vce trainer



Reference Solution for Prince2 Practitioner.exam.126q

Prince2 Practitioner

PRINCE2 Practitioner Exam

Score: 800/1000

Version:

Time Limit: 120 Minutes

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Exam A (126 questions)

Question 1

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

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The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

At the end of stage 2, the specialist 'e-learning course' supplier will be selected. As a result, it is decided that the quality management approach will not be created until the end of stage 2, to take into account this supplier's standards and techniques.
Is this appropriate, and why?

☒ Yes, because the quality management approach should take into account the supplier's standards, tools and techniques.
☐ Yes, because the product description for each product will define the required quality approach within each stage.
☐ No, because the quality management approach should be created during the initiation stage and updated later.
☐ No, because the quality management approach should be limited to ABC Company's quality standards.

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Question 2

Scenario
Additional Information
During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:
There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

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

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

A number of alternatives were explored, including:
20% discount for all repeat customers - not cost-effective and very short term
A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
A series of television and press advertisements£ was too expensive
A direct mail shot to all customers - benefit would be short term
Creation of an internet website - would not suit all customers

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

Which 2 statements should be recorded under the Timescale heading?

- ☐ Benefits will be lost if the project is not completed on time.
- ☐ A recruitment campaign to fill the existing staff vacancies will need to take place in the next 12 months.
- ☒ Additional 10% increase in orders in year two.
- ☒ The prepared calendar pack must be delivered by the first week in December.
- ☐ The print company requires a 2 week notification period of the calendar pack delivery.

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Question 3

Scenario
Additional Information

Chief Executive Officer (CEO): He started the company 25 years ago and knows his job very well. He injured his leg two years ago which has restricted his visits to the engineering area. As CEO he has an overall perspective of the business strategic requirements and the authority to commit resources as required.
Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image.
Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. VVhilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar.
Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

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

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

- ☐ He joined the company last year with huge enthusiasm and is keen to increase sales.
- ☒ He can provide an evaluation of the potential impact the calendar will have on sales.
- ☒ He is able to advise on suitable stakeholder engagement of current and prospective customers.
- ☐ He would like to move into the Marketing department in the future and sees this as an opportunity to work closely with the Marketing Director.
- ☐ He can resolve any conflict in requirements between the Sales department and the Marketing department.

Question 4

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

- ☐ Pre-requites
- ☐ Assumptions
- ☒ Quality responsibilities
- ☐ Product descriptions

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Question 5

Which of the following management products ARE updated as part of Managing a stage boundary?
1. Business Case
2. Benefits Review Plan
3. Configuration Item Records
4. Project Brief

- ☒ 1, 2, 3
- ☐ 1, 3, 4
- ☐ 1, 2, 4
- ☐ 2, 3, 4

Question 6

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

- ☐ Update the project plan with actual
- ☒ Update the Project Management Team
- ☐ Request a product status account
- ☐ Confirm project has delivered what is defined in Project Product Description

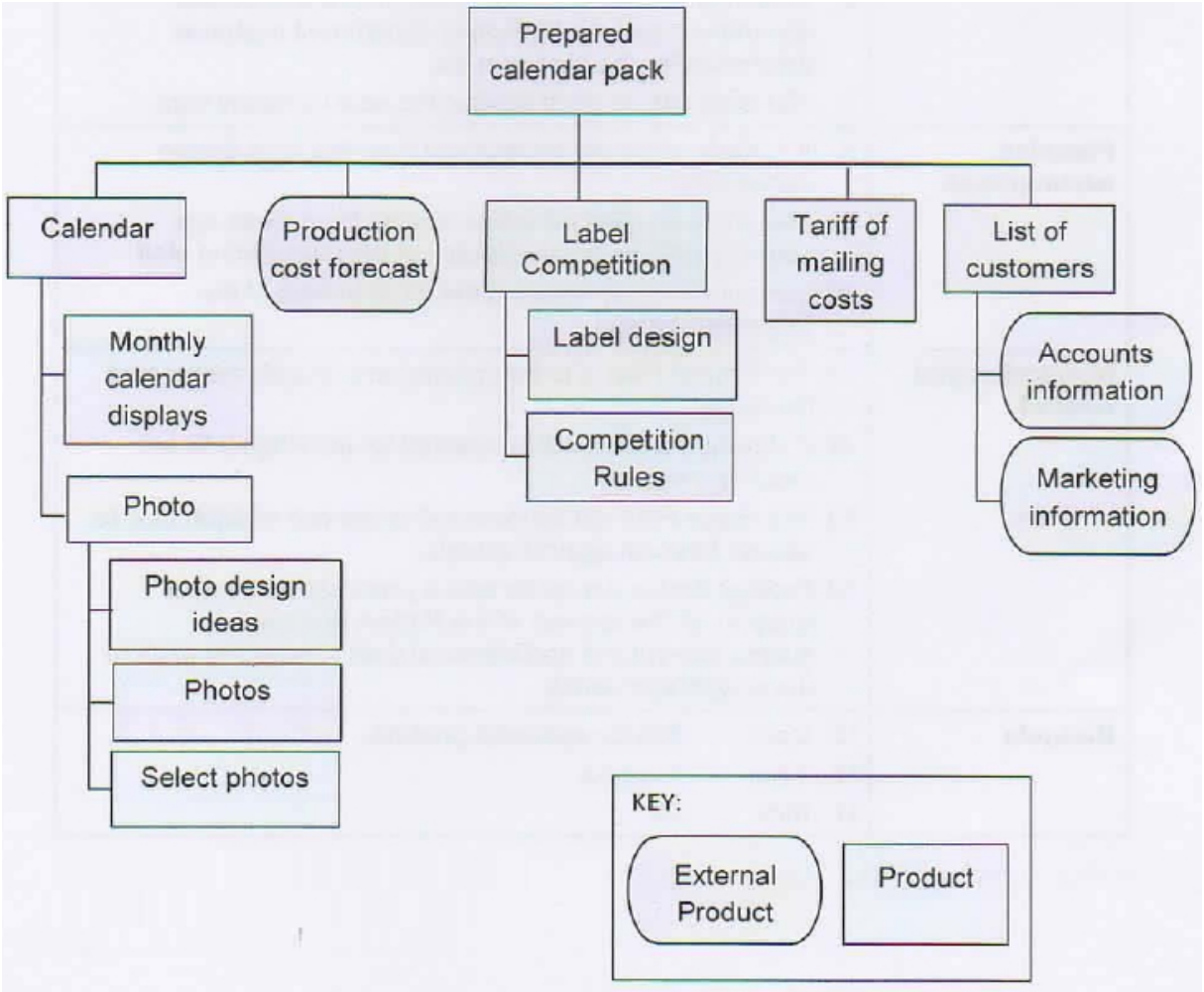
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Question 7

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

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

Product Breakdown Structure (contains errors)



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

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Plan description	1. Stage 3 is the final stage of the project and will deliver the photos, the label design competition entries, the winning label design and the prepared calendar pack.
Plan prerequisites	2. Increase in orders and improved company image. 3. The production cost forecast must be acceptable to the Project Board if the photography and label design competition are to go ahead. 4. The customer list is accurate and complete.
External dependencies	5. A separate project has been reviewing the company's branding. The company logo, required for the label design competition, is being updated. The new company logo is to be supplied by the other project in two weeks time. 6. Customer details will be supplied from the Accounts department and the Marketing department customer databases for the customer list. 7. The label design must contain the new company logo.
Planning assumptions	8. A suitable entry will be received from the label design competition. 9. The photo session schedule created two weeks ago correctly reflects the availability of the engineering staff. 10. Each photo must feature different members of the Engineering team.
Monitoring and control	11. The Project Plan is to be updated with actual throughout the stage. 12. A Highlight Report will be created for the Project Board every two weeks. 13. The Stage Plan will be reviewed at the end of each day, to assess forecast against actual. 14. Product Status Accounts will be produced by Project Support, at the request of the Project Manager, to summarize current and historical data concerning each of the project's products.
Budgets	15. Cost £5k for specialist products 16. Time 4 weeks 17. Risk £0

Using the Project Scenario and the Extract from Stage Plan for stage 3 provided as additional intonation for this question in the Scenario Booklet, answer the following 5 questions.
The Stage Plan for stage 3 has been produced.
The Engineering Manager insists that there are to be no interruptions to operations whilst photographs are being taken of the engineering staff performing their everyday duties and operating machinery. Two weeks ago the professional photographer produced the photo session schedule based on the operational staff schedule. The operational staff schedule is produced weekly and maintained by the Engineering Manager.
None of the £500 change budget has been used to date and this is available for the stage.

Which 2 statements apply to the External dependencies section?

☐ Delete entry 5 because the new company logo is being delivered by a separate project and will be detailed in the plans for that project.

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☐ Move entry 5 to Plan prerequisites because the new company logo will influence the label designs.
☐ Move entry 5 to Plan description because the new company logo will be delivered during stage 3.
☒ Delete entry 6 because the customer details were used in stage 2 to create the customer list.
☒ Delete entry 7 because it should be shown in the Product Description for the label design.

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Question 8

Scenario
Additional Information
During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:
There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

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

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

A number of alternatives were explored, including:
20% discount for all repeat customers - not cost-effective and very short term
A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
A series of television and press advertisements£ was too expensive
A direct mail shot to all customers - benefit would be short term
Creation of an internet website - would not suit all customers

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

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

- ☒ Produce a promotional calendar as a free Christmas gift to current and prospective customers.
- ☐ Use a professional photographer to create the photographs for the calendar.
- ☐ Create the photographs for the calendar internally.
- ☐ Outsource the creation of the calendar to a professional marketing company.
- ☒ Do nothing.

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Question 9

Scenario
Additional Information

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

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

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board.

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

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

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

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Question 10

Scenario
Additional Information

Chief Executive Officer (CEO): He started the company 25 years ago and knows his job very well. He injured his leg two years ago which has restricted his visits to the engineering area. As CEO he has an overall perspective of the business strategic requirements and the authority to commit resources as required.
Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image.
Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. VVhilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar.
Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

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

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

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

Question 11

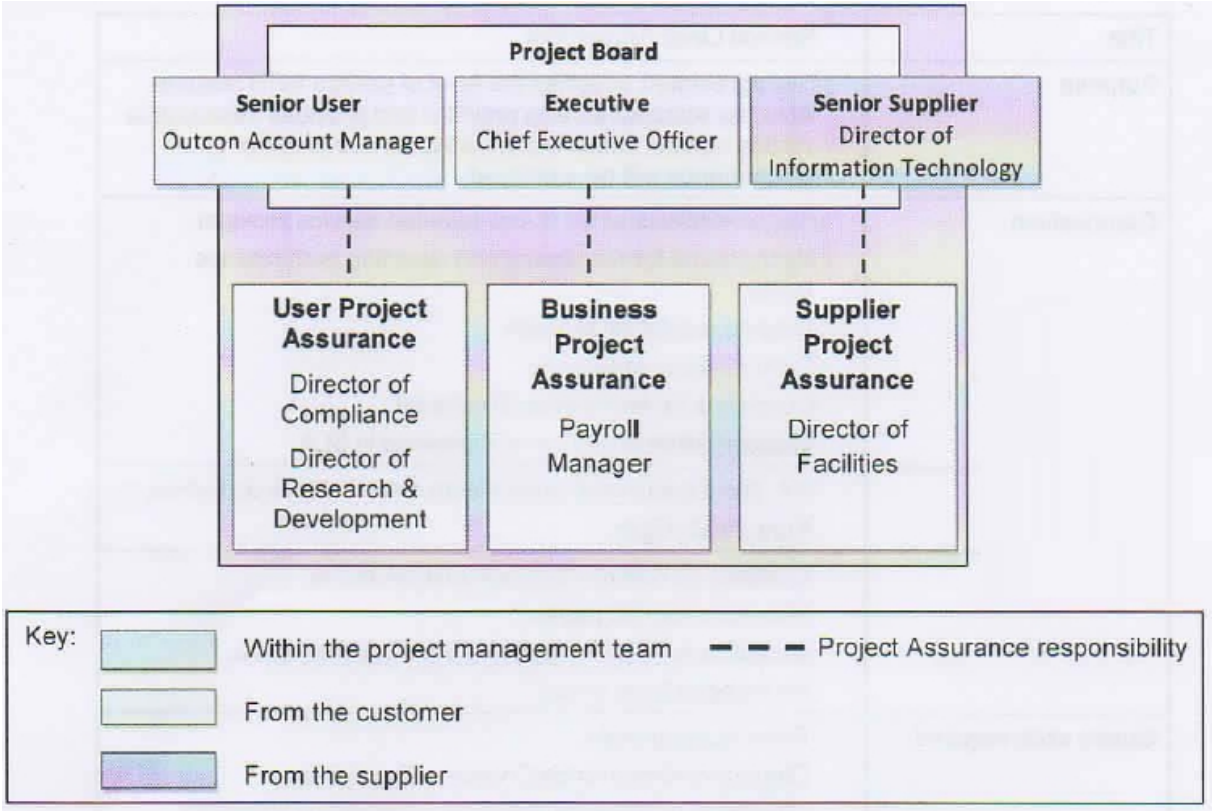
Who is responsible for ensuring that Communication Management Strategy is appropriate and that planned communication activities actually take place?

- ☒ Project Assurance
- ☐ Project Manager
- ☐ Corporate or Programme Management
- ☐ Project Support

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Question 12

Scenario
Additional Information



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

Outcome Account Manager: He represents Outcome which is a recruitment agency that provides specialist outsourcing resources. Outcome provided the consultants who carried out the feasibility study and the same consultants will be providing support and guidance to the Information Technology and Facilities teams during the project.
Director of Finance Division: She was transferred from the Information Technology Division 12 months ago. She is responsible for ensuring a cost-conscious approach is adopted in all operational and project activities across the Ministry of Food Hygiene.
Hardware Manager: Reports to the Director of Information Technology. He provides computer hardware to all business functions but has little awareness of the needs of his colleagues working in software.
Payroll Manager: Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards.

