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Here is a continuation of the CAPM question and answer series

QUESTION 151

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The degree, amount, or volume of risk that an organization or individual will withstand is known as its risk:

- A. Analysis
- B. Appetite
- C. Tolerance
- D. Response

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

Explanation:

11 PROJECT RISK MANAGEMENT

[..]

Organizations perceive risk as the effect of uncertainty on projects and organizational objectives. Organizations and stakeholders are willing to accept varying degrees of risk depending on their risk attitude. The risk attitudes of both the organization and the stakeholder are determined by a number of factors, which are broadly classified into three themes:

Risk appetite, which is the degree of uncertainty an entity is willing to take on in anticipation of a reward.

Risk tolerance, which is the degree, amount, or volume of risk that an organization or individual will withstand.

Risk threshold, which refers to measures along the level of uncertainty or the

level of impact at which a stakeholder may have a specific interest. Below that risk threshold, the organization will accept the risk. Above that risk threshold, the organization will not tolerate the risk.

For example, an organization's risk attitude may include its appetite for uncertainty, its threshold for risk levels that are unacceptable, or its risk tolerance at which point the organization may select a different risk response. Positive and negative risks are commonly referred to as opportunities and threats. The project may be accepted if the risks are within tolerances and are in balance with the rewards that may be gained by taking the risks. Positive risks that offer opportunities within the limits of risk tolerances may be pursued in order to generate enhanced value. For example, adopting an aggressive resource optimization technique is a risk taken in anticipation of a reward for using fewer resources.

QUESTION 152

Project deliverables that have been completed and checked for correctness through the Control Quality process are known as:

A. Verified deliverables.

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B. Validated deliverables.

C. Acceptance criteria.

D. Activity resource requirements.

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

Process: 8.3 Control Quality

Definition: The process of monitoring and recording results of executing quality activities to assess performance and recommend necessary changes.

Key Benefit: The key benefits of this process include: (1) identifying the causes of poor process or product quality and recommending and/or taking action to eliminate them; and (2) validating that project deliverables and work meet the

requirements specified by key stakeholders necessary for final acceptance.

Inputs

1. Project management plan
2. Quality metrics
3. Quality checklists
4. Work performance data
5. Approved change requests
6. Deliverables
7. Project documents
8. Organizational process assets

Tools & Techniques

1. Seven basic quality tools
2. Statistical sampling
3. Inspection
4. Approved change requests review

Outputs

1. Quality control measurements
2. Validated changes
3. Verified deliverables
4. Work performance information
5. Change requests
6. Project management plan updates
7. Project documents updates
8. Organizational process assets updates

QUESTION 153

An output of the Perform Integrated Change Control process is:

- A. Deliverables.
- B. Validated changes.
- C. The change log.
- D. The requirements traceability matrix.

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

Explanation:

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4.5.3.2 Change Log

A change log is used to document changes that occur during a project. These changes and their impact to the project in terms of time, cost, and risk, are communicated to the appropriate stakeholders. Rejected change requests are also captured in the change log.

Process: 4.5 Perform Integrated Change Control

Perform Integrated Change Control is the process of reviewing all change requests; approving changes and managing changes to deliverables, organizational process assets, project documents, and the project management plan; and communicating their disposition. It reviews all requests for changes or modifications to project documents, deliverables, baselines, or the project management plan and approves or rejects the changes.

Key Benefit: The key benefit of this process is that it allows for documented changes within the project to be considered in an integrated fashion while reducing project risk, which often arises from changes made without consideration to the overall project objectives or plans.

Inputs

1. Project management plan
2. Work performance reports
3. Change requests
4. Enterprise environmental factors
5. Organizational process assets

Tools & Techniques

1. Expert judgment
2. Meetings
3. Change control tools

Outputs

1. Approved change requests
2. Change log

3. Project management plan updates

4. Project documents updates

QUESTION 154

During which process does the project team receive bids and proposals?

A. Conduct Procurements

B. Plan Procurements

C. Estimate Costs

D. Control Budget

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

Process: 12.2 Conduct Procurements

Definition: The process of obtaining seller responses, selecting a seller, and awarding a contract.

