.

True False

68. Project management appears to be ideally suited for a business environment requiring accountability, flexibility, innovation and repeatability.

True False

69. At first glance, project managers perform the same functions as other managers. That is, they plan, schedule, motivate and control.

True False

70. Strategic plans should be written by one group of managers, projects should be selected by another group, and projects should be implemented by another group.

True False

71. Today, projects are the modus operandi or the method used for implementing organizational strategy.

True False

72. Due to corporate downsizing, significant segments of project work have been outsourced to other organizations.

True False

73. Smaller projects in larger organizations tend not to need project management skills.

True False

74. Successful project managers focus primarily on technical dimensions of project management, which include planning, scheduling, and controlling projects.

True False

75. The sociocultural dimension of project management includes managing relationships, motivating team members and negotiating project terms.

True False

76. Small business development is a major driver of project management.

True False

Short Answer Questions

77. Compare and contrast the Product Life Cycle and the Project Life Cycle.

78. Identify the five major characteristics of a project.

79. Identify and briefly describe the four stages of the Project Life Cycle.

80. "Project managers perform the same functions as other managers." Agree or disagree, and support your decision.

81. Identify and briefly describe the six current drivers of project management.

82. Describe what project governance means to project management. Why is it important to organizational strategy?

83. Even if you never aspire to be a "project manager," why is it important to know how to manage projects effectively? Explain your answer and use an example to support your answer.

84. Identify and briefly discuss the two key dimensions of managing actual projects. Explain why both are important to successfully manage a project. Use an example to support your answer.

85. What are the major differences between managing a process and managing a project?

86. Describe what it means that a project manager must work with a diverse group of characters?

87. What is the difference between a project and a program?

88. Describe how corporate downsizing is a driver for project management.

Chapter 01 Modern Project Management Answer Key

Multiple Choice Questions

1. A professional organization for project management specialists is the

- A. PMI.
- B. AMA.
- C. MIS.
- D. IPM.
- E. PMBOK.

The Project Management Institute (PMI) is a professional organization for project managers.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

2. Which of the following is NOT considered to be a characteristic of a project?

- A. An established objective
- B. A clear beginning and end
- C. Specific time, cost and performance requirements
- D. For internal use only
- E. Something never been done before

Projects have an established objective, a defined life span, the involvement of several departments and professionals, is something that has never been done before, and it has specific time, cost and performance requirements.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation
Blooms: Apply
Learning Objective: What is a Project?
Level of Difficulty: 2 Medium

3. Which of the following activities is NOT considered a project?

- A. Developing a new software program
- B. Designing a space station
- C. Preparing the site for the Olympic Games
- D. Production of automobile tires
- E. Developing a new advertising program

A project is not routine, repetitive work! Ordinary daily work typically requires doing the same or similar work over and over, while a project is done only once; a new product or service exists when the project is completed.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 2 Medium

4. Which of the following activities is the best example of a project?

- A. Processing insurance claims
- B. Producing automobiles
- C. Writing a policy manual
- D. Monitoring product quality
- E. Overseeing customer requests

A project is not routine, repetitive work! Ordinary daily work typically requires doing the same or similar work over and over, while a project is done only once; a new product or service exists when the project is completed.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 2 Medium

5. Which of the following is NOT one of the stages of a project life cycle?

- A. Identifying
- B. Defining
- C. Planning
- D. Executing
- E. Closing

The project life cycle passes sequentially through four stages: defining, planning, executing and closing.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 2 Medium

6. In the _____ stage of the project life cycle, project objectives are established, teams are formed, and major responsibilities are assigned.

- A. Identifying
- B. Defining
- C. Planning
- D. Executing
- E. Closing

Specifications of the project are defined; project objectives are established; teams are formed; major responsibilities are assigned in the defining stage.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand

7. In the _____ stage of the project life cycle, a major portion of the physical project work performed.

- A. Identifying
- B. Defining
- C. Planning
- D. Executing
- E. Closing

A major portion of the project work takes place—both physical and mental—in the executing stage.

8. In the _____ stage of the project life cycle you are more likely to find status reports, changes, and the creation of forecasts.

