**Chapter 3: Project Management**

**Test Bank**

**Multiple Choice**

1. Which of the following is NOT a characteristic of a project?

a. It is designed to meet established goals.

b. A project has a beginning.

c. A project has an end.

d. It is repetitive (i.e., done frequently).

Ans: D

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: Projects: Why They Are Important, Who Works on Them, and What Makes Them a Success

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

2. The goal in a project is \_\_\_\_\_\_.

a. to create something of value

b. to create a competitive disadvantage

c. to ensure ISO regulations are followed

d. to ensure trade regulations are followed

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: Projects: Why They Are Important, Who Works on Them, and What Makes Them a Success

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

3. Which of the following statements about projects is true?

a. Projects are undertaken only by large companies.

b. Projects may cost millions of dollars.

c. Projects are undertaken only by small companies.

d. Projects are supervised by government agencies.

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: Projects: Why They Are Important, Who Works on Them, and What Makes Them a Success

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

4. Which of the following is not an example of a project?

a. 82,000 bottles of Coca-Cola bottled during a single shift

b. Apple’s creation of the new iPad

c. Bechtel’s construction of a large-scale chemical refining plant in South Africa

d. the construction of the Hoover Dam

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: Projects: Why They Are Important, Who Works on Them, and What Makes Them a Success

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

5. Which of the following statements about processes is true?

a. Processes are the same as projects.

b. Processes are frequently repetitive.

c. Processes are annual events.

d. Processes are supervised by the government.

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: Projects: Why They Are Important, Who Works on Them, and What Makes Them a Success

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

6. Which of the following is not a characteristic of a project?

a. Projects are unique.

b. Projects are limited by resources.

c. Projects address customer needs.

d. Goals in projects evolve as the project progresses.

Ans: D

Cognitive Domain: Application (Apply)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: Projects: Why They Are Important, Who Works on Them, and What Makes Them a Success

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

7. Which of the following is not a driver for a project?

a. shortened product life cycles.

b. narrow product-launch windows.

c. growing simplicity of production processes due to automation

d. the emergence and integration of global markets

Ans: C

Cognitive Domain: Application (Apply)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: Projects: Why They Are Important, Who Works on Them, and What Makes Them a Success

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

8. Which of the following are challenges faced by project managers?

a. Project team members are more loyal to the project than to their parent departments.

b. Project team members may live in different parts of the world.

c. Project team members may speak the same language.

d. Project team members may have the same cultural background.

Ans: B

Cognitive Domain: Application (Apply)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: Project Teams

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

9. Which of the following is a common organizational structure for a project?

a. corporate structure

b. matrix structure

c. team structure

d. project structure

Ans: B

Cognitive Domain: Application (Apply)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: How Project Teams Are Structured

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

10. Which of the following is an advantage of a functional structure for a project?

a. Members of the team bring cross-functional expertise.

b. Team members do not have divided loyalties.

c. It encourages a silo mentality (i.e., a focus on one’s own department or function).

d. It encourages adherence to corporate strategy.

Ans: B

Cognitive Domain: Application (Apply)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: How Project Teams Are Structured

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

11. A pure-project structure is characterized by \_\_\_\_\_\_.

a. a self-contained business unit

b. using personnel only from senior management

c. ensuring government regulations are complied with

d. ensuring ISO regulations compliance

Ans: D

Cognitive Domain: Application (Apply)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: How Project Teams Are Structured

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

12. Which of the following is NOT one of the usual considerations in evaluating a project’s success?

a. adherence to cost

b. adherence to schedule

c. adherence to sustainability principles

d. adherence to customer expectations

Ans: C

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-1. Describe the importance of projects to a firm, identify the people and teams that work on projects, and list the qualities that make a project a success.

Answer Location: What Makes a Project Successful?

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

13. A project’s life cycle refers to \_\_\_\_\_\_.

a. the average estimated duration of a project

b. the average actual duration of a project

c. the time spent in planning the project prior to start of project

d. the sum of the time spent by project personnel on a project

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-2. Identify the stages of the typical life cycle of a project.

Answer Location: Project Life Cycles

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

14. Which of the following statements is true with regard to a project life cycle?

a. Resource requirements are high at the beginning of the cycle.

b. Resource requirements drop sharply as the project moves into advanced stages of development.

c. Resource requirements are needed only during the defining stages of the project (i.e., before the project actually begins).

d. Note that as a project begins, the resources (man hours) needed for it are minimal but then increase sharply as the project moves to its conclusion

Ans: D

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-2. Identify the stages of the typical life cycle of a project.