Key Benefit: The key benefit of this process is that it provides alignment of internal and external stakeholder expectations through established agreements.

Inputs

1. Procurement management plan

2. Procurement documents

3. Source selection criteria

4. Seller proposals

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5. Project documents

6. Make-or-buy decisions

7. Procurement statement of work

8. Organizational process assets

Tools & Techniques

1. Bidder conference

2. Proposal evaluation techniques

3. Independent estimates

4. Expert judgment
5. Advertising
6. Analytical techniques
7. Procurement negotiations

Outputs

1. .Selected sellers
2. .Agreements
3. .Resource calendars
4. .Change requests
5. .Project management plan updates
6. .Project documents updates

QUESTION 155

The process of monitoring the status of the project and product scope as well as managing the changes to the scope baseline is known as:

- A. Validate Scope.
- B. Plan Scope Management.
- C. Control Scope.
- D. Define Scope.

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

Explanation:

5.4.3.1 Scope Baseline

The scope baseline is the approved version of a scope statement, work breakdown structure (WBS), and its associated WBS dictionary, that can be changed only through formal change control procedures and is used as a basis for comparison. It is a component of the project management plan. Components of the scope baseline include:

Project scope statement. The project scope statement includes the description of the project scope, major deliverables, assumptions, and constraints.

WBS. The WBS is a hierarchical decomposition of the total scope of work to be carried out by the project team to accomplish the project objectives and create the required deliverables. Each descending level of the WBS represents an increasingly detailed definition of the project work. The WBS is finalized by

assigning each work package to a control account and establishing a unique identifier for that work package from a code of accounts. These identifiers provide a structure for hierarchical summation of costs, schedule, and resource information. A control account is a management control point where scope, budget, actual cost, and schedule are integrated and compared to the earned value for performance measurement. Control accounts are placed at selected management points in the WBS. Each control account may include one or more work packages, but each of the work packages should be associated with only one control account. A control account may include one or more planning packages. A planning package is a work breakdown structure component below the control account with known work content but without detailed schedule activities.

WBS dictionary. The WBS dictionary is a document that provides detailed deliverable, activity, and scheduling information about each component in the WBS. The WBS dictionary is a document that supports the WBS. Information in the WBS dictionary may include, but is not limited to:

- Code of account identifier,
- Description of work,

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- Assumptions and constraints,
- Responsible organization,
- Schedule milestones,
- Associated schedule activities,
- Resources required,
- Cost estimates,
- Quality requirements,
- Acceptance criteria,
- Technical references, and
- Agreement information

Process: 5.6 Control Scope

Definition: The process of monitoring the status of the project and product scope and managing changes to the scope baseline.

Key Benefit: The key benefit of this process is that it brings objectivity to the acceptance process and increases the chance of final product, service, or result acceptance by validating each deliverable.

Inputs

1. Project management plan
2. Requirements documentation
3. Requirements traceability matrix
4. Work performance data
5. Organizational process assets

Tools & Techniques

1. Variance analysis

Outputs

1. Work performance information
2. Change requests
3. Project management plan updates
4. Project documents updates
5. Organizational process assets updates

QUESTION 156

Which output is the approved version of the time-phased project budget?

- A. Resource calendar
- B. Scope baseline
- C. Trend analysis
- D. Cost baseline

Correct Answer: D Section: Volume B Explanation

Explanation/Reference:

Explanation:

A project budget includes all the funds authorized to execute the project. The cost baseline is the approved version of the time-phased project budget, but excludes management reserves.

7.3.3.1 Cost Baseline

The cost baseline is the approved version of the time-phased project budget,

excluding any management reserves, which can only be changed through formal change control procedures and is used as a basis for comparison to actual results. It is developed as a summation of the approved budgets for the different schedule activities.

QUESTION 157

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The purpose of the Project Communications Management Knowledge Area is to:

- A. Monitor and control communications throughout the entire project life cycle.
- B. Maintain an optimal flow of information among all project participants.
- C. Develop an appropriate approach for project communications.
- D. Ensure timely and appropriate collection of project information.