- A. Identifying
- B. Defining
- C. Planning
- D. Executing
- E. Closing

You are more likely to find status reports, changes and the creation of forecasts in the executing stage of the project life cycle.

Learning Objective: What is a Project?
Level of Difficulty: 2 Medium

9. In the _____ stage of the project life cycle the project's schedule and budget will be determined.

- A. Identifying
- B. Defining
- C. Planning
- D. Executing
- E. Closing

The schedule and budget are determined in the planning stage of the project life cycle.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 2 Medium

10. In the _____ stage of the project life cycle project the product is delivered to the customer and resources are reassigned.

- A. Identifying
- B. Defining
- C. Planning
- D. Executing
- E. Closing

The product is delivered and project resources are reassigned in the closing stage of the product life cycle.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

11. Which of the following is NOT typical of a project manager?

- A. Managing a temporary activity
- B. Overseeing existing operations**
- C. Managing a nonrepetitive activity
- D. Responsible for time, cost and performance trade-offs
- E. Work with a group of outsiders, including vendors and suppliers

Project managers manage temporary, nonrepetitive activities unlike functional managers who manage existing operations.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Apply

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

12. Which of the following is NOT one of the driving forces behind the increasing demand for project management?

- A. Compression of the product life cycle
- B. Knowledge explosion
- C. Increasing need for multiproject management
- D. Declining need for product customization**
- E. More sustainable business practices

An increase in need for product customization is a driving force behind the increasing demand for project management.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 2 Medium

13. Project management is ideally suited for a business environment requiring all of the following EXCEPT

- A. Accountability.
- B. Flexibility.
- C. Innovation.
- D. Speed.
- E. Repeatability.

Competing in a global market influenced by rapid change, innovation, and time to market means organizations manage more and more projects.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: Project Governance
Level of Difficulty: 2 Medium

14. Which dimension of project management centers on creating a temporary social system within a larger organizational environment that combines the talents of a divergent set of professionals working to complete the project?

- A. Communication
- B. Sociocultural
- C. Social
- D. Technical
- E. Scheduling

The sociocultural dimension of project management centers on creating a temporary social system that supports the project.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: Project Management Today-A Socio-Technical Approach
Level of Difficulty: 2 Medium

15. Which of the following statements is true?

- A. Project management is far from a standard way of doing business
- B.** Project management is increasingly contributing to achieving organizational strategies
- C. Project management is being used at a consistent percentage of a firm's efforts
- D. Project management is a specialty that few organizations have access to
- E. All of these statements are false

Project management is rapidly becoming a standard way of doing business. The future promises an increase in the importance and the role of projects in contributing to the strategic direction of organizations.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 3 Hard

16. Project management is important to understand when people are a part of a project team because they

- A. Work with others to create a schedule and budget.
- B. Need to understand project priorities so they can make independent decisions.
- C. Need to be able to monitor and report project progress.
- D. Need to understand the project charter or scope statement that defines the objectives and parameters of the project.
- E.** All of these are reasons it is important for project team members to understand project management.

Project members are expected to use project management tools and concepts such as working as a team to create a budget or schedule and be able to monitor project progress. They also need to be able to understand project priorities and parameters.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

17. Project governance does NOT include

- A. Setting standards for project selection.
- B. Overseeing project management activities.
- C. Centralization of project processes and practices.
- D. Options for continuous improvement.
- E. Allowing project managers to plan the project the way they see fit.

Project governance includes the centralization of project management processes and practices. This involves setting standards for project selection and overseeing project management activities, which results in options for continuous improvement.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: Project Governance
Level of Difficulty: 3 Hard

18. Projects should align with the organization's overall strategy in order to

- A. Complete the project safely.
- B. Reduce waste of scarce resources.
- C. Ensure customer satisfaction.
- D. Secure funding.
- E. None of these are reasons why projects should align with the organization's overall strategy.

Since projects are the modus operandi, strategic alignment of projects is of major importance to conserving and effective use of organization resources.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: Project Governance

19. Two dimensions within the project management process are

- A. Technical and sociocultural.
- B. Cost and time.
- C. Planned and unexpected.
- D. Established and new.
- E. Unique and reoccurring.