Answer Location: Project Life Cycles

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

15. Which of the following is not a stage of a project’s life cycle?

a. conceptualization

b. planning

c. execution

d. cancellation

Ans: D

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-2. Identify the stages of the typical life cycle of a project.

Answer Location: Project Life Cycles

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

16. A project life cycle is useful because \_\_\_\_\_\_.

a. it provides a graphic representation of how the project is expected to perform

b. it can be used to evaluate the project budget

c. it can be used to evaluate the actual project costs

d. it can be used to evaluate the efficacy of the project’s plan

Ans: A

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-2. Identify the stages of the typical life cycle of a project.

Answer Location: Project Life Cycles

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

17. In the conceptualization stage of a project, the firm \_\_\_\_\_\_.

a. determines the purpose of the project

b. develops a statement of work

c. creates work breakdown structures

d. establishes risk management techniques

Ans: A

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-2. Identify the stages of the typical life cycle of a project.

Answer Location: Project Life Cycles

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

18. A project begins with \_\_\_\_\_\_.

a. an appraisal of quality to be delivered

b. a statement of its goals

c. an estimate of project costs

d. a projection of timeline for completion

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-2. Identify the stages of the typical life cycle of a project.

Answer Location: Project Life Cycles

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

19. An analysis of alternative approaches to a project is in the \_\_\_\_\_\_.

a. conceptualization stage of a project

b. planning stage of a project

c. conclusion stage of a project

d. growth stage of a project

Ans: A

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-2. Identify the stages of the typical life cycle of a project.

Answer Location: Project Life Cycles

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

20. A statement of work \_\_\_\_\_\_.

a. is a detailed description of the work required for the project

b. specifies the scope of work needed to be compliant with government regulations

c. specifies the scope of work needed to be compliant with ISO regulations

d. is a summary description of the project plan

Ans: A

Cognitive Domain: Knowledge (Remember)

Learning Objective: 3-2. Identify the stages of the typical life cycle of a project.

Answer Location: Conceptualization

Difficulty Level: Easy

AACSB: Systems and processes in organizations, including planning and design, production/operations, supply chains, marketing, and distribution

21. Which of the following is not a detail usually included in a project’s statement of work?

a. problem statement

b. technical description

c. timeline and milestones

d. government regulations and guidelines influencing the project

Ans: D

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-2. Identify the stages of the typical life cycle of a project.

Answer Location: Conceptualization

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

22. The project’s specification is also known as \_\_\_\_\_\_.

a. the project milestone

b. the project scale

c. the project scope

d. none of the these

Ans: C

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Conceptualization

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

23. Scope creep is \_\_\_\_\_\_.

a. a rare occurrence in projects

b. resulted from repeated modifications of a project’s specifications

c. resulted from changes in the project’s team members

d. always an undesirable development

Ans: B

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Conceptualization

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

24. In comparison to the past, modern weapon systems \_\_\_\_\_\_.

a. have a less detailed statement of work

b. have a more detailed statement of work

c. are not in compliance with the Geneva Convention

d. are much less expensive

Ans: B

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Conceptualization

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

25. The work breakdown structure (WBS) \_\_\_\_\_\_.

a. is part of the conceptualization stage

b. breaks down a project’s overall mission into step-by-step tasks

c. identifies the characteristics required in the project manager

d. specifies what is required to be compliant with ISO standards

Ans: B

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Creating Work Breakdown Structures

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

26. Which of the following statements about the work package is true?

a. The work breakdown structure is part of the work package.

b. The work package is determined in the conceptualization stage of the project.

c. The work package is part of the process following the completion of the project.

d. The work package is part of the work breakdown structure.

Ans: D

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Creating Work Breakdown Structures

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

27. A project risk refers to \_\_\_\_\_\_.

a. the potential that the project may not be awarded to a company that is bidding for it

b. the potential of any event that can adversely affect the feasibility of a project

c. the potential for project costs to be significantly less than budgeted

d. the potential for project time to be significantly less than scheduled

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

28. Project risk is calculated by \_\_\_\_\_\_.

a. historical experience with projects succeeding or not succeeding

b. the subjective judgment of the project manager

c. multiplying the likelihood of event happening with consequences of event

d. dividing the likelihood of event happening with consequences of event

Ans: C

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

29. Which of the following contributes to high project risk?

a. Probability of failure is low.

b. If the project fails, the results can be easily rectified.

c. The project is fully insured against failure.

d. Consequences of project failure are serious.