Which 2 alternative actions apply to the proposed Senior Supplier for this project?

☒ Retain because she is responsible for the design of the future Information Technology organization and working practices.
☒ Add 'Director of Facilities' because he is responsible for the design of the future organization, processes, systems and operation models for Facilities.

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☐ Add 'Hardware Manager' because he provides computer hardware to all business functions and will be impacted by the outcome.
☐ Remove because she only represents the Information Technology Division.
☐ Replace with 'Director of Facilities' because he supports the initiative and has many ideas about how to improve the service.

Question 13

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

☐ Project manager
☒ Project support
☐ Team Manager
☐ Project Assurance

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Question 14

HOTSPOT

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

There has been a reduction in fie number of orders at the MNO Manufacturing Company due in part to the increased marketing activities of its competitors. To help counter this, the company has decided to create a promotional calendar for next year for all its current and prospective customers. The end product of this project will be a prepared calendar pack, ready for printing. The design of the calendar will be similar to one sent out previously, and must reflect the company image as described in the existing corporate branding standards. Another project is currently producing a new company logo when is to be printed on each page of the promotional calendar. The prepared calendar pack will consist of:
Design for each month - correctly showing at public holidays and new company logo
Selected photographs- 12 professionally-produced photographs, showing different members of staff
Selected paper and selected envelope - for printing and mailing the calendar
Chosen label design - a competition to design a label will be held as part of this project
List of customers - names and addresses of customers to whom the calendar will be sent.

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

Stage 2 will include tie activities to:
Create the customer fast using information from the Accounts and Marketing departments
Confirm compliance with the Data Protection Legislation
Create a design for each month - this will be done by the internal creative team
Select and appoint a professional photographer
Gather photograph design ideas from previous project and agree photographic session schedule
Prepare a production cost forecast
Select paper and envelope.

Stage 3 will include the activities to:
Produce and select tie professionally-taken photographs
Hold the label design competition and choose the label design
Assemble the prepared calendar pack.

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

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

	Assertion		Reason	
1	The label design competition should be planned and managed as two management stages.	True-False	A decision can only be made by the Project Board at the end of a management stage.	True-False
2	Quality tolerances allocated to the photos can be used to remedy a forecast threat to time tolerance.	True-False	Any forecast threat to time tolerance should first be resolved by use of any available quality tolerance.	True-False
3	A suitable point for a stage boundary would be after the production cost forecast has been produced.	True-False	A stage boundary represents a go/no go decision point.	True-False
4	With +1 week 1-2 weeks time tolerance, the project is permitted to finish two weeks later than 30 November.	True-False	A negative project time tolerance indicates the total permissible delay to a project schedule before an exception situation occurs.	True-False
5	If the project is forecast to exceed the cost tolerance of +£6k, the Project Manager should send an Exception Report straight to corporate management.	True-False	If the forecast is for project tolerances to be exceeded, the Project Board no longer has the authority to continue with the project.	True-False
6	The production cost forecast should be reviewed by the Project Board during the Directing a Project process to determine whether the project should continue.	True-False	The Project Board reviews all products at the end of each stage.	True-False

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Solution:

	Assertion		Reason	
1	The label design competition should be planned and managed as two management stages.	True-False	A decision can only be made by the Project Board at the end of a management stage.	True-False
2	Quality tolerances allocated to the photos can be used to remedy a forecast threat to time tolerance.	True-False	Any forecast threat to time tolerance should first be resolved by use of any available quality tolerance.	True-False
3	A suitable point for a stage boundary would be after the production cost forecast has been produced.	True-False	A stage boundary represents a go/no go decision point.	True-False
4	With +1 week 1-2 weeks time tolerance, the project is permitted to finish two weeks later than 30 November.	True-False	A negative project time tolerance indicates the total permissible delay to a project schedule before an exception situation occurs.	True-False
5	If the project is forecast to exceed the cost tolerance of +£6k, the Project Manager should send an Exception Report straight to corporate management.	True-False	If the forecast is for project tolerances to be exceeded, the Project Board no longer has the authority to continue with the project.	True-False
6	The production cost forecast should be reviewed by the Project Board during the Directing a Project process to determine whether the project should continue.	True-False	The Project Board reviews all products at the end of each stage.	True-False

Question 15

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

- ☐ Post project review plan
- ☐ Risk Register
- ☒ Benefits Review plan
- ☐ Issue Register

Question 16

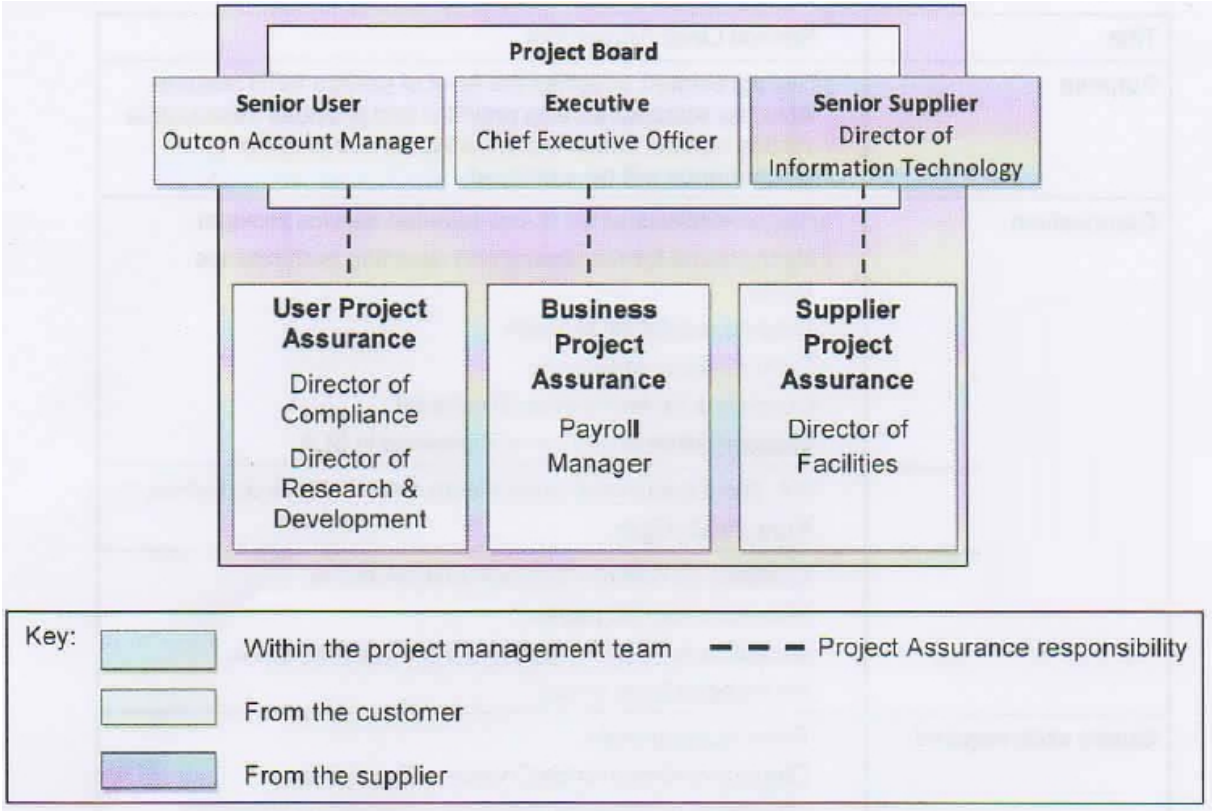
There are two time driven controls in PRINCE2, which are they?

- ☐ Highlight and End Stage Reports
- ☒ Highlight and Checkpoint Reports
- ☐ Checkpoint and End Project Reports
- ☐ Highlight and Lessons Reports

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Question 17

Scenario
Additional Information



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

Outcome Account Manager: He represents Outcome which is a recruitment agency that provides specialist outsourcing resources. Outcome provided the consultants who carried out the feasibility study and the same consultants will be providing support and guidance to the Information Technology and Facilities teams during the project.
Director of Finance Division: She was transferred from the Information Technology Division 12 months ago. She is responsible for ensuring a cost-conscious approach is adopted in all operational and project activities across the Ministry of Food Hygiene.
Hardware Manager: Reports to the Director of Information Technology. He provides computer hardware to all business functions but has little awareness of the needs of his colleagues working in software.
Payroll Manager: Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards.

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

- ☐ Remove because he will be impacted by the project and therefore represents a user.
- ☐ Replace with 'Project Manager' because this is a simple project that does not require additional business assurance.
- ☐ Add Outcome Consultants' because they carried out the feasibility study.

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☒ Add 'Director of Finance Division' because she is responsible for checking that any supplier and contractor payments are authorized.
☒ Retain because he is familiar with the Ministry of Food Hygiene business strategy, the business level risk assessment and the Business Case standards.

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Question 18

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario.

Additional Information:

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The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

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The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

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The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The executive has set the following tolerances for stage 2:
Time (+/- 1 week)
Cost (+/- £20,000)
Scope (using MoSCoW prioritization technique)

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Risk (based on the risk appetite defined in the risk management approach)

These tolerances have been recorded in the stage plan. The project manager will report progress regularly via highlight reports to the project board and use exception reports to raise exceptions. In addition, the project assurance role will monitor the stage to provide confidence to the project board that exceptions are being reported.

How well does this apply the 'manage by exception' principle, and why?

- ☐ It applies the principle well, because tolerances should be set for the related aspects of project performance for each stage.
- ☐ It applies the principle well, because the project manager needs to control the project using discrete management stages.
- ☒ It applies the principle poorly, because tolerances should be set for each stage against each of the six aspects of project performance.
- ☐ It applies the principle poorly, because it is the regular reporting of progress that should give the project board the required confidence.

Question 19

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

- ☐ Project Manager
- ☐ Team Manager
- ☐ Project Assurance
- ☒ Project Support

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Question 20

Scenario
Extract from the Project Product Description (with errors)

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

Which 2 statements apply to the Development skills required section?

- ☐ Move entry 13 to Composition because the appointment of the photographer is within the scope of this project.
- ☐ Move entry 13 to Derivation because this is a source of information for this project.
- ☐ Delete entry 14 because this skill is NOT required within this project.
- ☒ Delete entry 15 because this skill is NOT required within this project.
- ☒ Add 'Knowledge of Data Protection Act.

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Question 21

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

- ☐ Review Stage status
- ☒ Giving ad hoc direction
- ☐ Escalating a project issue
- ☐ Report stage end

Question 22

Scenario
Additional Information

Chief Executive Officer (CEO): He started the company 25 years ago and knows his job very well. He injured his leg two years ago which has restricted his visits to the engineering area. As CEO he has an overall perspective of the business strategic requirements and the authority to commit resources as required.
Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image.
Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. VVhilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar.
Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

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

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

- ☒ She can represent the Marketing department.
- ☐ She previously had a successful career in publicity.
- ☒ The Marketing department will help to deliver the benefits of this project.
- ☐ The project will be funded from the business marketing budget.
- ☐ A number of the products will be produced by the Sales department and the Marketing department.

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Question 23

Scenario

Extract from the Project Product Description (with errors)

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Derivation	9. New company logo design 10. Previous calendar designs 11. Internal creative team 12. Production cost forecast
Development skills required	13. Photographer 14. Internal creative team 15. Printer
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Which 2 statements apply to the Composition section?

- ☒ Amend entry 2 to 'Selected paper'.
- ☒ Delete entry 3 because this is NOT a major product to be delivered by this project.
- ☐ Move entry 6 to Derivation because this product already exists.
- ☐ Delete entry 7 because these will be produced by the photographer.
- ☐ Add 'Calendars distributed to customers'.

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Question 24

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario.

Additional Information:

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End of the additional information.

Use the 'Additional Information' in the Scenario Booklet to answer this question.

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The Operations Director is the executive for the project and has proposed that a senior course developer be appointed as project manager. The course developer works in the Training Development Manager's team and has a good understanding of the standard course development model. The course developer was a team manager on a previous project for which the Operations Director was the executive.
Is this proposed appointment appropriate, and why?

☒ Yes, because the course developer is responsible for ensuring that trainers deliver courses to the required standard.
☐ Yes, because the course developer is likely to have the project management and specialist knowledge required.
☐ No, because the course developer's team reports to the Business Development Director, not the Operations Director.
☐ No, because there is a conflict of interest as the Training Development Manager is responsible for gaining accreditation.

Question 25

Who sets the tolerances for a work package?

☐ The project board
☒ The project manager
☐ The team manager
☐ Corporate or programme management

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Question 26

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End of the additional information.

A construction company that is one of ABC Company's key clients has agreed to provide a member of the staff to review and comment on the 'e-learning course'.
Which stakeholder interest should the member of staff represent, and why?

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- ☐ Supplier, because this stakeholder provides the expertise required by the project.
- ☐ Supplier, because this stakeholder is an external supplier.
- ☐ User, because this stakeholder may train its staff using the 'e-learning course'.
- ☒ User, because this stakeholder ensures that the project provides value for money.

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Question 27

Project Scenario – Health and Safety Training Project:

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End of the Project scenario.

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End of the additional information.

During stage 3, the operational staff that handle course bookings asked for the project scope to be increased for an online booking function. The additional product has been as it will enable them to process bookings more quickly and accurately.
Is this an appropriate application of the 'focus on products' principle, and why?

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☐ Yes, because the goal is to seek opportunities to implement improvements after the life of the project.
☒ Yes, because the project needs to fulfill stakeholder expectations by delivering the products required.
☐ No, because there needs to be an understanding of the products from the start of the project.
☐ No, because existing product descriptions provide a means to estimate effort to planning.

Question 28

Scenario:

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

What products will be impacted by this change?