There are two dimensions within the actual execution of projects. These include the technical dimension and the sociocultural dimension.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: Project Management Today-A Socio-Technical Approach

Level of Difficulty: 1 Easy

20. Which of these is NOT part of the "technical dimension" of project management?

- A. WBS
- B. Budgets
- C. Problem solving
- D. Schedules
- E. Status reports

The technical dimension includes developing the WBS, budgets, schedules and status reports. Problem solving would be a part of the sociocultural dimension.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Project Management Today-A Socio-Technical Approach

Level of Difficulty: 2 Medium

21. Which of these is NOT part of the "sociocultural dimension" of project management?

- A. Negotiation
- B. Resource allocation**
- C. Managing customer expectations
- D. Leadership
- E. Dealing with politics

The sociocultural dimension includes negotiation, managing customer expectations, leadership and dealing with politics. Resource allocation is part of the technical dimension of project management.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Project Management Today-A Socio-Technical Approach

Level of Difficulty: 2 Medium

22. Corporate downsizing has increased the trend toward

- A. Reducing the number of projects a company initiates.
- B. Outsourcing significant segments of project work.**
- C. Using dedicated project teams.
- D. Shorter project lead times.
- E. Longer project lead times.

Companies outsource significant segments of project work, and project managers have to manage not only their own people but also their counterparts in different organizations.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 2 Medium

23. Which of the following is NOT a reason why project management has become a standard way of doing business?

- A. Increased need for skilled management of stakeholders outside of organization
- B. Projects need to be done faster
- C. Organizations are doing more project work in-house instead of outsourcing
- D. Organizations are executing more and more projects
- E. Increased product complexity and innovation

One of the most significant driving forces behind the demand for project management is corporate downsizing. This has also led to a change in the way organizations approach projects. Companies outsource significant segments of project work, and project managers have to manage not only their own people but also their counterparts in different organizations.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 2 Medium

24. Which of the following is typically the responsibility of a project manager?

- A. Meeting budget requirements
- B. Meeting schedule requirements
- C. Meeting performance specifications
- D. Coordinating the actions of the team members
- E. All of these are typical responsibilities

Project managers must ensure that appropriate trade-offs are made between the time, cost, and performance requirements of the project.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

25. A series of coordinated, related, multiple projects that continue over an extended time period and are intended to achieve a goal is known as a

- A. Strategy.
- B. Program.**
- C. Campaign.
- D. Crusade.
- E. Venture.

A program is a group of related projects designed to accomplish a common goal over an extended period of time.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

26. Which of the following is NOT true about project management?

- A. It is not limited to the private sector
- B. Many opportunities are available for individuals interested in this career path
- C. It improves one's ability to plan, implement and manage activities to accomplish specific organizational objectives
- D. It focuses primarily on technical processes**
- E. It is a set of tools

Project management is more than a set of tools; it also focuses on building collaborative relationships among a diverse cast of individuals.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: Project Management Today-A Socio-Technical Approach
Learning Objective: What is a Project?

27. As the number of small projects increase within an organization's portfolio, what is a challenge an organization faces?

- A. Sharing resources
- B. Measuring efficiency
- C. Managing risk
- D. Prioritizing projects
- E. All of these are challenges

Many firms have no idea of the problems that can result from inefficient management of small projects. These include sharing resources, measuring efficiency, managing risk and being able to prioritize projects.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 2 Medium

28. Governance of all project management processes and procedures helps provide senior management with all of the following EXCEPT

- A. A method to ensure projects that are important to senior management are being implemented
- B. An assessment of the risk their portfolio of projects represents
- C. An overview of all project management activities
- D. A metric to measure the improvement of managing projects relative to others in the industry
- E. A big picture of how organizational resources are being used

Governance includes implementing methods of selecting projects that align with organizational strategy and not on how important the project is to senior management.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand
Learning Objective: Project Governance
Level of Difficulty: 2 Medium

29. Which of the following is a good example of a program?

- A. Planting a garden
- B.** Developing a new residential area that includes six custom homes
- C. Developing a new marketing plan
- D. Taking notes each class meeting to prepare for the final
- E. Planning a wedding