Ans: D

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

30. Which of the following is NOT a question a company is likely to ask in assessing project risk?

a. What adverse events are likely to happen?

b. What are the possible outcomes of these adverse events?

c. Who will be held responsible in case of project failure?

d. How can the potential risk be identified?

Ans: C

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

31. Which of the following is NOT a step in the process of managing risk?

a. identifying risks

b. analyzing probability of risk occurring

c. formulating risk mitigation strategies

d. identifying person to be held responsible

Ans: D

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

32. Types of risks that a project can face include \_\_\_\_\_\_.

a. the possibility that the project runs into financial risks

b. the possibility that the project is in compliance with government requirements

c. the possibility that the project costs are significantly below that budgeted

d. the possibility that the project is completed well ahead of schedule

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

33. Which of the following is NOT a type of risk that a project can face?

a. contractual risk

b. commercial risk

c. on-time completion risk

d. technical risk

Ans: C

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

34. Which of the following correctly pairs the type of risk with its description?

a. contractual risks: the risk of monetary loss

b. commercial risks: the risk of personnel leaving the project

c. financial risks: the risk of market not accepting a product

d. technical risks: the risk posed by new technologies

Ans: D

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

35. Which of the following is NOT a popular approach to risk mitigation?

a. simply accept the risk

b. minimize the risk

c. share the risk

d. avoid doing risky projects

Ans: D

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

36. Which of the following is NOT a way to mitigate risk?

a. share the risk

b. blame it on a third party

c. document the risk

d. transfer the risk

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-3. Explain how scope management techniques, statement-of-work documents, work breakdown structures, and risk management principles enable firms to conceptualize, plan, and organize projects.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

37. Documenting the risk is helpful as a risk mitigation strategy when \_\_\_\_\_\_.

a. the same personnel carry out different projects

b. similar kinds of projects are being executed

c. government supervision is involved

d. a project spans multiple legal jurisdictions

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-4. Use analytical tools to calculate project schedules.

Answer Location: Employing Risk Management Techniques

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

38. Project scheduling is \_\_\_\_\_\_.

a. the process of converting a project’s goals into a logical method for completing it on time

b. the process of identifying the period in the company’s growth when the project should begin

c. the process of identifying the time in the year when the project should begin

d. the process of identifying the point in a product’s life cycle when the project should begin

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-4. Use analytical tools to calculate project schedules.

Answer Location: Scheduling Projects

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

39. Project scheduling includes \_\_\_\_\_\_.

a. assigning the project to multiple managers

b. estimating the duration for each activity in a project

c. estimating the cost involved for each activity in a project

d. identifying the equipment needed to complete a project

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-4. Use analytical tools to calculate project schedules.

Answer Location: Scheduling Projects

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

40. One way to determine the duration of each activity in a project with a reasonable degree of accuracy is \_\_\_\_\_\_.

a. deterministic estimation

b. qualitative estimation

c. optimistic estimation

d. pessimistic estimation

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-4. Use analytical tools to calculate project schedules.

Answer Location: Estimating the Duration of a Project’s Activities

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

41. Which of the following correctly pairs a technique with its approach?

a. The program evaluation and review technique (PERT) uses probabilistic estimation to determine the duration of an activity.

b. The critical path method (CPM) uses subjective estimation to determine the duration of an activity.

c. The program evaluation and review technique (PERT) uses optimistic estimation to determine the duration of an activity.

d. The critical path method (CPM) uses pessimistic estimation to determine the duration of an activity.

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-4. Use analytical tools to calculate project schedules.

Answer Location: Estimating the Duration of a Project’s Activities

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

42. Which of the following is NOT one of the estimates used by PERT to estimate the duration of an activity?

a. optimistic time

b. most likely time

c. catastrophic time

d. pessimistic time

Ans: C

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-4. Use analytical tools to calculate project schedules.

Answer Location: Estimating the Duration of a Project’s Activities

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

43. Which of the following correctly pairs the standard deviation with its associated probability?

a. six standard deviations, probability of 99.7%

b. three standard deviations, probability of 49.8%

c. two standard deviations, probability of 68.2%

d. five standard deviations, probability of 95.5%

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-4. Use analytical tools to calculate project schedules.