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

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Question 29

Scenario

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

Do nothing.
Re-engineer selected business functions.
Outsource selected business functions.
The feasibility study concluded that there was a case for outsourcing the MFH Information Technology Division and the Facilities Division (maintenance of buildings and grounds). The recommendations were:

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

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

Use PRINCE2.
Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.
Stage 2. Create detailed designs (future organization, processes, systems and operating models) and the service level agreement between MFH and the future service provider.
Stage 3. Request and evaluate proposals, select service provider and agree contract.
Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

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

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

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

Explanation:

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

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Question 30

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The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

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End of the additional information.
The project is at the end of stage 4. The project manager has changed the benefits management approach. It now includes all the activities necessary to measure the increased revenue.
Who should approve this update?

- ☐ Corporate management
- ☒ Project board
- ☐ Project assurance
- ☐ Project manager

Question 31

Who is responsible for reviewing the risk management practices to ensure they are in line with the project's risk management strategy?

- ☐ Project Support
- ☐ Project Manager
- ☐ Team Manager
- ☒ Project Assurance

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Question 32

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

- ☒ Business Assurance
- ☐ Senior User
- ☐ Corporate or Programme Management
- ☐ Reject Support

Question 33

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

- ☐ Reduce
- ☒ Share
- ☐ Reject
- ☐ Enhance

Question 34

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

- ☐ Project Board
- ☐ Project Manager
- ☒ Corporate or Programme Management
- ☐ Executive

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Question 35

Scenario
Additional Information

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

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

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board.

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

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

What statement applies to the Records section?

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

Question 36

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

- ☒ 1, 2 & 3
- ☐ 1, 3 & 4
- ☐ 1, 2 & 4
- ☐ 2, 3 & 4

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Question 37

Scenario
Extract from the Project Product Description (with errors)

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

Which 2 statements apply to the Derivation section?

- ☐ Move entry 9 to Composition because this is within the scope of the project.
- ☐ Delete entry 10 because this is NOT a source product for this project.
- ☒ Delete entry 11 as this is already correctly shown under Development Skills required.
- ☒ Move entry 12 to Composition, because this is within the scope of this project.
- ☐ Add 'Professional photographer'.

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Question 38

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

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The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

ABC Company has a number of projects in progress. The executive of the Health and Safety Training Project is also a member of the project board for two other projects and is very busy. As a result, during this initiation stage, the executive has appointed another person to carry out both their business assurance and the role of change authority for minor and medium severity issues.
Is this appropriate, and why?

☒ Yes, because people with delegated project assurance roles may act as the change authority.
☐ Yes, because projects that are likely to have many changes should delegate the change authority.
☐ No, because the decision to have a change authority should be made before the project is authorized.
☐ No, because the project manager identifies the level of tailoring that is relevant for the project.

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Question 39

Project Scenario – Health and Safety Training Project:

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The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

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End of the additional information.

The delivery of the pilot courses has been split into two separate products: 'planned pilot courses' and 'delivered pilot courses'. 'Planned pilot courses' will be produced during stage 3, and the 'delivered pilot courses' will take place during stage 4. This will allow the project board to approve the plan for the pilot courses before the resources are committed to delivering the pilot courses. Why is this an appropriate application of the plans theme to control the project?

- ☐ Because a PRINCE2 project should focus on the quality of the products being delivered.
- ☐ Because the pilot courses have been broken down into two separate products.
- ☐ Because the project board should ensure that lessons from one stage are applied to the next stage.
- ☒ Because the delivery steps to create the pilot courses have been aligned to the management stages.

Question 40

Which of the following statements describes an outcome?

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

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Question 41

DRAG DROP

Project Scenario – Health and Safety Training Project:

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The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario.

Additional Information:

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The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

ORGANIZATION

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The communication management approach is being developed. ABC Company's corporate management has agreed the information about proposed courses can be shared externally, provided that a non-disclosure agreement is signed and corporate management is informed.
Here are three items of information relating to the sharing of course materials.
Under which heading of the communication management approach (A-F) should they be included?
Choose only one heading for each item of information. Each heading can be used once, more than once, or not at all.



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Solution:

Information relating to the health and safety training courses can be shared with third parties. This is an exception to normal policy.	Introduction
Signed non-disclosure agreements should be copied and stored with project documentation.	Information relating to the health and safety training courses can be shared with third parties. This is an exception to normal policy.
A list of the signed non-disclosure agreements will be provided to corporate management on a monthly basis.	Tools and techniques
	Signed non-disclosure agreements should be copied and stored with project documentation.
	A list of the signed non-disclosure agreements will be provided to corporate management on a monthly basis.
	Roles and responsibilities

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Question 42

Project Scenario – Health and Safety Training Project:

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The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

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End of the additional information.

MANAGING PRODUCT DELIVERY

The team manager for the production of the 'marketing materials' has identified that they will not be ready within the timescale agreed in the work package. The team manager has sufficient tolerance to take corrective action. As a result, additional resources have been assigned to this work package. Which theme is being applied?

- ☒ Risk
- ☐ Organization
- ☐ Progress
- ☐ Change

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Question 43

Scenario
Additional Information
During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:
There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

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

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

A number of alternatives were explored, including:
20% discount for all repeat customers - not cost-effective and very short term
A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
A series of television and press advertisements€ was too expensive
A direct mail shot to all customers - benefit would be short term
Creation of an internet website - would not suit all customers

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

Which 2 statements should be recorded under the Costs heading?

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

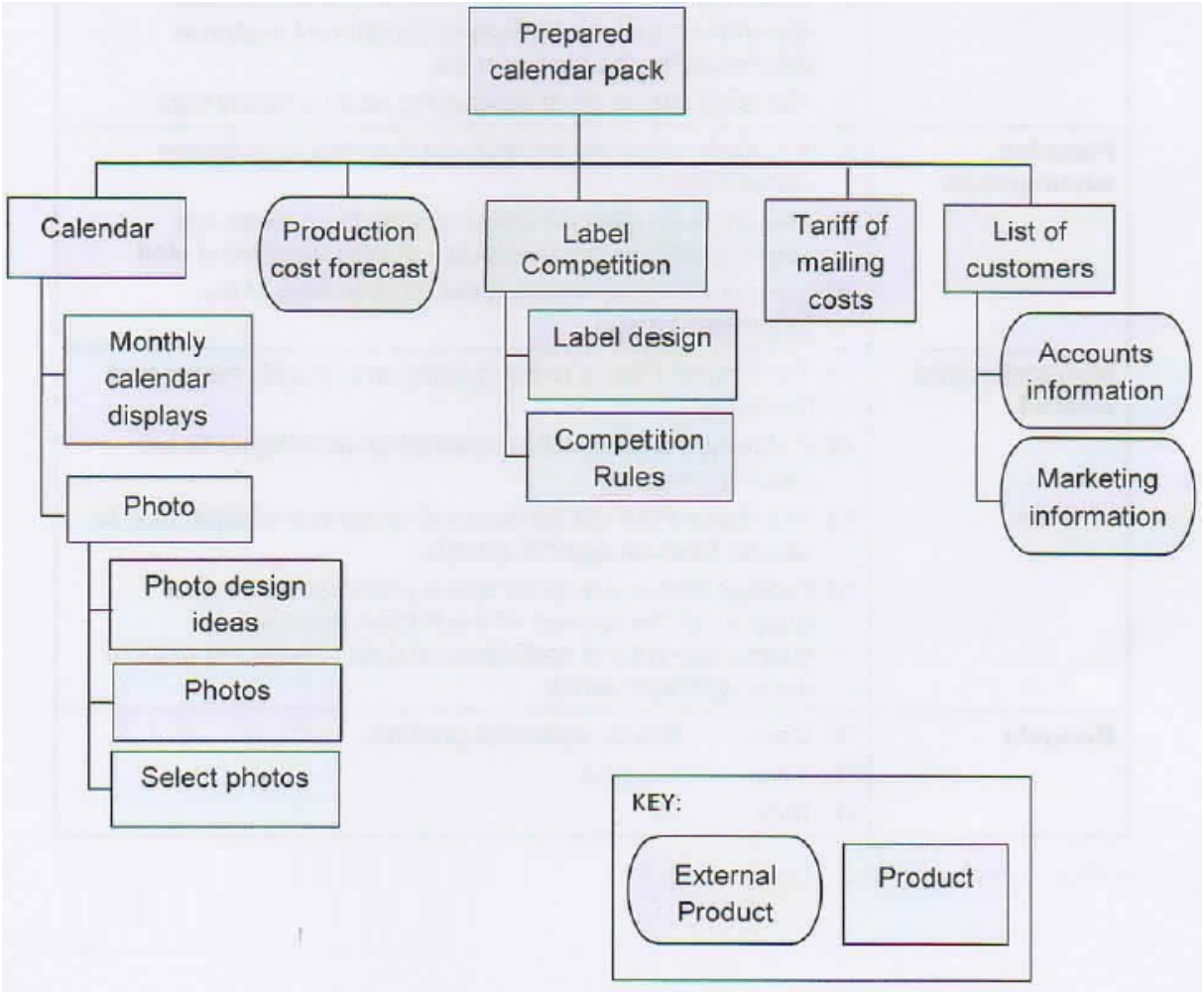
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Question 44

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

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

Product Breakdown Structure (contains errors)



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

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Plan description	1. Stage 3 is the final stage of the project and will deliver the photos, the label design competition entries, the winning label design and the prepared calendar pack.
Plan prerequisites	2. Increase in orders and improved company image. 3. The production cost forecast must be acceptable to the Project Board if the photography and label design competition are to go ahead. 4. The customer list is accurate and complete.
External dependencies	5. A separate project has been reviewing the company's branding. The company logo, required for the label design competition, is being updated. The new company logo is to be supplied by the other project in two weeks time. 6. Customer details will be supplied from the Accounts department and the Marketing department customer databases for the customer list. 7. The label design must contain the new company logo.
Planning assumptions	8. A suitable entry will be received from the label design competition. 9. The photo session schedule created two weeks ago correctly reflects the availability of the engineering staff. 10. Each photo must feature different members of the Engineering team.
Monitoring and control	11. The Project Plan is to be updated with actual throughout the stage. 12. A Highlight Report will be created for the Project Board every two weeks. 13. The Stage Plan will be reviewed at the end of each day, to assess forecast against actual. 14. Product Status Accounts will be produced by Project Support, at the request of the Project Manager, to summarize current and historical data concerning each of the project's products.
Budgets	15. Cost £5k for specialist products 16. Time 4 weeks 17. Risk £0

Using the Project Scenario and the Extract from Stage Plan for stage 3 provided as additional intonation for this question in the Scenario Booklet, answer the following 5 questions.
The Stage Plan for stage 3 has been produced.
The Engineering Manager insists that there are to be no interruptions to operations whilst photographs are being taken of the engineering staff performing their everyday duties and operating machinery. Two weeks ago the professional photographer produced the photo session schedule based on the operational staff schedule. The operational staff schedule is produced weekly and maintained by the Engineering Manager.
None of the £500 change budget has been used to date and this is available for the stage.

Which 2 statements apply to the Plan prerequisites section?

☒ Delete entry 2 because these are project benefits not prerequisites of the stage.

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☐ Delete entry 3 because the production cost forecast is a deliverable of stage 2, not a prerequisite for stage 3.
☒ Delete entry 4 because the customer list is a deliverable of stage 2, not a prerequisite for stage 3.
☐ Add 'Engineering team must be made available for photos'.
☐ Add 'Compliance with the Data Protection Act'.

Question 45

Scenario

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

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

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

☐ Project Support will maintain the Risk Register.
☒ The evaluated net effect of all risks will be updated at the end of each stage and included in the End Stage Report.
☒ The Change Authority will report monthly to the Project Manager on the status of the change budget.
☐ Risks that are likely to occur within the next two weeks should be recorded as imminent.
☐ A summary of risks will be maintained and included with the monthly Highlight Reports to the Project Board.

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Question 46

Scenario
Additional Information

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

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

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board.

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

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

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

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Question 47

Project Scenario – Health and Safety Training Project:

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The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

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The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario.

Additional Information:

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The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

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The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

ABC Company has a standard course development model with four defined stages that the company manages using PRINCE2. The project manager for the Health and Safety Training Project has recommended the stage 2 of the standard model be split into two separate stages. As a result, there will now be five management stages in the project.

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Is this an appropriate application of the 'tailor to suit the project' principle, and why?

☐ Yes, because the project manager can adapt or combine PRINCE2 process to suit the project.
☒ Yes, because the standard course development structure should be tailored to suit the project.
☐ No, because a simple project should have no more than two management stages.
☐ No, because the standard course development structure should be applied to the project.

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Question 48

Scenario
Additional Information

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

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

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board.

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

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

Which statement applies to the Timing of communication activities section?

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

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Question 49

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

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The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The project is at the start of stage 3, and there will be six teams working on product delivery. In order to exercise control, the project manager has asked each team to submit a detailed team plan for approval. The external team manager for the 'e-learning course' has agreed to submit a summary to the project manager, but will submit the detailed team plan to the senior supplier to review and approve.
Is the team manager's response appropriate, and why?

- ☐ Yes, because a supplier may want to keep the details of the specialist work confidential.
- ☐ Yes, because team plans are mandatory on a project of this size and complexity.
- ☒ No, because the project manager needs detailed plans to manage the work of several teams.
- ☐ No, because the team plan must be submitted to project assurance to check it is viable.

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Question 50

Scenario

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

Do nothing.
Re-engineer selected business functions.
Outsource selected business functions.
The feasibility study concluded that there was a case for outsourcing the MFH Information Technology Division and the Facilities Division (maintenance of buildings and grounds). The recommendations were:

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

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

Use PRINCE2.
Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.
Stage 2. Create detailed designs (future organization, processes, systems and operating models) and the service level agreement between MFH and the future service provider.
Stage 3. Request and evaluate proposals, select service provider and agree contract.
Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

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

Which 2 statements should be recorded under the Reasons heading?

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

Explanation:

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

Question 51

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

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

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

Question 52

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

☐ Project Support
☐ Executive
☒ Project Assurance
☐ Project Manager

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Question 53

Scenario
Additional Information

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Timing of communication activities	9. At the end of each stage, audit and report on the performance of the communication methods being used. 10. Highlight Reports to be provided to appropriate stakeholders, at the frequency defined in each Stage Plan.
Stakeholder analysis: Interested parties	11. Photographer. 12. Print company.
Information needs for each interested party	13. Weekly updates will be provided by email to the individual producing the staff newsletter. 14. Engineering Manager is to be consulted when preparing the photo session schedule.