A program is a group of related projects designed to accomplish a common goal over an extended period of time.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

30. Which of the following represents the correct order of stages within the project life cycle?

- A. Planning, Defining, Executing, Closing
- B. Closing, Planning, Defining, Executing
- C.** Defining, Planning, Executing, Closing
- D. Executing, Defining, Planning, Closing
- E. Planning, Defining, Closing, Executing

The project life cycle passes sequentially through four stages: defining, planning, executing, and closing.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

Fill in the Blank Questions

31. Project management is not limited to the _____ sector.

private

Project management is also a vehicle for doing good deeds and solving social problems.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

32. The initial stage in the project life cycle is the _____ stage.

defining

Specifications of the project are defined; project objectives are established; teams are formed; major responsibilities are assigned in the defining stage of the project life cycle.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

33. The final stage in the project life cycle is the _____ stage.

closing

Closing includes three activities: delivering the project product to the customer, redeploying project resources, and post-project review.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

34. A professional organization for project managers that has grown from 93,000 in 2002 to more than 520,000 currently is the _____.

PMI

The Project Management Institute (PMI) is a professional organization for project managers.

AACSB: Reflective Thinking

Blooms: Remember

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

35. A major part of the project work, both physical and mental, takes place in the _____ stage of the project life cycle.

executing

A major portion of the project work—both physical and mental—takes place during the executing stage of the project life cycle.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

36. The project's schedule and budget will be determined in the _____ stage of the project life cycle.

planning

During the planning stage, the level of effort increases, and plans are developed to determine what the project will entail, when it will be scheduled, whom it will benefit, what quality level should be maintained, and what the budget will be.

AACSB: Reflective Thinking

Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

37. A temporary endeavor undertaken to create a unique product, service, or result is a(n) _____.

project

As defined by the PMI, a project is a temporary endeavor undertaken to create a unique product, service or result.

AACSB: Reflective Thinking
Blooms: Remember
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

38. In today's high-tech industries the product life cycle is averaging _____ to 3 years.

6 months

Today in high-tech industries the product life cycle is averaging 6 months to 3 years. Only 30 years ago, life cycles of 10 to 15 years were not uncommon.

AACSB: Reflective Thinking
Blooms: Remember
Learning Objective: Current Drivers of Project Management
Level of Difficulty: 1 Easy

39. The advent of many small projects has created the need for an organization that can support _____ management.

multiproject

This climate has created a multiproject environment and a plethora of new problems. Sharing and prioritizing resources across a portfolio of projects is a major challenge for senior management.

AACSB: Reflective Thinking
Blooms: Understand

40. Increased competition has placed a premium on customer satisfaction and the development of _____ products and services.

customized

Customers want customized products and services that cater to their specific needs.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 2 Medium

41. In some organizations, selection and management of projects often fail to support the overall _____ of the organization.

strategic plan

Today, projects are the modus operandi for implementing strategy. Yet in some organizations, selection and management of projects often fail to support the strategic plan of the organization.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: Project Governance

Level of Difficulty: 2 Medium

42. WBS, schedules, and budgets are examples of the _____ dimension of the project management process.

technical

The technical dimension includes developing the WBS, budgets, schedules and status reports. The sociocultural dimension includes leadership, negotiation, teamwork and problem solving.

AACSB: Reflective Thinking

Blooms: Understand
Learning Objective: Project Management Today-A Socio-Technical Approach
Level of Difficulty: 1 Easy

43. Leadership, teamwork, and negotiation are examples of the _____ dimension of the project management process.

sociocultural

The technical dimension includes developing the WBS, budgets, schedules and status reports.
The sociocultural dimension includes leadership, negotiation, teamwork and problem solving.

AACSB: Reflective Thinking
Blooms: Understand
Learning Objective: Project Management Today-A Socio-Technical Approach
Level of Difficulty: 1 Easy

44. A professional organization for project management specialists is the _____.

Project Management Institute (PMI)

The Project Management Institute (PMI) is a professional organization for project managers.