Answer Location: Estimating the Duration of a Project’s Activities

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

44. Which of the following statements is true with regard to the distribution of time for the duration of an activity?

a. The optimistic time estimate is 3 times shorter than the pessimistic time estimate.

b. The most likely time estimate is located at an equidistant interval between the optimistic and pessimistic estimates.

c. The pessimistic and optimistic times are asymmetrical around the mean.

d. The standard deviation for the pessimistic estimate is higher than that for the optimistic estimate.

Ans: C

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-4. Use analytical tools to calculate project schedules.

Answer Location: Estimating the Duration of a Project’s Activities

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

45. Precedence diagramming is also known as \_\_\_\_\_\_.

a. network diagramming

b. developing Gantt charts

c. activity diagramming

d. process mapping

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-4. Use analytical tools to calculate project schedules.

Answer Location: Creating Precedence Diagrams and Gantt Charts

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

46. The Gantt Chart \_\_\_\_\_\_.

a. links project activities to a schedule

b. was introduced in the 1990s

c. was developed in Japan

d. uses probabilistic scheduling

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-4. Use analytical tools to calculate project schedules.

Answer Location: Creating Precedence Diagrams and Gantt Charts

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

47. In a Gantt chart, the time to complete a project can be estimated by \_\_\_\_\_\_.

a. the average of the longest duration for each sequenced activity

b. adding the lengths of the longest individual legs of each sequenced activity

c. the average of the longest duration for each sequenced activity multiplied by 3

d. adding the lengths of the shortest individual legs of each sequenced activity

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Creating Precedence Diagrams and Gantt Charts

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

48. A drawback of Gantt charts is \_\_\_\_\_\_.

a. they may not show the exact sequencing of one activity to another

b. they are complex to develop

c. they are time-consuming to develop

d. they are expensive to develop

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Creating Precedence Diagrams and Gantt Charts

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

49. Which of the following is a limitation of Gantt charts?

a. The Gantt chart may not tell us which activities can be worked on concurrently.

b. The Gantt chart does not tell us how to mitigate risk.

c. The Gantt chart does not tell us what to do in case of budget overruns.

d. The Gantt chart does not tell us what to do in case the project is not in compliance.

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Creating Precedence Diagrams and Gantt Charts

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

50. An activity network \_\_\_\_\_\_.

a. indicates the duration for each activity

b. indicates how activities are best sequenced

c. is part of the work breakdown structure

d. is developed by using CPM

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

51. One method for creating an activity network is \_\_\_\_\_\_.

a. activity on node (AON)

b. activity on activity (AOA)

c. activity on cessation (AOC)

d. activity on termination (AOT)

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

52. In the AON method, \_\_\_\_\_\_.

a. the node represents the path to the next project activity

b. the arrow represents the sequencing of tasks from node to node through the network

c. the arrow represents the actual time taken to complete a task in a project

d. the arrow represents the scheduled time to complete a task in a project

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

53. In the AOA method, \_\_\_\_\_\_.

a. an arrow represents an activity

b. a node represents cost of the activity preceding the node

c. a node represents time for the activity

d. an arrow represents the cost of the activity

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

54. The numbers in the AOA method represent \_\_\_\_\_\_.

a. the event

b. the importance of the event (higher numbers represent more important events)

c. the duration of the event (higher numbers represent more time-consuming events)

d. the cost of the event (higher numbers represent more costly events)

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

55. Which of the following statements is true in comparing the AON method with the AOA method?

a. The AON method is more difficult to visualize.

b. The AOA method is more costly.

c. The AON method is more commonly used.

d. Most popular project management packages use the AOA method.

Ans: C

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

56. Which of the following statements is a correct and useful rule in constructing networks?

a. Network diagrams start at the top right and flow down to the left.

b. We can never have one arrow crossing another.

c. An activity cannot begin until all preceding activities have been completed.

d. An activity can be repeated as desired.

Ans: C

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

57. Which of the following statements is true about labels for nodes in AON network diagrams?

a. They identify the project’s activities.

b. They identify the project’s manager.

c. They identify the project’s timeline.

d. They identify the project’s budget.