Correct Answer: D Section: Volume B Explanation

Explanation/Reference:

Explanation:

10. Project Communications Management

Project Communications Management includes the processes that are required to ensure timely and appropriate planning, collection, creation, distribution, storage, retrieval, management, control, monitoring, and the ultimate disposition of project information.

QUESTION 158

Processes in the Initiating Process Group may be completed at the organizational level and be outside of the project's:

- A. Level of control.
- B. Communication channels.
- C. Scope.
- D. Strategic alignment.

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

QUESTION 159

At the completion of a project, a report is prepared that details the outcome of

the research conducted on a global trend during the project. Which item did this project create?

- A. Result
- B. Product
- C. Service
- D. Improvement

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

QUESTION 160

Power, urgency, and legitimacy are attributes of which stakeholder classification model?

- A. Salience
- B. Influence/impact

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- C. Power/interest
- D. Power/influence

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

13.1.2.1 Stakeholder Analysis

Stakeholder analysis is a technique of systematically gathering and analyzing quantitative and qualitative information to determine whose interests should be taken into account throughout the project. It identifies the interests, expectations, and influence of the stakeholders and relates them to the purpose of the project. It also helps to identify stakeholder relationships (with the project and with other stakeholders) that can be leveraged to build coalitions and potential partnerships to enhance the project's chance of success, along with stakeholder relationships that need to be influenced differently at different stages of the project or phase.

Stakeholder analysis generally follows the steps described below:

Identify all potential project stakeholders and relevant information, such as their roles, departments, interests, knowledge, expectations, and influence levels. Key stakeholders are usually easy to identify. They include anyone in a decision-making or management role who is impacted by the project outcome, such as the sponsor, the project manager, and the primary customer. Identifying other stakeholders is usually done by interviewing identified stakeholders and expanding the list until all potential stakeholders are included.

Analyze the potential impact or support each stakeholder could generate, and classify them so as to define an approach strategy. In large stakeholder communities, it is important to prioritize the stakeholders to ensure the efficient use of effort to communicate and manage their expectations.

Assess how key stakeholders are likely to react or respond in various situations, in order to plan how to influence them to enhance their support and mitigate potential negative impacts.

There are multiple classification models used for stakeholders analysis, such as: Power/interest grid, grouping the stakeholders based on their level of authority ("power") and their level of concern ("interest") regarding the project outcomes;

Power/influence grid, grouping the stakeholders based on their level of authority ("power") and their active involvement ("influence") in the project;

Influence/impact grid, grouping the stakeholders based on their active involvement ("influence") in the project and their ability to effect changes to the project's planning or execution ("impact"); and

Salience model, describing classes of stakeholders based on their power (ability to impose their will), urgency (need for immediate attention), and legitimacy (their involvement is appropriate).

QUESTION 161

Through whom do project managers accomplish work?

- A. Consultants and stakeholders
- B. Stakeholders and functional managers
- C. Project team members and consultants
- D. Project team members and stakeholders

Correct Answer: D Section: Volume B Explanation

Explanation/Reference:

QUESTION 162

Which quality tool may prove useful in understanding and estimating the cost of quality in a process?

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A. Checksheets

B. Histograms

C. Flowcharts

D. Control charts

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

QUESTION 163

The following is a network diagram for a project.

The total float for the project is how many days?

A. 5

B. 9

C. 12

D. 14

Correct Answer: B Section: Volume B Explanation

Explanation/Reference:

QUESTION 164

The following is a network diagram for a project.

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The free float for Activity E is how many days?

A. 2

B. 3

C. 5

D. 8

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

QUESTION 165

Retreating from an actual or potential conflict or postponing the issue to be better prepared or to be resolved by others describes which of the five general techniques for managing conflict?

- A. Smooth/accommodate
- B. Withdraw/avoid
- C. Compromise/reconcile
- D. Force/direct

Correct Answer: B Section: Volume B Explanation

Explanation/Reference:

QUESTION 166

Specification of both the deliverables and the processes is the focus of:

- A. Change control
- B. Configuration control
- C. Project monitoring and control
- D. Issue control

Correct Answer: B Section: Volume B Explanation

Explanation/Reference:

Explanation:

Configuration control is focused on the specification of both the deliverables and the processes; while change control is focused on identifying, documenting, and approving or rejecting changes to the project documents, deliverables, or baselines.