AACSB: Reflective Thinking
Blooms: Remember
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

45. One of the defining characteristics of a project is that it has a singular purpose, i.e., an established _____.

objective

Projects have a defined objective—whether it is constructing a 12-story apartment complex by January 1 or releasing version 2.0 of a specific software package as quickly as possible.

AACSB: Reflective Thinking
Blooms: Understand
Learning Objective: What is a Project?

46. Because projects have a defined beginning and end, the _____ is frequently used to manage the transitions of a project from start to completion.

project life cycle

The project life cycle typically passes sequentially through four stages: defining, planning, executing, and delivering.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 3 Hard

47. The _____ typically passes sequentially through four stages.

project life cycle

The project life cycle typically passes sequentially through four stages: defining, planning, executing, and delivering.

AACSB: Reflective Thinking

Blooms: Remember

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

48. The establishment of project goals, specifications, and responsibilities usually occurs in the _____ stage of the project life cycle.

defining

Specifications of the project are defined; project objectives are established; teams are formed; major responsibilities are assigned during the defining stage of the project life cycle.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

49. Training the customer, reassigning staff, and releasing resources occurs in the _____ stage of the project life cycle.

closing

The closing stage includes three activities: delivering the project product to the customer, redeploying project resources, and post-project review. Delivery of the project might include customer training and transferring documents.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

50. Project managers are expected to ensure that appropriate trade-offs are made between the time, cost, and _____ requirements of the project.

performance

Project managers are ultimately responsible for performance (frequently with too little authority). They must ensure that appropriate trade-offs are made between the time, cost, and performance requirements of the project.

AACSB: Reflective Thinking

Blooms: Remember

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

51. An increase in the complexity of projects, because projects typically include the latest advances, can be the result of a growth in new _____.

knowledge

The growth in new knowledge has increased the complexity of projects because projects encompass the latest advances. Product complexity has increased the need to integrate divergent technologies. Project management has emerged as an important discipline for achieving this task.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 2 Medium

52. A(n) _____ is a series of coordinated, related multiple projects that continue over an extended time intended to achieve a goal.

program

A program is a group of related projects designed to accomplish a common goal over an extended period of time.

AACSB: Reflective Thinking

Blooms: Remember

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

53. Applying a set of knowledge, skills, tools, and techniques to a collection of projects in order to move the organization toward its strategic goals is known as project _____.

governance

Project governance is designed to improve project management in the long haul by applying a set of knowledge, skills, tools and techniques to a collection of projects.

AACSB: Reflective Thinking

Blooms: Understand

True / False Questions

54. Because of the profitability motive, project management is nearly always limited to the private sector.

FALSE

Project management is not limited to the private sector. Project management is also a vehicle for doing good deeds and solving social problems.

*AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy*

55. Most people who excel at managing projects never have the title of project manager.

TRUE

They include accountants, lawyers, administrators, scientists, contractors, teachers, etc.

*AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy*

56. The professional certification for project managers is a Project Management Professional (PMP).

TRUE

PMI provides certification as a Project Management Professional (PMP)—someone who has documented sufficient project experience, agreed to follow the PMI code of professional conduct, and demonstrated mastery of the field of project management by passing a comprehensive examination. See Snapshot: The Project Management Institute.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

57. Because of its flexibility, project management is equally useful in ongoing, routine work as well as unique, one-time projects.

FALSE

A project is not routine, repetitive work! Ordinary daily work typically requires doing the same or similar work over and over, while a project is done only once; a new product or service exists when the project is completed.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

58. One of the defining characteristics of project management is that the projects are not confined to a single department but involve several departments and professionals.

TRUE

One of the major characteristics is the involvement of several departments and professionals.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

59. One of the characteristics that separate project management from other endeavors of the organization is that there are specific time, cost, and performance requirements.

TRUE

Major characteristics are specific time, cost, and performance requirements.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Learning Objective: What is a Project?
Level of Difficulty: 2 Medium

60. Not only is project management critical to many careers, the skill set is transferable across most businesses and professions.

TRUE

At its core, project management fundamentals are universal.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

61. Since a construction company builds many buildings, the buildings built after the first do not fit the definition of a project.