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

58. Early start time (ES) refers to \_\_\_\_\_\_.

a. the earliest time on a given day that the project can start/continue

b. the earliest possible date on which an activity can start based on previous activities

c. the latest time on a given day that the project can start/continue

d. the earliest possible date on in a year that an activity can start

Ans: B

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

59. Early finish time (EF) \_\_\_\_\_\_.

a. is the earliest possible date in the year on which an activity can be completed

b. is calculated by adding the duration for an activity to the ES

c. is the earliest possible time on a day on which an activity can be completed

b. is calculated by subtracting the duration for an activity from the ES

Ans: B

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

60. The late finish time (LF) is \_\_\_\_\_\_.

a. the latest possible date an activity can be completed without delaying the project’s completion

b. the maximum extent to which an activity can be delayed

c. the latest possible date an activity can be completed before the activity becomes irrelevant

d. the latest possible time an activity can be completed on a given day

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

61. Which of the following is NOT true of activity slack?

a. It is the amount of time an activity may be delayed (from time of early start) without delaying the completion of the project.

b. It is also known as activity float.

c. It is calculated as LS – ES.

d. It is calculated as LF + EF.

Ans: D

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

62. Which of the following is an appropriate label for an activity node?

a. early start

b. project manager’s name

c. cost of project

d. applicable government regulation

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

63. Which of the following statements is true with regard to paths?

a. Paths are sequences of activities in a network.

b. There is usually only one path in a network.

c. Once a path is determined, it cannot be changed.

d. Activities in a network always follow a determined path.

Ans: A

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Determining a Project’s Schedule: Creating Network Diagrams

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

64. A critical path \_\_\_\_\_\_.

a. is the longest individual path in a network

b. is the path of a critical task in the network

c. is the path on which other activities depend

d. is the path that is most expensive in the project

Ans: A

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

65. Which is the critical path in the following?

a. Path 1 takes 18 days.

b. Path 2 takes 14 days.

c. Path 3 takes 22 days.

d. Path 4 takes 16 day.

Ans: C

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

66. A critical path consists of \_\_\_\_\_\_.

a. activities that are important

b. activities that are time-consuming

c. activities that have zero slack

d. activities that have some slack

Ans: C

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

67. A merge point refers to \_\_\_\_\_\_.

a. a node along the critical path

b. a node with two or more immediate predecessors

c. a node with two or more immediate and successive nodes

d. a node that represents the point where cross-functional resources are pooled

Ans: B

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

68. Labeling activity nodes in the network is accomplished by \_\_\_\_\_\_.

a. the forward pass method

b. the side-tracking method

c. the project leader

d. the appropriate government agency

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

69. The forward pass method allows us to \_\_\_\_\_\_.

a. determine the earliest time each activity can begin

b. determine the latest time each activity can be completed

c. determine the latest time each activity can begin

d. determine the latest time to which each activity can be postponed

Ans: A

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

70. At a merge point, \_\_\_\_\_\_.

a. the largest preceding EF becomes the ES for that node

b. the largest preceding ES becomes the EF for that node

c. the smallest preceding EF becomes the ES for that node

d. the smallest preceding ES becomes the EF for that node

Ans: A

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

71. The backward pass \_\_\_\_\_\_.

a. starts at the end of the project

b. moves toward the last node in the project

c. ends at the middle node in the project

d. starts at the beginning of the project

Ans: A

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

72. At a burst point, \_\_\_\_\_\_.

a. you have a node with two or more successors

b. the largest preceding EF becomes the ES for that node

c. you have a node with two or more predecessors

d. the largest preceding ES becomes the LF for that node

Ans: A

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

73. Which of the following statements is FALSE with regard to slack time?

a. Slack time is the amount of time an activity can be delayed without delaying the overall project.

b. Slack time is calculated as LF – EF.

c. Slack time is calculated as LS – ES.

d. Slack time is calculated as LF – ES.

Ans: D

Cognitive Domain: Comprehension (Understand)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Easy

AACSB: Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society

74. If an activity has 4 days of slack, then \_\_\_\_\_\_.

a. a delay of 3 days will not have an impact

b. a delay of 5 days will not have an impact

c. a delay of 7 days will not have an impact

d. a delay of 9 days will not have an impact

Ans: A

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

75. If an estimate for an activity is deterministic, then \_\_\_\_\_\_.

a. sufficient historical information is available to make this determination with a reasonable degree of accuracy

b. the estimate is based on probability that the activity will be completed in a given time frame

c. the estimate is based on probability that the activity will be completed in a given time frame plus/minus three standard deviations

d. the estimate is based on a stochastic model

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Constructing the Critical Path

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

76. “Crashing” a project \_\_\_\_\_\_.