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board.

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

Which statement applies to the Communication procedure section?

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

Question 54

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

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

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

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Question 55

Scenario
Additional Information

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Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board.

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

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

☒ The Daily Log was correctly used to monitor risks during the Starting up a Project process. It will be used to capture all risks, actions, decisions, assumptions

☐ It was not appropriate to use the Daily Log to capture all risks and issues during the Starting up a Project process. Separate registers should have been set up for risks, issues and lessons learned. This will now be done.

☐ In a simple project, the Project Initiation Documentation (PID) should contain a register for recording risk information and monitoring project risks throughout the delivery stages. The register will now be added to the PID.

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Question 56

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario.

Additional Information:

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The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

One of the senior managers of the company that is developing the 'e-learning course' has worked with ABC Company before. The team manager for the delivery of the 'e-learning course' has looked on ABC Company's intranet, but cannot find any reference to this work. The team manager has contacted the senior manager to discuss this project.

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Is this an appropriate application of the 'learn from experience' principle, and why?

- ☐ Yes, because the project involves more than one organization.
- ☒ Yes, because the team manager should actively look for useful information.
- ☐ No, because the senior manager should advise the team manager of any lessons.
- ☐ No, because every project is unique and should deliver specific business objectives

Question 57

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

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

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

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Question 58

Scenario
Additional Information

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

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

Which statement applies to the Introduction section?

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

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Question 59

Scenario
Additional Information

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

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

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

Question 60

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

- ☐ They cannot be assigned
- ☐ They don't need to follow corporate objectives
- ☒ They should be measurable
- ☐ Tolerances cannot be set against expected benefits

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Question 61

Project Scenario – Health and Safety Training Project:

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The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

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The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

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The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

A quality review of the 'marketing materials' has started. The team manager for the 'marketing materials' has been unhappy with the team's workload throughout the project and refuses to attend the review meeting to present the material. The team manager suggests that a new marketing team member make the presentation. However, the chair decides to represent the marketing team and makes a list of actions to resolve later.
Is this an appropriate approach to the quality review, and why?

- ☐ Yes, because the role of presenter should not be performed by a junior member of the team.
- ☐ Yes, because the roles of chair, presenter and administrator may be combined.
- ☐ No, because the role of presenter should be performed by the team manager.
- ☒ No, because the chair should be independent from the product being reviewed.

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Question 62

Scenario:

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

What additional risk will this place on the project?

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

Question 63

Scenario:

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

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

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

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Question 64

During which process would the stage tolerances be set?

- ☐ Controlling a Stage
- ☐ Initiating a Project
- ☐ Managing a Stage Boundary
- ☒ Directing a Project

Question 65

Scenario
Additional Information

Chief Executive Officer (CEO): He started the company 25 years ago and knows his job very well. He injured his leg two years ago which has restricted his visits to the engineering area. As CEO he has an overall perspective of the business strategic requirements and the authority to commit resources as required.
Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image.
Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. VVhilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar.
Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

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

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

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

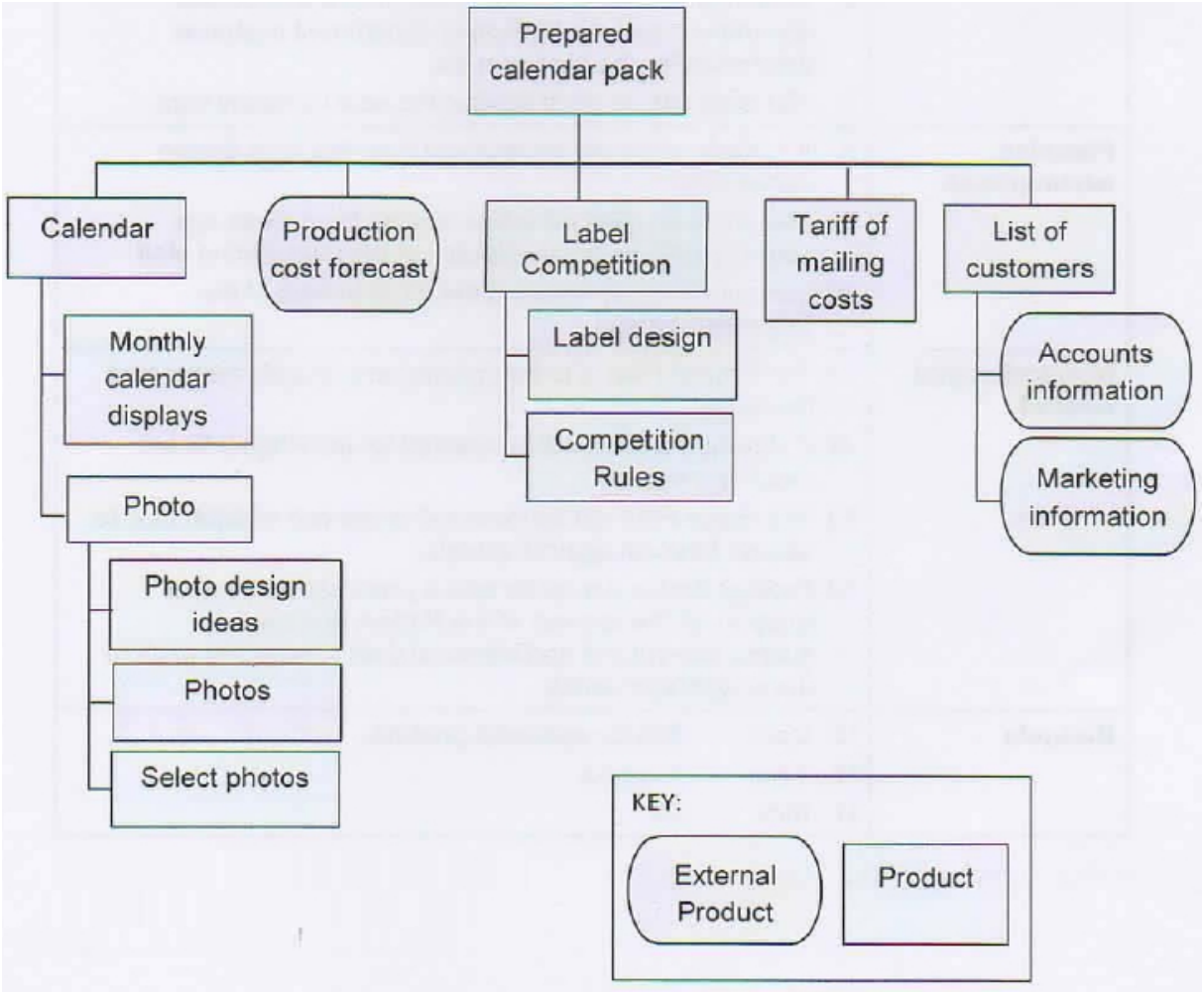
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Question 66

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

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

Product Breakdown Structure (contains errors)



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

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Plan description	1. Stage 3 is the final stage of the project and will deliver the photos, the label design competition entries, the winning label design and the prepared calendar pack.
Plan prerequisites	2. Increase in orders and improved company image. 3. The production cost forecast must be acceptable to the Project Board if the photography and label design competition are to go ahead. 4. The customer list is accurate and complete.
External dependencies	5. A separate project has been reviewing the company's branding. The company logo, required for the label design competition, is being updated. The new company logo is to be supplied by the other project in two weeks time. 6. Customer details will be supplied from the Accounts department and the Marketing department customer databases for the customer list. 7. The label design must contain the new company logo.
Planning assumptions	8. A suitable entry will be received from the label design competition. 9. The photo session schedule created two weeks ago correctly reflects the availability of the engineering staff. 10. Each photo must feature different members of the Engineering team.
Monitoring and control	11. The Project Plan is to be updated with actual throughout the stage. 12. A Highlight Report will be created for the Project Board every two weeks. 13. The Stage Plan will be reviewed at the end of each day, to assess forecast against actual. 14. Product Status Accounts will be produced by Project Support, at the request of the Project Manager, to summarize current and historical data concerning each of the project's products.
Budgets	15. Cost £5k for specialist products 16. Time 4 weeks 17. Risk £0

Using the Project Scenario and the Extract from Stage Plan for stage 3 provided as additional intonation for this question in the Scenario Booklet, answer the following 5 questions.
The Stage Plan for stage 3 has been produced.
The Engineering Manager insists that there are to be no interruptions to operations whilst photographs are being taken of the engineering staff performing their everyday duties and operating machinery. Two weeks ago the professional photographer produced the photo session schedule based on the operational staff schedule. The operational staff schedule is produced weekly and maintained by the Engineering Manager.
None of the £500 change budget has been used to date and this is available for the stage.

Which 2 statements apply to the Monitoring and control section?

☒ Delete entry 11 because this relates to the monitoring and controlling of the Project Plan, not the Stage Plan.

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☒ No change to entry 12 because this describes how the Project Board will control the stage. ~

☐ Move entry 12 because the Highlight Reports are deliverables of this stage and should be shown under Product descriptions.

☐ Delete entry 13 because this is part of the Controlling a Stage process.

☐ Delete entry 14 because the Product Status Account is NOT an ad-hoc report. It is produced at the end of each stage to identify any variations between planned status, reported status and actual status of the stage's products.

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Question 67

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

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The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The project's change control approach states that PRINCE2's recommended issue and change control procedure will be used. The senior user has requested that a new set of marketing materials and marketing channels be introduced to support the launch of the training course. The senior user has suggested that this should be managed informally.
Where should the project manager record the issue, and why?

☐ In the daily log, because a change to a product at the default level can be handled informally.
☐ In the daily log, because the senior user has advised that this change should be informally.
☐ In the issue register, because this is a request for change requiring a change to a baseline.
☒ In the issue register, because issues should be recorded here first, before determining how to manage them.

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Question 68

Scenario
Additional Information

Chief Executive Officer (CEO): He started the company 25 years ago and knows his job very well. He injured his leg two years ago which has restricted his visits to the engineering area. As CEO he has an overall perspective of the business strategic requirements and the authority to commit resources as required.
Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image.
Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. VVhilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar.
Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

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

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

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

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Question 69

Scenario
Additional Information
During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:
There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

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

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

A number of alternatives were explored, including:
20% discount for all repeat customers - not cost-effective and very short term
A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
A series of television and press advertisements£ was too expensive
A direct mail shot to all customers - benefit would be short term
Creation of an internet website - would not suit all customers

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

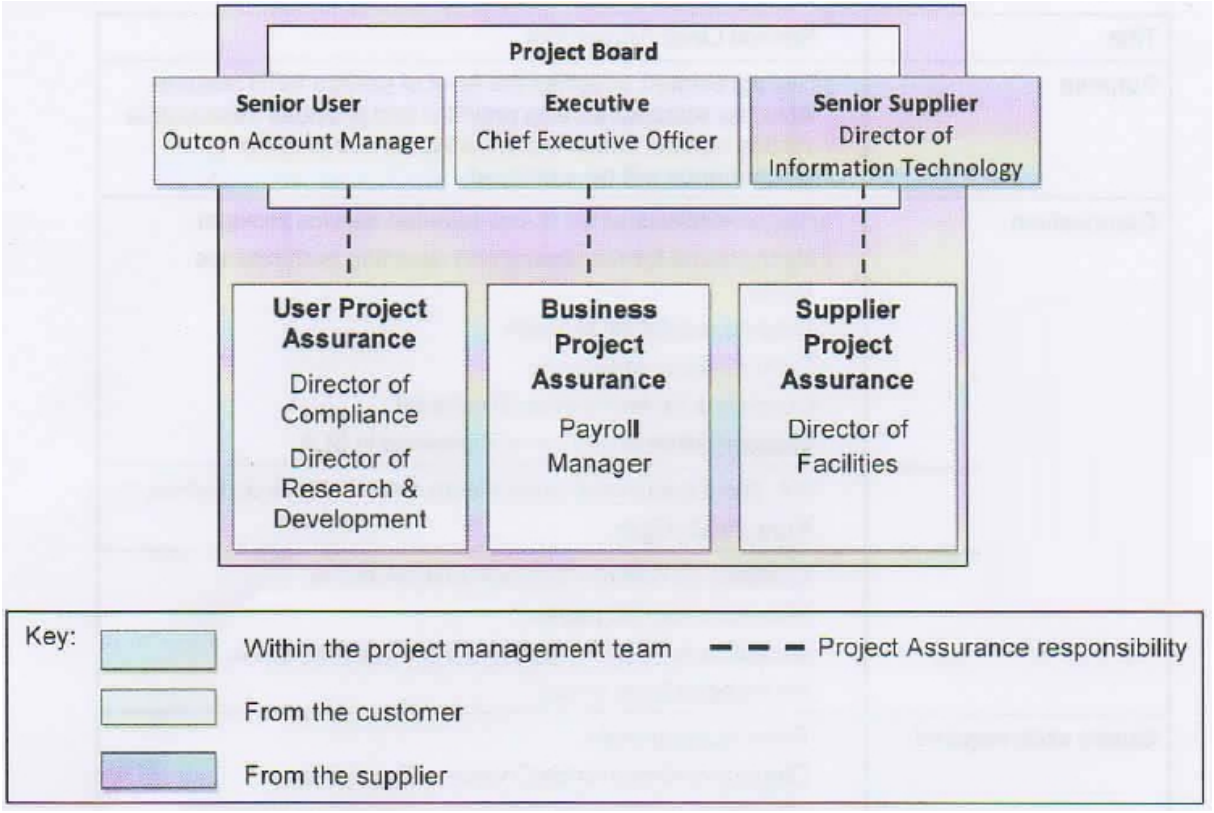
Which 2 statements should be recorded under the Expected dis-benefits heading?