FALSE

All projects are nonroutine and have some unique elements. Not all buildings will be built on the same space or use the same materials.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 2 Medium

62. The first stage in the project life cycle is the concept stage.

FALSE

The first stage is defining.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

63. A major portion of the project work, both physical and mental, takes place during the production stage of the project life cycle.

FALSE

A major portion of the project work, both physical and mental, is done in the executing stage.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Learning Objective: What is a Project?
Level of Difficulty: 1 Easy

64. A program is a process designed to accomplish a common goal over time.

FALSE

A program is a group of related projects designed to accomplish a common goal over an extended period of time.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

65. Because of the requirement for in-depth expertise, project management is generally restricted to specialists.

FALSE

Unlike their functional counterparts, project managers generally possess only rudimentary technical knowledge.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

66. Project governance means applying a set of knowledge, skills, tools, and techniques to a collection of projects in order to move the organization toward its strategic goals.

TRUE

Governance includes centralization of all project processes and practices to improve project management.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Project Governance

Level of Difficulty: 1 Easy

67. One of the most significant driving forces behind the demand for project management is the ever increasing lengthening of the product life cycle.

FALSE

One of the most significant driving forces behind the demand for project management is the shortening of the product life cycle.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 2 Medium

68. Project management appears to be ideally suited for a business environment requiring accountability, flexibility, innovation and repeatability.

FALSE

Project management appears to be ideally suited for a business environment requiring accountability, flexibility, innovation, speed and continuous improvement.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 1 Easy

69. At first glance, project managers perform the same functions as other managers. That is, they plan, schedule, motivate and control.

TRUE

Project managers perform the same functions as other managers; however, what makes them unique is that they also manage temporary, nonrepetitive activities to complete a fixed life project.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: What is a Project?
Level of Difficulty: 2 Medium

70. Strategic plans should be written by one group of managers, projects should be selected by another group, and projects should be implemented by another group.

FALSE

These independent decisions by different groups of managers create a set of conditions leading to conflict, confusion, and frequently an unsatisfied customer.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: Project Governance
Level of Difficulty: 2 Medium

71. Today, projects are the modus operandi or the method used for implementing organizational strategy.

TRUE

Projects are how organizations implement strategy. This is why it is imperative that the two are aligned.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: Project Governance
Level of Difficulty: 1 Easy

72. Due to corporate downsizing, significant segments of project work have been outsourced to other organizations.

TRUE

Corporate downsizing has also led to a change in the way organizations approach projects. Companies outsource significant segments of project work, and project managers have to manage not only their own people but also their counterparts in different organizations.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: Current Drivers of Project Management
Level of Difficulty: 1 Easy

73. Smaller projects in larger organizations tend not to need project management skills.

FALSE

Many small projects can eat up the people resources of a firm and represent hidden costs not measured in the accounting system. Organizations with many small projects going on concurrently face the most difficult project management problems.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Learning Objective: Current Drivers of Project Management
Level of Difficulty: 2 Medium

74. Successful project managers focus primarily on technical dimensions of project management, which include planning, scheduling, and controlling projects.

FALSE

Project managers must master both the technical and the sociocultural aspects of project management in order to be successful.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Project Management Today-A Socio-Technical Approach

Level of Difficulty: 2 Medium

75. The sociocultural dimension of project management includes managing relationships, motivating team members and negotiating project terms.

TRUE

The sociocultural dimension of project management includes managing relationships, motivating team members and negotiating project terms. See Figure 1.3: The Socio-Technical Dimensions of the Project Management Process.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Project Management Today-A Socio-Technical Approach

Level of Difficulty: 1 Easy

76. Small business development is a major driver of project management.

FALSE

Compression of the product life cycle, knowledge explosion, triple bottom line, corporate downsizing, increased customer focus, and small projects represent big problems and are the major drivers of project management.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 1 Easy

Short Answer Questions

77. Compare and contrast the Product Life Cycle and the Project Life Cycle.

Answer will vary

Feedback: The Product Life Cycle deals with the time it takes to develop a product and the time it remains in the marketplace. The Project Life Cycle is the stages that a new product goes through while being developed.