a. is speeding up a project’s activities to accelerate its completion

b. is equivalent to cancellation of a project

c. is the unexpected termination of a project due to an external event (e.g., a natural disaster)

d. is the unexpected termination of a project due to an internal event (e.g., poor management)

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Crashing the Project

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

77. To complete a project quickly, we should \_\_\_\_\_\_.

a. crash activities that have slack time

b. crash only critical activities

c. crash only noncritical activities

d. crash all activities

Ans: B

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Crashing the Project

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

78. In considering the impact supply chains have on projects, \_\_\_\_\_\_.

a. the goal is to create a coordinated planning network that allows for the optimal acquisition of goods and services used in a project

b. the goal is to create a coordinated planning network that allows for the highest acquisition costs of goods and services used in a project

c. organizations seek to coordinate a planning network that allows for the highest warehousing costs of goods and services used in a project

d. organizations seek to coordinate a planning network that allows for the highest ordering costs of goods and services used in a project

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Supply Chains for Projects

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

79. Which of the following is an activity of project supply chains?

a. procurement

b. marketing

c. advertising

d. sales

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Supply Chain Activities for Projects

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

80. In managing projects in supply chains, working with members of multiple cultures is one of the consequences of \_\_\_\_\_\_.

a. globalization

b. monetarization

c. air travel

d. NAFTA

Ans: A

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-8. Discuss issues related to global project management.

Answer Location: Global Projects

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

81. A company can acquire ISO 9001 certification by \_\_\_\_\_\_.

a. sending its employees for training in lean concepts

b. declaring its commitment to high quality production

c. demonstrating to a third-party auditor a company’s systems and operations fulfill certain standard criteria

d. ensuring all its suppliers are quality black belts

Ans: C

Cognitive Domain: Analysis (Analyze)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Supply Chain Activities for Projects

Difficulty Level: Hard

AACSB: Analytical thinking (able to analyze and frame problems)

82. Which of the following is NOT a characteristic of the inbound supply chain for many projects?

a. It is short.

b. It is complex.

c. It has many tiers of suppliers.

d. It is long.

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Supply Chain Activities for Projects

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

83. If the delivery of goods or services used as inputs is uncertain, \_\_\_\_\_\_.

a. the company should abandon production of that product for which these goods or services will be used as inputs

b. it may encourage suppliers to find more trustworthy vendors

c. it is guaranteed to increase production costs

d. it makes project planning impossible

Ans: B

Cognitive Domain: Application (Apply)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Supply Chain Activities for Projects

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

84. If the delivery of goods or services used as inputs is uncertain, proactive firms may try to \_\_\_\_\_\_.

a. predict future trends and problems

b. switch to manufacturing products which have more reliable inputs

c. exit that line of business altogether

d. redesign its products so that uncertain inputs can be avoided

Ans: C

Cognitive Domain: Application (Apply)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Supply Chain Activities for Projects

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

85. Which of the following is the final link in the project development chain?

a. distribution

b. finance

c. human resources

d. advertising

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Distribution

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

86. In contracting a project to a third-party, the acronym BOOT means \_\_\_\_\_\_.

a. the third-party not only completes the project but also operates it for a while to demonstrate everything is functioning as it should

b. the third-party not only completes the project but then pushes—or boots out—the project to the ultimate owner who then tests and operates the project

c. if the project is not completed on time, the third-party contractor is booted out

d. buy-organize-operate-terminate

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Distribution

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

87. Which of the following is an approach to managing the risk that a contractor may not complete a complex project properly?

a. Require the contractor to operate it for a while to demonstrate everything is functioning as it should.

b. Award the same project to multiple contractors to improve the chances that one of the contractors will successfully finish the project.

c. Guarantee that key employees from the contractor will have high-paying jobs with the primary company on successful completion of the contract.

d. Recruit personnel on behalf of the contractor to ensure that high-quality resources are deployed in the project.

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Distribution

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

88. Which of the following is NOT one of the four fundamental steps needed to create and manage a project supply chain?

a. setting goals for the supply chain

b. doing an environmental analysis

c. doing a root cause analysis to find out why the project failed

d. coordinating and planning

Ans: C

Cognitive Domain: Application (Apply)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Designing a Project’s Supply Chain

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

89. To ensure that a contractor ships parts and supplies of high quality to the primary firm, the primary firm may \_\_\_\_\_\_.

a. position quality assessment personnel at the suppliers’ work sites to monitor the quality of supplies that will be distributed to the primary firm

b. contract for supplies only with friends and associates of the primary firm’s management

c. send the same purchase orders to multiple suppliers

d. check each unit and each item received from the supplier

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-5. Identify the main supply chain activities of a project and the qualities that should be considered when designing the project’s supply chain.