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

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Question 70

Scenario
Additional Information



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

Outcome Account Manager: He represents Outcome which is a recruitment agency that provides specialist outsourcing resources. Outcome provided the consultants who carried out the feasibility study and the same consultants will be providing support and guidance to the Information Technology and Facilities teams during the project.
Director of Finance Division: She was transferred from the Information Technology Division 12 months ago. She is responsible for ensuring a cost-conscious approach is adopted in all operational and project activities across the Ministry of Food Hygiene.
Hardware Manager: Reports to the Director of Information Technology. He provides computer hardware to all business functions but has little awareness of the needs of his colleagues working in software.
Payroll Manager: Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards.

Which 2 alternative actions apply to the proposed Senior User for this project?

☐ Retain because he provides the outsourcing resources required to support the project.

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☒ Replace with 'Director of Research and Development' because she deals with both the Information Technology and the Facilities Divisions and can make sure her division's needs are specified.
☒ Remove because he has no authority to commit user resources.
☐ Add 'Hardware Manager' because he provides computer hardware to all business functions and will be impacted by the outcome.
☐ Retain because he will be providing support to the Information Technology and Facilities teams during the project.

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Question 71

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

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The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.
The development of the 'e-learning course' will be outsourced to an external supplier and their key members will join the project management team. The supplier wants to keep their work processes confidential and not share these with ABC Company. ABC Company has agreed.

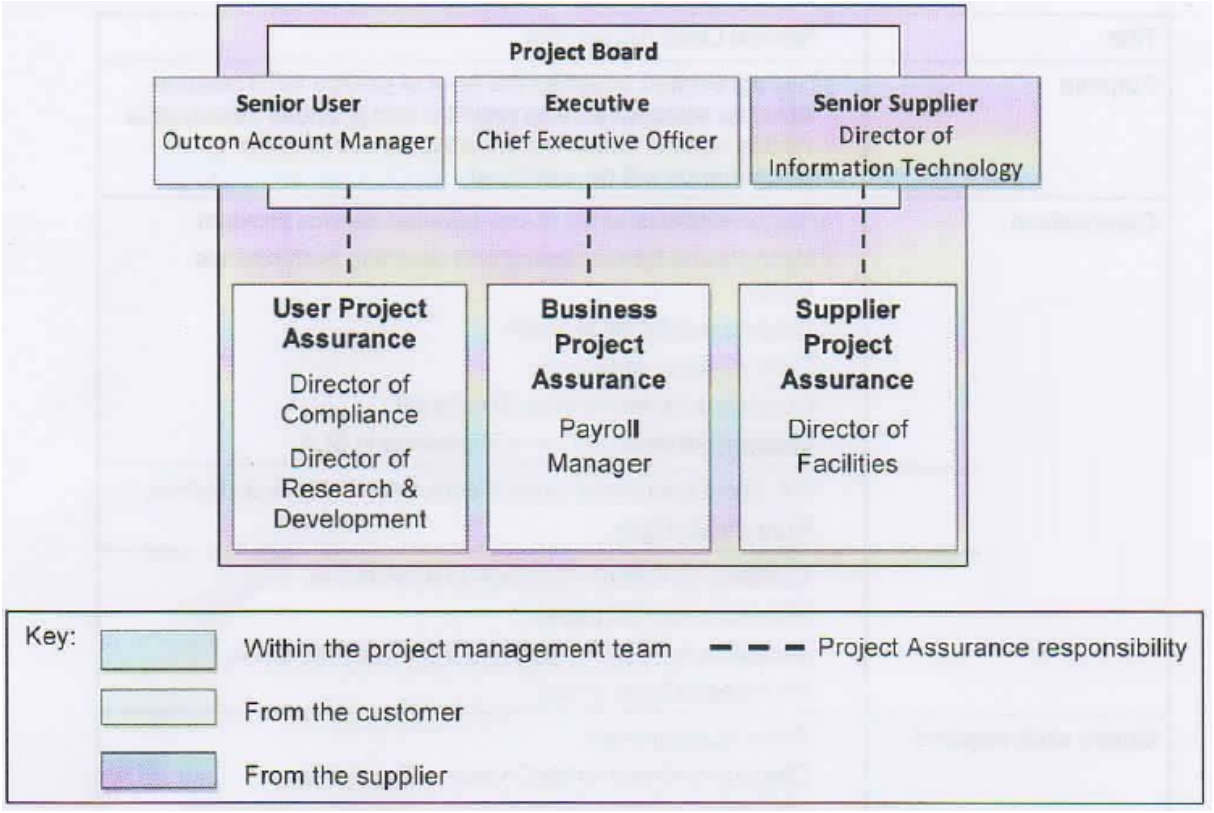
Who should approve the external supplier's team plan?

- ☐ Senior supplier
- ☐ Project manager
- ☐ Supplier assurance
- ☒ Corporate, programme management or customer

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Question 72

Scenario
Additional Information



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

Outcome Account Manager: He represents Outcome which is a recruitment agency that provides specialist outsourcing resources. Outcome provided the consultants who carried out the feasibility study and the same consultants will be providing support and guidance to the Information Technology and Facilities teams during the project.
Director of Finance Division: She was transferred from the Information Technology Division 12 months ago. She is responsible for ensuring a cost-conscious approach is adopted in all operational and project activities across the Ministry of Food Hygiene.
Hardware Manager: Reports to the Director of Information Technology. He provides computer hardware to all business functions but has little awareness of the needs of his colleagues working in software.
Payroll Manager: Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards.

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

☐ Retain because he has a professional facilities qualification and so is in a position to specify the needs of his division.
☒ Retain because he will be able to advise on many of the products that will enable outsourcing to happen, such as the 10-year outsourcing service contract.

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☐ Retain because he is well-regarded within the Ministry because of the efficiencies, superb service and savings he has achieved in the Facilities Division.
☒ Add 'Outcome Account Manager' because he will advise on potential changes and their impact on the integrity of the project's products.
☐ Remove because he is involved with the project and is therefore NOT independent.

Question 73

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

☐ Highlight report
☒ Checkpoint Report
☐ Issue Report
☐ End Stage Report

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Question 74

Scenario
Additional Information

Chief Executive Officer (CEO): He started the company 25 years ago and knows his job very well. He injured his leg two years ago which has restricted his visits to the engineering area. As CEO he has an overall perspective of the business strategic requirements and the authority to commit resources as required.
Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image.
Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. VVhilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar.
Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

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

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

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

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Question 75

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario.

Additional Information:

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The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

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The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

During stage 3, project costs are increasing but there will still be a positive return on investment, as documented in the business case. However, corporate management has recently revised its targets for return on investment and has decided to stop the project as it will not meet the new targets.
Is this an appropriate application of the 'continued business justification' principle?

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☐ Yes, because changes in corporate strategy may impact a project's justification.
☐ Yes, because a change in a project's justification should trigger premature closure.
☒ No, because the project business case still justifies a project.
☐ No, because changes in corporate strategy should not impact a project once authorized.

Question 76

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

☒ It captures and maintains all relevant information on identified threats and opportunities
☐ It documents the risk tolerances
☐ It documents the approach to risk
☐ It identifies responsibilities towards risk for the project

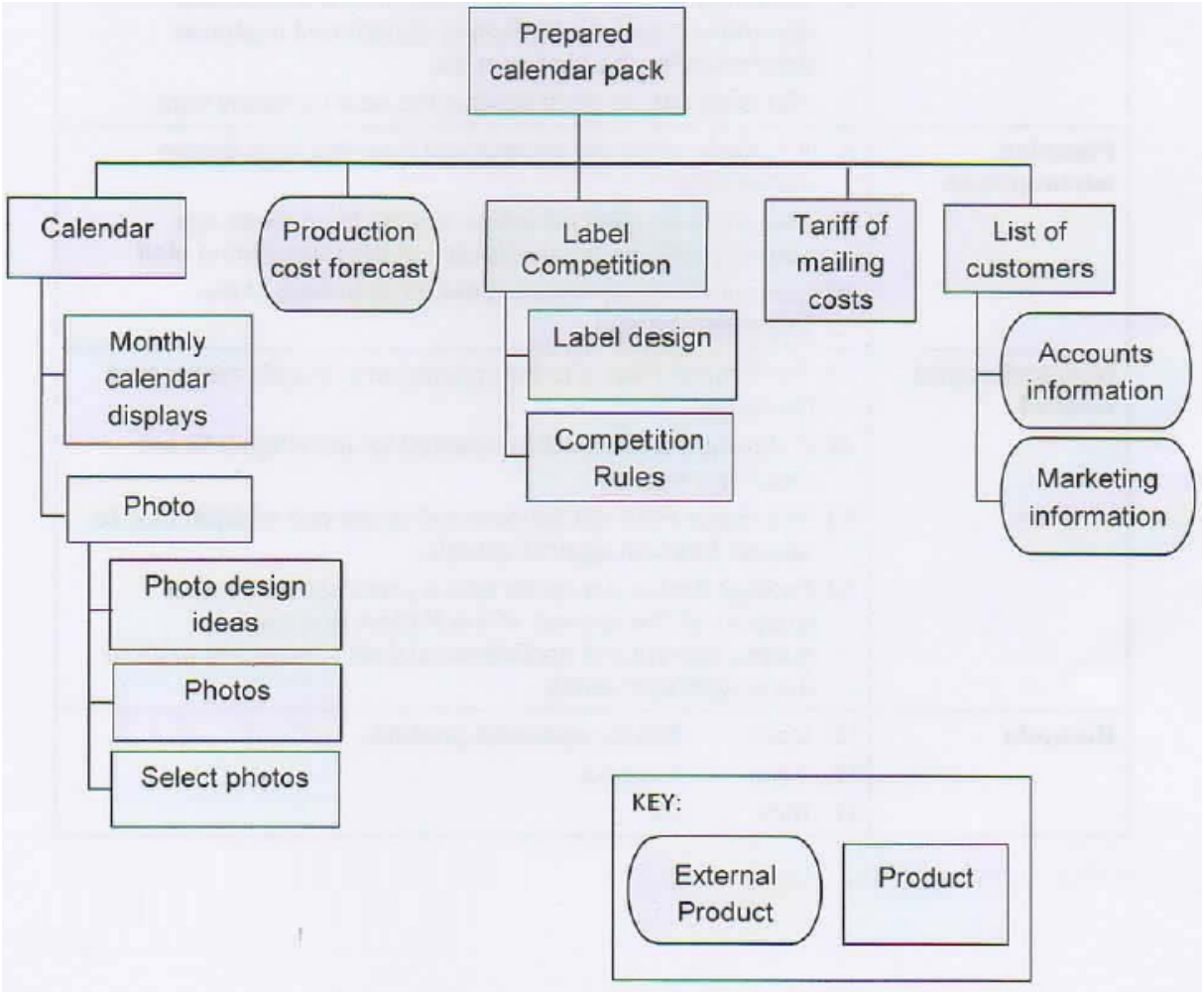
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Question 77

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

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

Product Breakdown Structure (contains errors)



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

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Plan description	1. Stage 3 is the final stage of the project and will deliver the photos, the label design competition entries, the winning label design and the prepared calendar pack.
Plan prerequisites	2. Increase in orders and improved company image. 3. The production cost forecast must be acceptable to the Project Board if the photography and label design competition are to go ahead. 4. The customer list is accurate and complete.
External dependencies	5. A separate project has been reviewing the company's branding. The company logo, required for the label design competition, is being updated. The new company logo is to be supplied by the other project in two weeks time. 6. Customer details will be supplied from the Accounts department and the Marketing department customer databases for the customer list. 7. The label design must contain the new company logo.
Planning assumptions	8. A suitable entry will be received from the label design competition. 9. The photo session schedule created two weeks ago correctly reflects the availability of the engineering staff. 10. Each photo must feature different members of the Engineering team.
Monitoring and control	11. The Project Plan is to be updated with actual throughout the stage. 12. A Highlight Report will be created for the Project Board every two weeks. 13. The Stage Plan will be reviewed at the end of each day, to assess forecast against actual. 14. Product Status Accounts will be produced by Project Support, at the request of the Project Manager, to summarize current and historical data concerning each of the project's products.
Budgets	15. Cost £5k for specialist products 16. Time 4 weeks 17. Risk £0

Using the Project Scenario and the Extract from Stage Plan for stage 3 provided as additional intonation for this question in the Scenario Booklet, answer the following 5 questions.
The Stage Plan for stage 3 has been produced.
The Engineering Manager insists that there are to be no interruptions to operations whilst photographs are being taken of the engineering staff performing their everyday duties and operating machinery. Two weeks ago the professional photographer produced the photo session schedule based on the operational staff schedule. The operational staff schedule is produced weekly and maintained by the Engineering Manager.
None of the £500 change budget has been used to date and this is available for the stage.

Which 2 statements apply to the Planning assumptions section?

☒ No change to entry 8 because this cannot be confirmed until all of the label designs entries have been received and an assessment made.

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☐ Move entry 8 to External dependencies because the label designs are created outside of the scope of the project.
☐ Delete entry 9 because the photo session schedule should have been approved as part of stage 2.
☐ Move entry 9 to External dependencies because the photo session schedule is created by the professional photographer.
☒ Delete entry 10 because the inclusion of different members from the Engineering team in each photo should be shown in the Product Description for the photos.

Question 78

Who is responsible for committing user resources to the project?

☒ Senior User
☐ Senior Supplier
☐ Executive
☐ Project Board

Question 79

Which of the following roles cannot be combined?

☐ Executive and Senior User
☐ Project Manager and Project Support
☒ Project Assurance and Team Manager
☐ Senior Suppler and Supplier Assurance

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Question 80

Scenario
Additional Information

Chief Executive Officer (CEO): He started the company 25 years ago and knows his job very well. He injured his leg two years ago which has restricted his visits to the engineering area. As CEO he has an overall perspective of the business strategic requirements and the authority to commit resources as required.
Marketing Director: She has been with the company for three years, following a successful career with a publicity company. She has the ability to represent the needs of the business, particularly as this is a marketing project. She has the authority to commit the annual business marketing budget, from which the project will be funded, as she sees appropriate. She will be responsible for monitoring the expected benefits of the calendar, in particular the improvement of the company's image.
Engineering Manager: He has been responsible for many engineering innovations in the company and is still as keen and energetic as the day he started. VVhilst he will not be part of the project team, his staff will feature in the photos for the promotional calendar.
Central Records: This group of five staff looks after all company records and document control. They now maintain all project files.