AACSB: Analytic

Blooms: Analyze

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 2 Medium

78. Identify the five major characteristics of a project.

Answer will vary

Feedback: (1) An established objective; (2) A defined life span with a beginning and end; (3) Usually the involvement of several departments and professionals; (4) Typically, doing something that has never been done before; (5) Specific time, cost and performance requirements.

AACSB: Reflective Thinking

Blooms: Remember

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

79. Identify and briefly describe the four stages of the Project Life Cycle.

Answer will vary

Feedback: Defining stage: goals, specifications and objectives established; Planning stage: schedules, budgets, risks management and resource assignment; Executing stage: majority of physical and mental work, status reports, changes and forecasts; Closing stage: train customer, transfer documents, release resources, and lessons learned.

AACSB: Reflective Thinking

Blooms: Remember

Learning Objective: What is a Project?

Level of Difficulty: 1 Easy

80. "Project managers perform the same functions as other managers." Agree or disagree, and support your decision.

Answer will vary

Feedback: Many of the same basic management functions are performed by project managers; however, there are aspects of the project manager's job that make it unique. For example, they manage temporary, nonrepetitive activities to complete a fixed life project.

AACSB: Analytic

Blooms: Analyze

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

81. Identify and briefly describe the six current drivers of project management.

Answer will vary

Feedback: (1) Compression of the product life cycle; (2) Knowledge explosion; (3). Triple bottom line; (4) Corporate downsizing; (5) Increased customer focus; (6) Small projects represent big problems.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: The Importance of Project Management

Level of Difficulty: 3 Hard

82. Describe what project governance means to project management. Why is it important to organizational strategy?

Answer will vary

Feedback: Project governance means applying a set of knowledge, skills, tools and techniques to a collection of projects in order to move the organization toward its strategic goals.

AACSB: Analytic

Blooms: Understand

Learning Objective: Project Governance

Level of Difficulty: 3 Hard

83. Even if you never aspire to be a "project manager," why is it important to know how to manage projects effectively? Explain your answer and use an example to support your answer.

Answer will vary

Feedback: Even if you have no desire to be a project manager you may be a part of a project team where you will have a better understanding of the processes involved. In addition, there are many project management skills that can be applied to other professions and industries.

AACSB: Analytic

Blooms: Apply

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

84. Identify and briefly discuss the two key dimensions of managing actual projects. Explain why both are important to successfully manage a project. Use an example to support your answer.

Answer will vary

Feedback: The technical includes schedules and status reports. The sociocultural dimension includes leadership, problem solving and negotiation.

AACSB: Analytic

Blooms: Apply

Learning Objective: Project Management Today-A Socio-Technical Approach

Level of Difficulty: 2 Medium

85. What are the major differences between managing a process and managing a project?

Answer will vary

Feedback: At first glance project managers perform the same functions as other managers. That is, they plan, schedule, and control. However, what makes them unique is that they manage temporary, non-repetitive activities to complete a fixed life project.

AACSB: Reflective Thinking

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

86. Describe what it means that a project manager must work with a diverse group of characters?

Answer will vary

Feedback: Project managers manage the tension between customer expectations and what is feasible and reasonable. They provide direction, coordination, and integration to the project team. They often must work with a diverse group of outsiders—vendors, suppliers, subcontractors—who do not necessarily share their project allegiance.

AACSB: Analytic

Blooms: Analyze

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

87. What is the difference between a project and a program?

Answer will vary

Feedback: The terms are often used interchangeably in business; however, a program is considered to be a series of coordinated, related, and multiple projects that continue over an extended time intended to achieve a goal.

AACSB: Analytic

Blooms: Understand

Learning Objective: What is a Project?

Level of Difficulty: 2 Medium

88. Describe how corporate downsizing is a driver for project management.

Answer will vary

Feedback: In flatter and leaner organizations, project management is replacing middle management as a way of ensuring that things get done. In addition, when organizations outsource work, project managers can help manage not only their own project team, but individuals tied to the project outside of the organization.

AACSB: Analytic

Blooms: Understand

Learning Objective: Current Drivers of Project Management

Level of Difficulty: 2 Medium