Some of the configuration management activities included in the Perform Integrated Change Control process are as follows:

Configuration identification. Identification and selection of a configuration item to provide the basis for which the product configuration is defined and verified, products and documents are labeled, changes are managed, and accountability is maintained.

Configuration status accounting. Information is recorded and reported as to

when appropriate data about the configuration item should be provided. This information includes a listing of approved configuration

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identification, status of proposed changes to the configuration, and the implementation status of approved changes.

Configuration verification and audit. Configuration verification and configuration audits ensure the composition of a project's configuration items is correct and that corresponding changes are registered, assessed, approved, tracked, and correctly implemented. This ensures the functional requirements defined in the configuration documentation have been met.

QUESTION 167

Which output of Project Cost Management consists of quantitative assessments of the probable costs required to complete project work?

- A. Activity cost estimates
- B. Earned value management
- C. Cost management plan
- D. Cost baseline

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

7.2.3.1 Activity Cost Estimates

Activity cost estimates are quantitative assessments of the probable costs required to complete project work. Cost estimates can be presented in summary form or in detail. Costs are estimated for all resources that are applied to the activity cost estimate. This includes, but is not limited to, direct labor, materials, equipment, services, facilities, information technology, and special categories such as cost of financing (including interest charges), an inflation allowance, exchange rates, or a cost contingency reserve. Indirect costs, if they are included in the project estimate, can be included at the activity level or at higher levels.

QUESTION 168

While processes in the Planning Process Group seek to collect feedback and define project documents to guide project work, organizational procedures dictate when the project planning:

- A. ends.
- B. begins.
- C. delays.
- D. deviates.

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

QUESTION 169

A stakeholder expresses a need not known to the project manager. The project manager most likely missed a step in which stakeholder management process?

- A. Plan Stakeholder Management
- B. Identify Stakeholders
- C. Manage Stakeholder Engagement
- D. Control Stakeholder Engagement

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Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

13.2 Plan Stakeholder Management

Definition: Stakeholder Management is the process of developing appropriate management strategies to effectively engage stakeholders throughout the project life cycle, based on the analysis of their needs, interests, and potential impact on project success.

Key Benefit: The key benefit of this process is that it provides a clear, actionable plan to interact with project stakeholders to support the project's interests.

Inputs

1. Project management plan

2. Stakeholder register
3. Enterprise environmental factors
4. Organizational process assets

Tools & Techniques

1. Expert judgment
2. Meetings
3. Analytical techniques

Outputs

1. Stakeholder management plan
2. Project documents updates

QUESTION 170

Skills necessary for project management such as motivating to provide encouragement; listening actively; persuading a team to perform an action; and summarizing, recapping, and identifying next steps are known as:

- A. organizational skills
- B. technical skills
- C. communication skills
- D. hard skills

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

Explanation:

Negotiation, influencing and problem-solving skills are all important for a project manager to possess; however, good communication skills are the most important skills a project manager.

QUESTION 171

Which tools or techniques are used during the Close Project or Phase process?

- A. Reserve analysis and expert judgment
- B. Facilitation techniques and meetings
- C. Expert judgment and analytical techniques
- D. Performance reviews and meetings

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

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Explanation:

4.1.2.1 Expert Judgment

Expert judgment is often used to assess the inputs used to develop the project charter. Expert judgment is applied to all technical and management details during this process. Such expertise is provided by any group or individual with specialized knowledge or training and is available from many sources, including:

Other units within the organization, Consultants,

Stakeholders, including customers or sponsors, Professional and technical associations, Industry groups,

Subject matter experts (SME), and Project management office (PMO).

Process: 4.6. Close Project or Phase

Definition: The process of finalizing all activities across all of the Project Management Process Groups to formally complete the phase or project.

Key Benefit: The key benefit of this process is that it provides lessons learned, the formal ending of project work, and the release of organization resources to pursue new endeavors.