Answer Location: Controlling

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

90. The projected cost of all of the project’s activities \_\_\_\_\_\_.

a. is typically reported in the company’s balance sheet

b. is known as the baseline budget

c. is typically mentioned in the annual report

d. is reported as a line item in the income tax filing with the government

Ans: B

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Evaluating a Project’s Status: S-Curves and Earned Value Management

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

91. A line tracking the project costs over the life of the project \_\_\_\_\_\_.

a. is known as the P-curve because the line represents projected costs

b. is known as the E-curve because the line curves sharply from bottom left to top right

c. is known as the S-curve because the line is shaped like the letter *S*

d. is known as the S-curve because the line represents scheduled costs

Ans: C

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: The S-Curve: A Basic Project-Status Tool

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

92. A problem with S-curves is that \_\_\_\_\_\_.

a. interpreting them is not always self-evident

b. managers do not know how to use them

c. they capture little financial or cost information

d. they are not audited

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: The S-Curve: A Basic Project-Status Tool

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

93. Which of the following is NOT included in calculating earned value?

a. budgeted costs

b. actual costs

c. value generated by the project

d. potential benefits of the project to the company

Ans: D

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Earned Value Management

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

94. Which of the following statements is true with regard to schedule efficiency and budget efficiency?

a. Schedule efficiency refers to how closely the project’s progress is tracking relative to the best-case scenario for project completion.

b. Budget efficiency is the efficiency with which budget is being used relative to the best-case scenario for project costs.

c. Schedule efficiency refers to how closely the project’s progress is tracking relative to its original plan.

d. Budget efficiency is the efficiency with which budget is being used relative to the worst-case scenario for project costs.

Ans: C

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Earned Value Management

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

95. The cancellation of many energy projects was \_\_\_\_\_\_.

a. a very difficult decision

b. the result of low oil prices

c. due to the lack of personnel to complete these projects

d. a direct result of government regulation

Ans: B

Cognitive Domain: Application (Apply)

Learning Objective: 3-6. Demonstrate how to execute, track, and terminate projects.

Answer Location: Terminating the Project

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

96. The groups that lobby against fossil fuels \_\_\_\_\_\_.

a. support wind farms

b. lobby against solar farms

c. support nuclear warfare

d. are watched by the FBI

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-8. Discuss issues related to global project management.

Answer Location: Operations Management: Lessons Learned: Fossil Fuels Unpopularity

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

97. Which of the following is NOT a criterion to judge the success of a project?

a. its adherence to budget and schedule

b. its quality and customer satisfaction with the results

c. its contribution to society

d. the dollar amount spent

Ans: D

Cognitive Domain: Application (Apply)

Learning Objective: 3-7. Identify the critical steps in planning for sustainability in projects.

Answer Location: What Makes a Project Successful?

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

98. The term *greenwashing* refers to \_\_\_\_\_\_.

a. a superficial claim to green practices

b. painting objects green as a way to demonstrate commitment to sustainability

c. a genuine commitment to sustainability

d. a genuine commitment to environmental conscientiousness

Ans: A

Cognitive Domain: Application (Apply)

Learning Objective: 3-7. Identify the critical steps in planning for sustainability in projects.

Answer Location: Sustainability Issues

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

99. Which of the following is NOT an implication resulting from the increasingly global nature of projects and project teams?

a. the need to develop global project management standards

b. the increased use of geographically dispersed project teams

c. the increased use of virtual technologies

d. the need for more face-to-face meetings

Ans: D

Cognitive Domain: Application (Apply)

Learning Objective: 3-7. Identify the critical steps in planning for sustainability in projects.

Answer Location: Global Projects

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)

100. The debate about “jobs versus the environment” refers to \_\_\_\_\_\_.

a. the late Steve Jobs’ stands against the environment

b. the difficult tradeoffs between different things that are important to society

c. the relationship between automation and unemployment

d. the impact of offshoring on alleviating joblessness

Ans: B

Cognitive Domain: Application (Apply)

Learning Objective: 3-7. Identify the critical steps in planning for sustainability in projects.

Answer Location: Sustainability Issues

Difficulty Level: Medium

AACSB: Application of knowledge (able to translate knowledge of business and management into practice)