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

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

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

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Question 81

Scenario
Additional Information
During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:
There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

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

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

A number of alternatives were explored, including:
20% discount for all repeat customers - not cost-effective and very short term
A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
A series of television and press advertisements£ was too expensive
A direct mail shot to all customers - benefit would be short term
Creation of an internet website - would not suit all customers

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

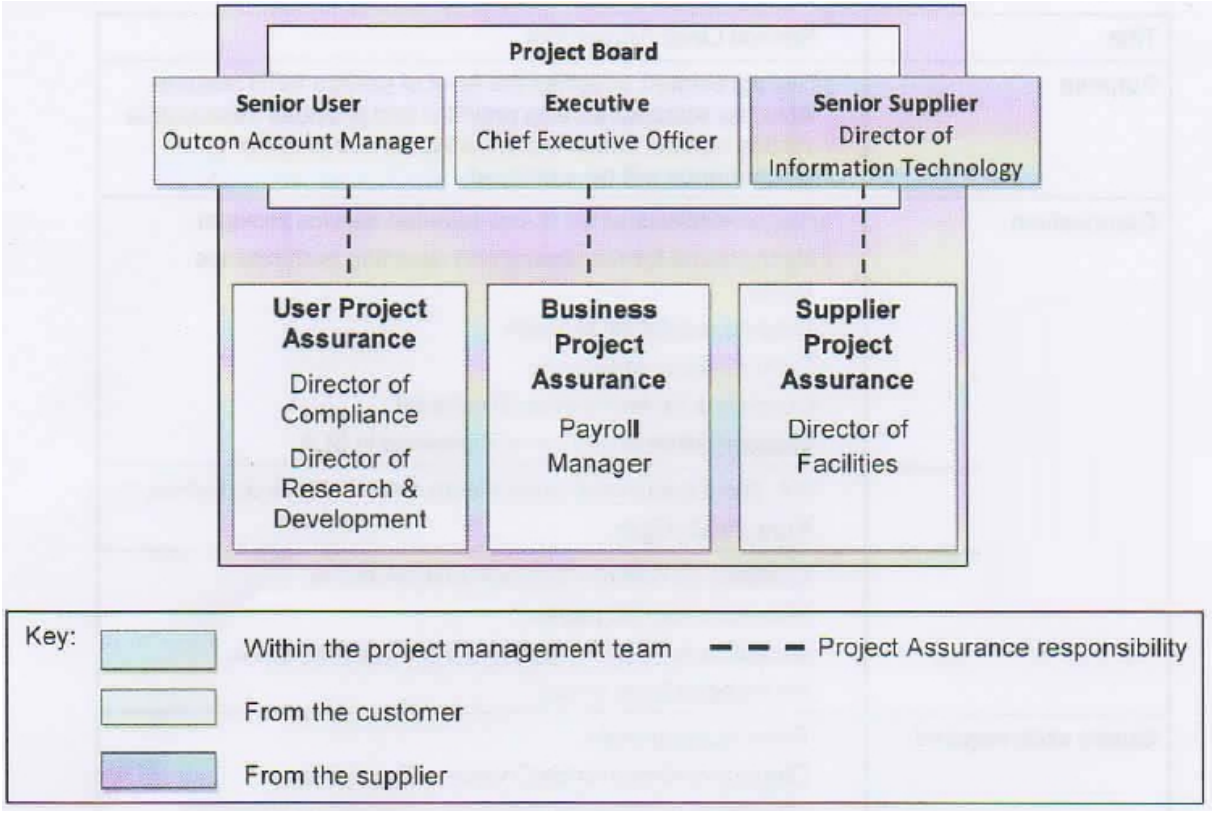
Which 2 statements should be recorded under the Expected benefits heading?

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

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Question 82

Scenario
Additional Information



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

Outcome Account Manager: He represents Outcome which is a recruitment agency that provides specialist outsourcing resources. Outcome provided the consultants who carried out the feasibility study and the same consultants will be providing support and guidance to the Information Technology and Facilities teams during the project.
Director of Finance Division: She was transferred from the Information Technology Division 12 months ago. She is responsible for ensuring a cost-conscious approach is adopted in all operational and project activities across the Ministry of Food Hygiene.
Hardware Manager: Reports to the Director of Information Technology. He provides computer hardware to all business functions but has little awareness of the needs of his colleagues working in software.
Payroll Manager: Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards.

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

- ☐ Retain because he accepts that outsourcing is the best solution.
- ☒ Replace with 'Director of Finance Division' because she can ensure a cost-conscious approach to the project that gives value for money.

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☒ Retain because he has the right level of authority to be able to control the strategic nature of the Outsourcing project.
☐ Add 'Director of Finance' because she understands the operation of the Information Technology Division and the Facilities Division.
☐ Replace with 'Payroll Manager' because he is a very experienced and efficient qualified accountant.

Question 83

Product based planning focuses on which of the following:
1. Creating product descriptions
2. Identifying activities
3. Creating a Product hierarchy
4. Creating a Product sequence

☒ 1, 2, 3
☐ 2, 3, 4
☐ 1, 3, 4
☐ 1, 2, 4

Question 84

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

☒ The amount of resources available h the short term
☐ How far ahead you can sensibly plan n detail
☐ The technical stages within the project
☐ The amount of risk associated with the project

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Question 85

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario.

Additional Information:

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The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

In order for ABC Company to achieve the expected sales of the health and safety training course, the senior user will need to ensure that all staff understand the objectives and target audience for the course. In addition, these sales will need to be added to each individual's sales targets. These activities have been included in the benefits management approach.

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Is this appropriate, and why?

- ☒ Yes, because how the benefits will be measured needs to be documented.
- ☐ Yes, because the actions required to achieve the outcomes need to be documented.
- ☐ No, because the expected sales increase should be recorded in the business case.
- ☐ No, because actions to deliver the outputs should be recorded in the stage plan.

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Question 86

Scenario

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

Do nothing.
Re-engineer selected business functions.
Outsource selected business functions.
The feasibility study concluded that there was a case for outsourcing the MFH Information Technology Division and the Facilities Division (maintenance of buildings and grounds). The recommendations were:

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

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

Use PRINCE2.
Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.
Stage 2. Create detailed designs (future organization, processes, systems and operating models) and the service level agreement between MFH and the future service provider.
Stage 3. Request and evaluate proposals, select service provider and agree contract.
Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

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

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

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

Explanation:

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

Question 87

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

☐ Review the stage status
☐ Review work package status
☒ Report Highlights
☐ Take corrective action

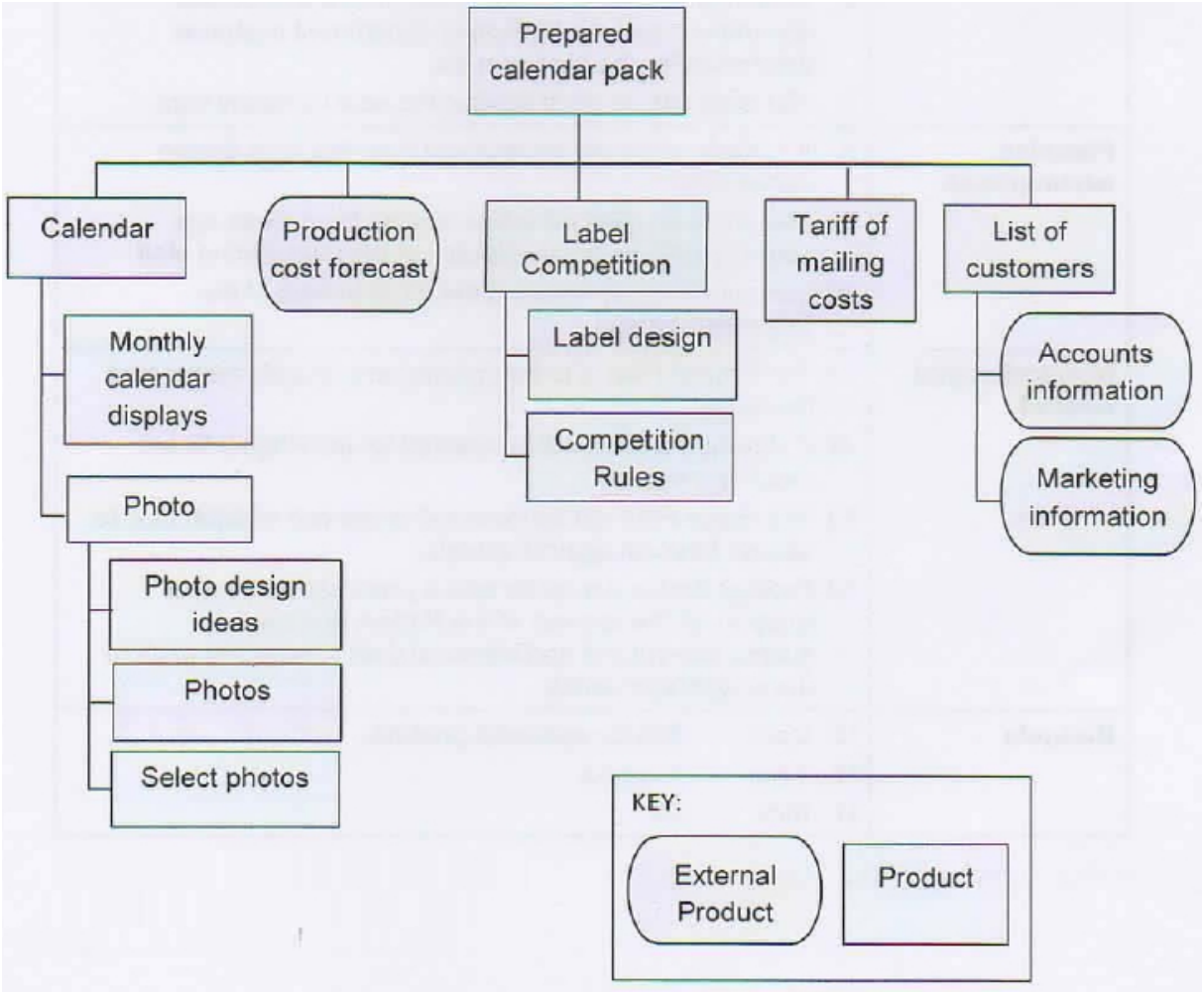
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Question 88

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

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

Product Breakdown Structure (contains errors)



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

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Plan description	1. Stage 3 is the final stage of the project and will deliver the photos, the label design competition entries, the winning label design and the prepared calendar pack.
Plan prerequisites	2. Increase in orders and improved company image. 3. The production cost forecast must be acceptable to the Project Board if the photography and label design competition are to go ahead. 4. The customer list is accurate and complete.
External dependencies	5. A separate project has been reviewing the company's branding. The company logo, required for the label design competition, is being updated. The new company logo is to be supplied by the other project in two weeks time. 6. Customer details will be supplied from the Accounts department and the Marketing department customer databases for the customer list. 7. The label design must contain the new company logo.
Planning assumptions	8. A suitable entry will be received from the label design competition. 9. The photo session schedule created two weeks ago correctly reflects the availability of the engineering staff. 10. Each photo must feature different members of the Engineering team.
Monitoring and control	11. The Project Plan is to be updated with actual throughout the stage. 12. A Highlight Report will be created for the Project Board every two weeks. 13. The Stage Plan will be reviewed at the end of each day, to assess forecast against actual. 14. Product Status Accounts will be produced by Project Support, at the request of the Project Manager, to summarize current and historical data concerning each of the project's products.
Budgets	15. Cost £5k for specialist products 16. Time 4 weeks 17. Risk £0

Using the Project Scenario and the Extract from Stage Plan for stage 3 provided as additional intonation for this question in the Scenario Booklet, answer the following 5 questions.
The Stage Plan for stage 3 has been produced.
The Engineering Manager insists that there are to be no interruptions to operations whilst photographs are being taken of the engineering staff performing their everyday duties and operating machinery. Two weeks ago the professional photographer produced the photo session schedule based on the operational staff schedule. The operational staff schedule is produced weekly and maintained by the Engineering Manager.
None of the £500 change budget has been used to date and this is available for the stage.

Which 2 statements apply to the Budgets section?

☒ Amend entry 15 because it should also include the cost of management activities.

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☐ Delete entry 16 because timescales should NOT be shown under the heading of budgets.
☐ Delete entry 17 because the risk budget should be shown in the Risk Management Strategy.
☒ Add 'Change budget - £500'.
☐ Add 'Cost tolerance - +£6k 1-£6k

Question 89

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

☐ Best placed to keep an eye on the risk
☐ Carry out the response actions to a risk
☒ Responsible for management, monitoring and control of all aspects of a risk
☐ Reports to the project manager regularly on the status of a risk

Question 90

Which of the following activities is the Executive responsible for?

☐ Ensure the desired outcome of the project is specified
☒ Responsible for the benefits review plan
☐ Assess and update the Business Case at the end of each stage
☐ Responsible for the Benefits Review Plan post project

Question 91

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

☐ Team Plan
☐ Checkpoint Report
☒ Quality Register
☐ Configuration Item Record

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Question 92

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

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The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

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The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The project is in stage 2. The project manager is reviewing stage status and has collected the checkpoint reports from the team managers. These show that the products are being completed on schedule. However, project support has raised issues that quality reviews have not been completed as agreed. The project manager reports in the highlight report that the stage is progressing well.
Is this appropriate, and why?

☐ Yes, because the highlight report is a summary of the information in the checkpoint reports.
☐ Yes, because the highlight report is used to provide the project board with stage and project progress.
☐ No, because the project manager should have recorded the cause of the delay to the quality reviews in the lessons log.
☒ No, because the issues raised by project support are a cause for concern and should be reflected in the highlight report.