Inputs

1. Project management plan
2. Accepted deliverables
3. Organizational process assets

Tools & Techniques

1. Expert judgment
2. Analytical techniques
3. Meetings

Outputs

1. Final product, service, or result transition
2. Organizational process assets updates

QUESTION 172

When a project is undertaken to reduce defects in a product or service, the objective of the project is to create a/an:

- A. improvement
- B. program
- C. result
- D. portfolio

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

QUESTION 173

The degree of uncertainty an entity is willing to take on in anticipation of a reward is known as its risk:

- A. management
- B. response
- C. tolerance
- D. appetite

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Correct Answer: D Section: Volume B Explanation

Explanation/Reference:

Explanation:

11 PROJECT RISK MANAGEMENT

[..]

Organizations perceive risk as the effect of uncertainty on projects and organizational objectives. Organizations and stakeholders are willing to accept varying degrees of risk depending on their risk attitude. The risk attitudes of both the organization and the stakeholders may be influenced by a number of factors, which are broadly classified into three themes:

Risk appetite, which is the degree of uncertainty an entity is willing to take on in anticipation of a reward.

Risk tolerance, which is the degree, amount, or volume of risk that an organization or individual will withstand.

Risk threshold, which refers to measures along the level of uncertainty or the level of impact at which a stakeholder may have a specific interest. Below that

risk threshold, the organization will accept the risk. Above that risk threshold, the organization will not tolerate the risk.

For example, an organization's risk attitude may include its appetite for uncertainty, its threshold for risk levels that are unacceptable, or its risk tolerance at which point the organization may select a different risk response. Positive and negative risks are commonly referred to as opportunities and threats. The project may be accepted if the risks are within tolerances and are in balance with the rewards that may be gained by taking the risks. Positive risks that offer opportunities within the limits of risk tolerances may be pursued in order to generate enhanced value. For example, adopting an aggressive resource optimization technique is a risk taken in anticipation of a reward for using fewer resources.

QUESTION 174

The zero duration of milestones in project planning occurs because milestones:

- A. Are unpredictable and challenge the Plan Schedule Management process.
- B. Occur at random times in the project plans.
- C. Represent a moment in time such as a significant project point or event.
- D. Represent both significant and insignificant points in the project and are difficult to anticipate.

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

QUESTION 175

Which type of graphic is displayed below?

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- A. Work breakdown structure
- B. Context diagram
- C. Control chart
- D. Pareto diagram

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

QUESTION 176

An example of a group decision-making technique is:

- A. nominal group technique
- B. majority
- C. affinity diagram
- D. multi-criteria decision analysis

Correct Answer: B Section: Volume B Explanation

Explanation/Reference:

QUESTION 177

Which tool or technique used in the Control Procurements process can be conducted during the execution of the project to verify compliance with deliverables?

- A. Procurement documents
- B. Inspection and audits
- C. Estimate budget
- D. Risk register

Correct Answer: B Section: Volume B Explanation

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Explanation/Reference:

Explanation:

Inspections and Audits. A process to observe performance of contracted work or a promised product against agreed-upon requirements.

Process: 12.3 Control Procurements

Definition: The process of managing procurement relationships, monitoring contract performance, and making changes and corrections as appropriate.

Key Benefit: The key benefit of this process is that it ensures that both the seller's and buyer's performance meets procurement requirements according to the terms of the legal agreement.

Inputs

1. Project management plan

2. Procurement documents
3. Agreements
4. Approved change requests
5. Work performance reports
6. Work performance data

Tools & Techniques

1. Contract change control system
2. Procurement performance reviews
3. Inspections and audits
4. Performance reporting
5. Payment systems
6. Claims administration
7. Records management system

Outputs

1. Work performance information
2. Change requests
3. Project management plan updates
4. Project documents updates
5. Organizational process assets updates

QUESTION 178

Job satisfaction, challenging work, and sufficient financial compensation are values related to which interpersonal skill?

- A. Influencing
- B. Motivation
- C. Negotiation
- D. Trust building

Correct Answer: B Section: Volume B Explanation

Explanation/Reference:

QUESTION 179

The following is a network diagram for a project.

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The shortest non-critical path for the project is how many days in duration?