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Question 93

Scenario
Additional Information
During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:
There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

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

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

A number of alternatives were explored, including:
20% discount for all repeat customers - not cost-effective and very short term
A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
A series of television and press advertisements was too expensive
A direct mail shot to all customers - benefit would be short term
Creation of an internet website - would not suit all customers

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

Which 2 statements should be recorded under the Reasons heading?

- ☐ The Marketing department believes that sending a promotional calendar to current and prospective customers will increase orders by at least 10%.
- ☒ 10% of customers have not re-ordered in this financial year.
- ☐ 1,500 orders are expected, each with an average profit of £2k.
- ☐ The Marketing department believes that the effect of a good company image, portrayed by a successful calendar, will last into a second year.
- ☒ MNO Manufacturing is experiencing a fall in orders due in part to the increased marketing activities of its competitors.

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Question 94

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

- ☐ Manage by stages
- ☒ Focus on products
- ☐ Manage by exception
- ☐ Learn from experience

Question 95

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

- ☐ Reasons
- ☐ Major Risks
- ☐ Business options
- ☒ Business approach

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Question 96

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

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The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

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The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

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The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The 'classroom-based training materials' will be used as the basis for developing the 'e-learning course'. As a result, the executive wants to ensure that the 'classroom-based training materials' are of the required standard. The executive has asked to meet the project manager every day during stage 2 to discuss progress and identify any concerns regarding quality.

Is this an appropriate approach to applying the organization theme, and why?

☐ Yes, because the executive should be available to provide ad hoc direction to the project manager.
☐ Yes, because the executive should be the key decision-maker on the project, supported by other project board members.
☐ No, because the senior user should be responsible for specifying the quality criteria for the training materials.
☒ No, because the project manager should be given authority to manage the project on a day-to-day basis.

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Question 97

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

- ☐ The justification for the project must remain the same throughout the project.
- ☒ The justification for the project should remain vabd.
- ☐ The justification for the project may change.
- ☐ If the project is no longer justified it should be stopped.

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Question 98

Scenario
Additional Information
Product Description

Title	Service Level Agreement.
Purpose	• This agreement specifies the level of service MFH requires from the selected service provider and provides measurable criteria against which the selected service provider's performance will be assessed.
Composition	• Responsibilities of MFH and selected service provider. • Mechanisms for monitoring and reporting performance levels. • Dispute resolution process. • Confidentiality provisions. • Conditions for termination of contract. • Glossary of technical terms contained in SLA.
Format and presentation	• A4, Word document, printed both sides in black and white. • Font: Arial, 12pts.
Quality criteria	• Contains all composition items listed above. • Not more than 60 pages. • Complies with MFH corporate branding standards. • No typographical errors.
Quality skills required	• Proof-reading skills. • Director of Compliance Division - Reviewer. • Director of Information Technology Division - Reviewer. • Administrator.
Quality responsibilities	• Producer/Presenter: Director of Facilities Division. • Chair: Project Manager.

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

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

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

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All project documents will be subject to a quality review. Nominated products will require a formal approval record signed-off by the quality review chair.
Extract from the draft Quality Management Strategy (may contain errors)
Introduction
1. This document defines the approach to be taken to achieve the required quality levels during the project.
2. The Project Board will have overall responsibility for the Quality Management Strategy.
3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.
Quality management procedure - Quality standards
4. The selected service provider will operate to industry standards for providing outsourced services.
5. MFH document standards will be used.

Records
6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.
Roles and responsibilities
9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Which statement applies to the Quality standards section?

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

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Question 99

Scenario
Additional Information

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

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

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board.

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

There is no mention of any Stage Plans, yet there are two further stages proposed. How will this be resolved?

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

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Question 100

Scenario
Additional Information

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

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

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board.

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

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

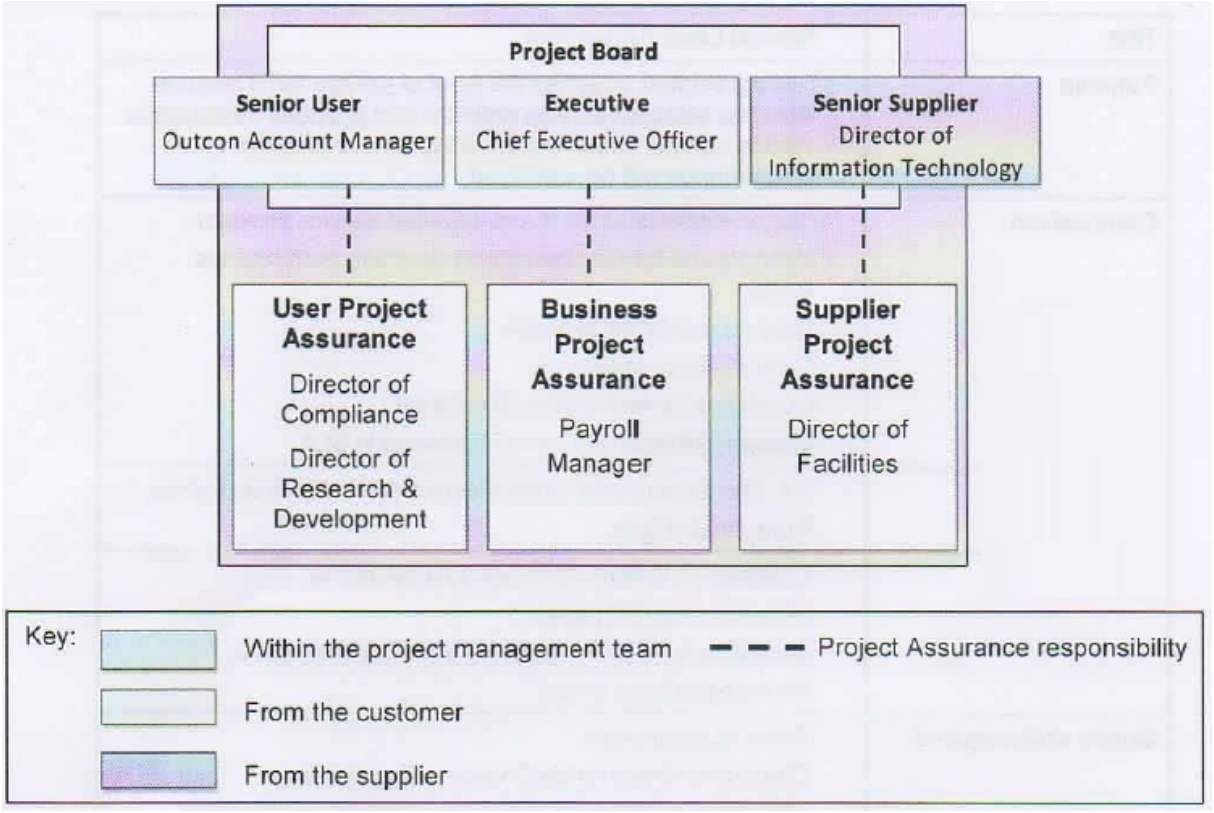
Which statement applies to the Tools and techniques section?

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

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Question 101

Scenario
Additional Information



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

Outcome Account Manager: He represents Outcome which is a recruitment agency that provides specialist outsourcing resources. Outcome provided the consultants who carried out the feasibility study and the same consultants will be providing support and guidance to the Information Technology and Facilities teams during the project.
Director of Finance Division: She was transferred from the Information Technology Division 12 months ago. She is responsible for ensuring a cost-conscious approach is adopted in all operational and project activities across the Ministry of Food Hygiene.
Hardware Manager: Reports to the Director of Information Technology. He provides computer hardware to all business functions but has little awareness of the needs of his colleagues working in software.
Payroll Manager: Reports to the Director of Finance. He is a very experienced and efficient qualified accountant who has much of the responsibility of running the Finance Division on behalf of the Director of Finance. He has been involved in drafting the Ministry's business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards.

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

☐ Retain because they are both very positive about outsourcing the selected business functions.
☒ Retain because their divisions will be the major users of the outsourced services and they can provide the user perspective on the impact of any proposed changes.

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☐ Remove because neither of these individuals are from the business functions to be outsourced.
☐ Retain because selecting only one of them may cause unnecessary conflict.
☒ Retain because they are able to help identify stakeholders and their communication requirements.

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Question 102

HOTSPOT

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

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Column 1	Column 2
This plan includes the detailed design of the process model, systems model, operating model and organization model.	Plan description Plan prerequisites External dependencies Planning assumptions Lessons incorporated Monitoring and control Budgets Tolerances Schedule
A monthly stage status report will be provided to the Project Board.	Plan description Plan prerequisites External dependencies Planning assumptions Lessons incorporated Monitoring and control Budgets Tolerances Schedule
The high-level models, produced in the feasibility study by the management colsultant, will be used by the project.	Plan description Plan prerequisites External dependencies Planning assumptions Lessons incorporated Monitoring and control Budgets Tolerances Schedule
The Project Board has approved the recommendation to outsource both the Information Technology Division and the Facilities Division to one service provider and this decision must remain in place.	Plan description Plan prerequisites External dependencies Planning assumptions Lessons incorporated Monitoring and control Budgets Tolerances Schedule
Based on advice from the Ministry of Trade and Industry that, in their experience, drafting a service level agreement is a lengthy process, allowances have been made for this in the Stage Plan for stage 2.	Plan description Plan prerequisites External dependencies Planning assumptions Lessons incorporated Monitoring and control Budgets Tolerances Schedule
Time: +2 weeks 1-2 weeks.	Plan description Plan prerequisites External dependencies Planning assumptions Lessons incorporated Monitoring and control Budgets Tolerances Schedule

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Solution:

Column 1	Column 2
This plan includes the detailed design of the process model, systems model, operating model and organization model.	Plan description
A monthly stage status report will be provided to the Project Board.	Monitoring and control
The high-level models, produced in the feasibility study by the management colsultant, will be used by the project.	External dependencies
The Project Board has approved the recommendation to outsource both the Information Technology Division and the Facilities Division to one service provider and this decision must remain in place.	Plan prerequisites
Based on advice from the Ministry of Trade and Industry that, in their experience, drafting a service level agreement is a lengthy process, allowances have been made for this in the Stage Plan for stage 2.	Lessons incorporated
Time: +2 weeks 1-2 weeks.	Planning assumptions

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Question 103

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

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The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The project board has asked for highlight reports every six weeks during stage 3. As a result, the project manager has asked each team manager for checkpoint reports every six weeks, in order to collate these into the highlight report. The team manager for the 'marketed courses' is new to team management.
Is this an appropriate action as part of the 'controlling a stage' process, and why?

☐ Yes, because the project board will need to be updated with the progress of every team.
☒ Yes, because checkpoint reports are a time-driven control providing progress information.
☐ No, because the frequency of reporting should reflect the level of control required for the work package.
☐ No, because the project board should decide on the frequency and content of progress reporting.

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Question 104

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

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

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

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Question 105

Scenario

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

Do nothing.
Re-engineer selected business functions.
Outsource selected business functions.
The feasibility study concluded that there was a case for outsourcing the MFH Information Technology Division and the Facilities Division (maintenance of buildings and grounds). The recommendations were:

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

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

Use PRINCE2.
Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.
Stage 2. Create detailed designs (future organization, processes, systems and operating models) and the service level agreement between MFH and the future service provider.
Stage 3. Request and evaluate proposals, select service provider and agree contract.
Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

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

Which 2 statements should be recorded under the Timescale heading?

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

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Question 106

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

Stage 1	Initiation stage
Stage 2	Classroom-based training materials Marketing materials Training venue specifications Accredited classroom-based course
Stage 3	E-learning course Amended course booking procedures Marketed courses Planned pilot courses Updated corporate quality procedures Accredited e-learning course Accredited trainers
Stage 4	Delivered pilot courses Finalized materials Project product: Capability to provide health and safety training

End of the Project scenario.

Additional Information:

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The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

The executive identified that there would be a benefit to the construction companies as their working time lost due to accidents would be reduced. This was included as a benefit to ABC Company in the business case for the Health and Safety Training Project.
Is this appropriate, and why?

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☒ Yes, because the benefits to the customer are an essential part of business justification for a project.
☐ Yes, because both tangible and intangible benefits should be included in the business case.
☐ No, because ABC Company will not achieve their benefits if construction companies do not book the courses.
☐ No, because it is the customer's benefits that should be used to justify the project business case.

Question 107

PRINCE2 proposes 3 levels of Plan, which are they?

☐ Initiation, Project and Stage Plans
☐ Project, Stage and Exception Plans
☐ Initiation, Project and Benefit Review Plans
☒ Project, Stage and Team Plans

Question 108

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

☐ Executive
☐ Corporate or Programme Management
☒ Senior User
☐ Project Assurance

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Question 109

Scenario

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

Do nothing.
Re-engineer selected business functions.
Outsource selected business functions.
The feasibility study concluded that there was a case for outsourcing the MFH Information Technology
Division and the Facilities Division (maintenance of buildings and grounds). The recommendations were:

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

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

Use PRINCE2.
Set up the project with 4 management stages:

Stage 1. Standard PRINCE2 initiation activities.
Stage 2. Create detailed designs (future organization, processes, systems and operating models) and the service level agreement between MFH and the future service provider.
Stage 3. Request and evaluate proposals, select service provider and agree contract.
Stage 4. Transfer equipment and staff, transfer responsibility for service provision and run trial period.

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

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

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

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

Explanation:

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

Question 110

Scenario

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

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

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

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

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

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Question 111

Scenario
Additional Information
Product Description

Title	Service Level Agreement.
Purpose	• This agreement specifies the level of service MFH requires from the selected service provider and provides measurable criteria against which the selected service provider's performance will be assessed.
Composition	• Responsibilities of MFH and selected service provider. • Mechanisms for monitoring and reporting performance levels. • Dispute resolution process. • Confidentiality provisions. • Conditions for termination of contract. • Glossary of technical terms contained in SLA.
Format and presentation	• A4, Word document, printed both sides in black and white. • Font: Arial, 12pts.
Quality criteria	• Contains all composition items listed above. • Not more than 60 pages. • Complies with MFH corporate branding standards. • No typographical errors.
Quality skills required	• Proof-reading skills. • Director of Compliance Division - Reviewer. • Director of Information Technology Division - Reviewer. • Administrator.
Quality responsibilities	• Producer/Presenter: Director of Facilities Division. • Chair: Project Manager.

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

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

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

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

Records
6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.
Roles and responsibilities
9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Which statement applies to the Records section?

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

Question 112

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

- ☒ Exception Plan
- ☐ Project Management team
- ☐ Business Case
- ☐ Project Initiation Documentation

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Question 113

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

- ☐ Do nothing
- ☒ Do the maximum
- ☐ Do the minimum
- ☐ Do something

Question 114

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

- ☐ Plan
- ☐ Quality Register
- ☐ Project Product Description
- ☒ Product Description

Question 115

Scenario:

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

What will be the impact on the benefits?

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

Question 116

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

- ☐ Purpose of the product
- ☐ Composition
- ☐ Project level tolerances
- ☒ Quality criteria

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Question 117

DRAG DROP

Project Scenario – Health and Safety Training Project:

ABC Company is a well-established training company that uses a standard model to develop training materials and deliver courses to customers.

ABC Company has commissioned a project in response to recent changes in government legislation relating to health and safety on construction sites. The project will deliver "capability to provide health and safety training", including the materials needed for classroom-based training and e-learning. The expected benefits for construction companies include a reduction in lost days and legal costs due to accidents.

The e-learning course will be developed by a specialist external consultancy. The materials for classroom-based training will be delivered by ABC Company's development team. All course materials will be piloted before they are used. ABC Company will deliver training to its customers and also hopes to sell the course materials to other training companies as part of their operational business. ABC Company will use their own sales and marketing departments to promote the courses.

The legislation requires construction companies to comply with the new legislation within two years. The course materials and trainers have to be accredited by a government agency before courses can be delivered. ABC Company is planning to deliver pilot courses within five months of starting the project.

The ABC Company standard development model for new courses recommends the following stages:

End of the Project scenario.

Additional Information:

The Chief Executive Officer (CEO) founded the company five years ago. Under her leadership, ABC Company has grown quickly into a successful training company. It delivers a range of accredited professional training.

The Finance Director is also a founder member of ABC Company and is responsible for authorizing budgets for the Operations and Development Teams. She authorizes all large contracts personally.

The Purchasing Manager reports to the Finance Director and is responsible for managing and monitoring supplier contracts.

The Operations Director is responsible for the delivery off all training and for the training development budget. His department organizes courses, venues and trainers. They work with the Product and the Sales teams to provide a comprehensive training schedule. ABC Company's IT manager reports to the Operations Director.

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The Business Development Director has recently been appointed to identify new training needs and propose new products. She will work with the Operations. Director to ensure a cost-conscious approach and that appropriate development technologies are used for the health and safety course.

The Training Development Manager reports to the Business Development Director and is responsible for developing training materials and gaining accreditation, in accordance with the standard course development model. Course developers in his team have skills in a range of development technologies and are allocated to projects as needed.

The Training Delivery Manager, who reports to the Operations Director, is responsible for ensuring that internal and external trainers deliver ABC Company training courses to the required standard. He also checks course materials to ensure they are fit for purpose and of the required quality.

The Central Services Director has responsibility for corporate communications, facilities management and configuration management. He recently led a project to consolidate all company quality systems into one quality management system and set up a corporate quality department, now managed by the Corporate Quality Manager.

The Corporate Document Manager reports to the Central Services Director. She helped establish the company's document management system and now operates it across the business. She manages a team of administrators and contracts staff when workload is high.

The Sales Director joined ABC Company two months ago and is keen to establish himself by suggesting new markets for the courses and material. All account managers and the marketing team report to him. They promote existing training courses to other training companies and existing customers.

End of the additional information.

CHANGE

A request has been received from a user to add the function to pay by credit card to the 'amended course booking procedures' for the 'e-learning course'. The user has suggested that sales of the course will be reduced if this change is not implemented.
Here are three actions relating to this request for change.
Which role (A-E) should carry out each action?
Choose only one role for each action. Each role can be used once, more than once, or not at all.

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Decide whether implementing the proposed changes to the 'amended course booking procedures' will impact the achievement of the predicted sales targets.	Senior supplier
Provide information on the current status of the 'e-learning course', and the 'amended course bookings procedures', to assist with the 'capture and examine issues and risks' activity.	Senior user
Access the impact of the requested change to the 'amended course booking procedures'.	Project manager
	Team manager
	Project support

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Solution:

Decide whether implementing the proposed changes to the 'amended course booking procedures' will impact the achievement of the predicted sales targets.	Senior supplier
Provide information on the current status of the 'e-learning course', and the 'amended course bookings procedures', to assist with the 'capture and examine issues and risks' activity.	Senior user
Access the impact of the requested change to the 'amended course booking procedures'.	Decide whether implementing the proposed changes to the 'amended course booking procedures' will impact the achievement of the predicted sales targets.
	Provide information on the current status of the 'e-learning course', and the 'amended course bookings procedures', to assist with the 'capture and examine issues and risks' activity.
	Access the impact of the requested change to the 'amended course booking procedures'.

Question 118

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

- ☐ Identify, Assess, Resource, Implement
- ☐ Identify, Evaluate, Resource, Implement
- ☒ Identify, Assess, Plan, Implement
- ☐ Identify, Evaluate, Plan, Implement

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Question 119

Scenario
Additional Information
Product Description

Title	Service Level Agreement.
Purpose	• This agreement specifies the level of service MFH requires from the selected service provider and provides measurable criteria against which the selected service provider's performance will be assessed.
Composition	• Responsibilities of MFH and selected service provider. • Mechanisms for monitoring and reporting performance levels. • Dispute resolution process. • Confidentiality provisions. • Conditions for termination of contract. • Glossary of technical terms contained in SLA.
Format and presentation	• A4, Word document, printed both sides in black and white. • Font: Arial, 12pts.
Quality criteria	• Contains all composition items listed above. • Not more than 60 pages. • Complies with MFH corporate branding standards. • No typographical errors.
Quality skills required	• Proof-reading skills. • Director of Compliance Division - Reviewer. • Director of Information Technology Division - Reviewer. • Administrator.
Quality responsibilities	• Producer/Presenter: Director of Facilities Division. • Chair: Project Manager.

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

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

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

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All project documents will be subject to a quality review. Nominated products will require a formal approval record signed-off by the quality review chair.
Extract from the draft Quality Management Strategy (may contain errors)
Introduction
1. This document defines the approach to be taken to achieve the required quality levels during the project.
2. The Project Board will have overall responsibility for the Quality Management Strategy.
3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.
Quality management procedure - Quality standards
4. The selected service provider will operate to industry standards for providing outsourced services.
5. MFH document standards will be used.

Records
6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Approval records for products that require them will be stored in the quality database.
Roles and responsibilities
9. The DIT will check that the employment contracts for outsourced staff adhere to employment law.
10. Team Managers will provide details of quality checks that have been carried out.
11. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
12. The Senior User will review the Product Descriptions of the products to be produced by the selected service provider to ensure that they can be achieved.

Which statement applies to the Roles and responsibilities section?

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

Question 120

Which of the following reports does not contain any information on risk?

- ☒ Issue Report
- ☐ Highlight report
- ☐ Lessons Report
- ☐ End Stage Report

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Question 121

HOTSPOT

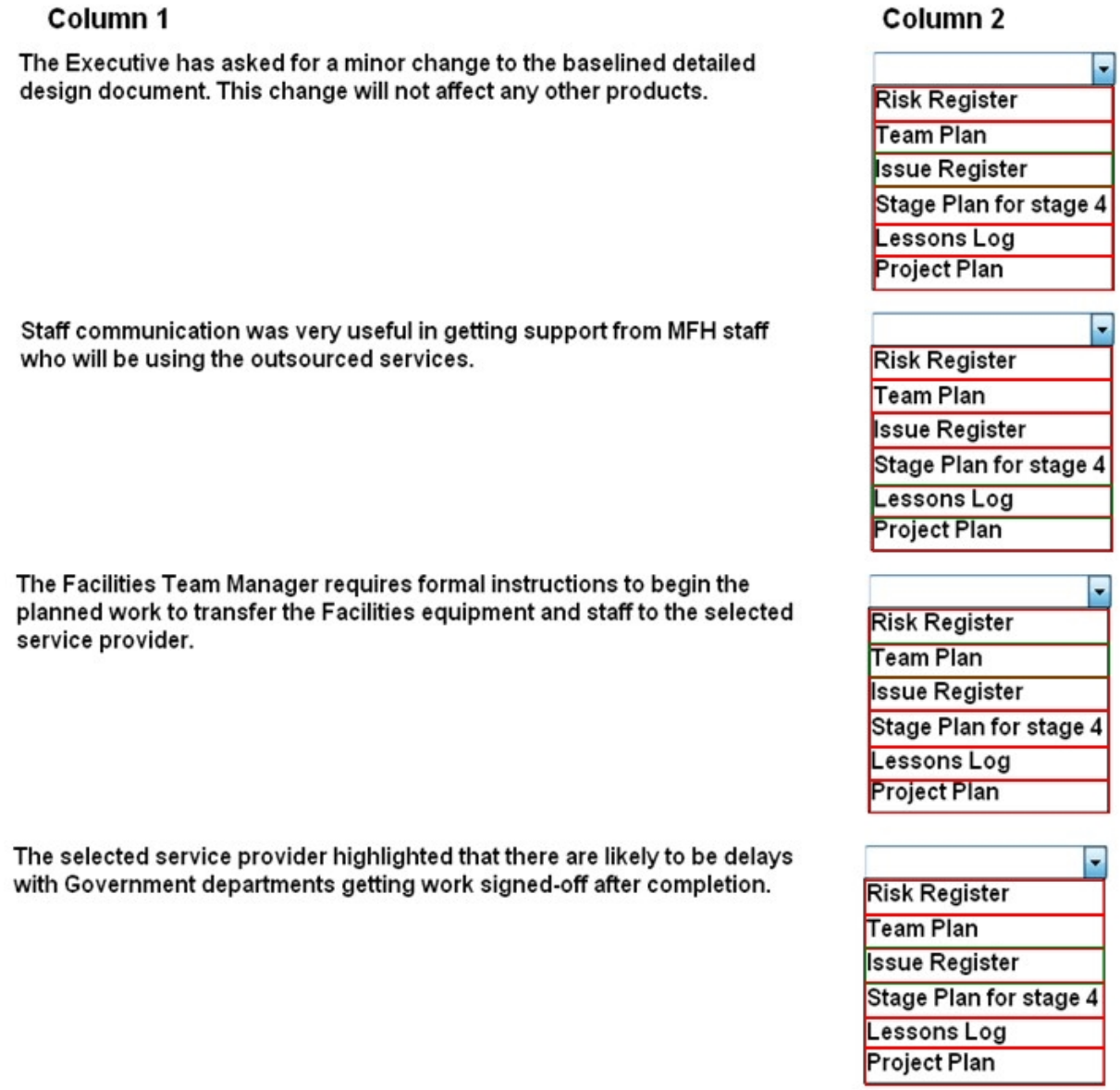
Column 1 is a list of entries from the Daily Log that occurred during stage 4 in the Controlling a Stage process. For each entry in Column 1, select the first management product from Column 2 that should have been updated, or created, as a result of the entry. Each selection from Column 2 can be used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

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

Column 1	Column 2
The Executive has asked for a minor change to the baselined detailed design document. This change will not affect any other products.	Risk Register Team Plan Issue Register Stage Plan for stage 4 Lessons Log Project Plan
Staff communication was very useful in getting support from MFH staff who will be using the outsourced services.	Risk Register Team Plan Issue Register Stage Plan for stage 4 Lessons Log Project Plan
The Facilities Team Manager requires formal instructions to begin the planned work to transfer the Facilities equipment and staff to the selected service provider.	Risk Register Team Plan Issue Register Stage Plan for stage 4 Lessons Log Project Plan
The selected service provider highlighted that there are likely to be delays with Government departments getting work signed-off after completion.	Risk Register Team Plan Issue Register Stage Plan for stage 4 Lessons Log Project Plan

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Solution:



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Question 122

Scenario
Additional Information

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

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

Using the Project Scenario, select the appropriate response to each of the following 5 questions which have been raised by the Project Board.

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

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

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

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

Question 123

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

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

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

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Question 124

Scenario
Additional Information
During the initiation stage the Project Manager met with the Marketing Director to find out more about the requirements of the promotional calendar and recorded the following notes:
There has been a reduction in the order numbers at the MNO Manufacturing due in part to the increased marketing activities of its competitors. 10% of customers have not re-ordered in this financial year and staff morale is poor. A number of skilled staff have left as a result and replacement staff have not been recruited due to the reduced operation. If the project is successful, a recruitment campaign will be required to fill the existing staff vacancies and there may be a requirement for additional staff. Operational costs are likely to increase because skilled staff are expensive and difficult to find.

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

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

A number of alternatives were explored, including:
20% discount for all repeat customers - not cost-effective and very short term
A promotional calendar as a free Christmas gift - would target current and prospective customers and the benefits would last into a second year
A series of television and press advertisements£ was too expensive
A direct mail shot to all customers - benefit would be short term
Creation of an internet website - would not suit all customers

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

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

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

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Question 125

Which statement is TRUE with regard to technical stages?

- ☐ Technical stages can only occur sequential
- ☐ Technical stages define where management decisions are appropriate
- ☒ Technical stages often overlap
- ☐ Technical stages define the commitment of resources and authority to spend

Question 126

Having completed designing the plan, in which order should the next steps take place to produce a plan?
1. Prepare Estimates
2. Define and analyze Products
3. Prepare the schedule
4. Identify activities and dependencies

- ☐ 2, 4, 3, 1
- ☐ 4, 2, 1, 3
- ☐ 4, 3, 2, 1
- ☒ 2, 4, 1, 3

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