- A. 10
- B. 12
- C. 14
- D. 16

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

QUESTION 180

The following is a network diagram for a project.

The critical path for the project is how many days in duration?

- A. 10
- B. 12
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- C. 14
- D. 17

Correct Answer: D Section: Volume B Explanation

Explanation/Reference:

QUESTION 181

The component of the human resource management plan that includes ways in which team members can obtain certifications that support their ability to benefit the project is known as:

- A. recognition and rewards
- B. compliance
- C. staff acquisition
- D. training needs

Correct Answer: D Section: Volume B Explanation

Explanation/Reference:

QUESTION 182

Stakeholders can be identified in later stages of the project because the Identify

Stakeholders process should be:

- A. Continuous
- B. Discrete
- C. Regulated
- D. Arbitrary

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

Process: 13.1 Identify Stakeholders

Definition: The process of identifying the people, groups, or organizations that could impact or be impacted by a decision, activity, or outcome of the project; and analyzing and documenting relevant information regarding their interests, involvement, interdependencies, influence, and potential impact on project success.

Key Benefit: The key benefit of this process is that it allows the project manager to identify the appropriate focus for each stakeholder or group of stakeholders.

Inputs

1. Project charter
2. Procurement documents
3. Enterprise environmental factors
4. Organizational process assets

Tools & Techniques

1. Stakeholder analysis

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2. Expert judgment
3. Meetings

Outputs

1. Stakeholder register

QUESTION 183

A graphic display of project team members and their reporting relationships is

known as a:

- A. Resource calendar.
- B. Project organization chart.
- C. Resource breakdown structure (RBS).
- D. Responsibility assignment matrix (RAM).

Correct Answer: B Section: Volume B Explanation

Explanation/Reference:

Explanation:

Project organization charts. A project organization chart is a graphic display of project team members and their reporting relationships. It can be formal or informal, highly detailed or broadly framed, based on the needs of the project. For example, the project organization chart for a 3,000-person disaster response team will have greater detail than a project organization chart for an internal, twenty-person project.

QUESTION 184

Which item is a cost of conformance?

- A. Training
- B. Liabilities
- C. Lost business
- D. Scrap

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

QUESTION 185

Which key interpersonal skill of a project manager is defined as the strategy of sharing power and relying on interpersonal skills to convince others to cooperate toward common goals?

- A. Collaboration
- B. Negotiation
- C. Decision making
- D. Influencing

Correct Answer: D Section: Volume B Explanation

Explanation/Reference:

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QUESTION 186

Activity cost estimates and the project schedule are inputs to which Project Cost Management process?

- A. Estimate Costs
- B. Control Costs
- C. Plan Cost Management
- D. Determine Budget

Correct Answer: D Section: Volume B Explanation

Explanation/Reference:

Explanation:

7.2.3.1 Activity Cost Estimates

Activity cost estimates are quantitative assessments of the probable costs required to complete project work. Cost estimates can be presented in summary form or in detail. Costs are estimated for all resources that are applied to the activity cost estimate. This includes, but is not limited to, direct labor, materials, equipment, services, facilities, information technology, and special categories such as cost of financing (including interest charges), an inflation allowance, exchange rates, or a cost contingency reserve. Indirect costs, if they are included in the project estimate, can be included at the activity level or at higher levels.

Process: 7.3 Determine Budget

Definition: The process of aggregating the estimated costs of individual activities or work packages to establish an authorized cost baseline.

Key Benefit: The key benefit of this process is that it determines the cost baseline against which project performance can be monitored and controlled.

Inputs

1. Cost management plan
2. Scope baseline
3. Activity cost estimates
4. Basis of estimates

5. Project schedule
6. Resource calendars
7. Risk register
8. Agreements
9. Organizational process assets

Tools & Techniques

1. Cost aggregation
2. Reserve analysis
3. Expert judgment
4. Historical relationships
5. Funding limit reconciliation

Outputs

1. Cost baseline
2. Project funding requirements
3. Project documents updates

QUESTION 187

In project management, a temporary project can be:

- A. Completed without planning
- B. A routine business process
- C. Long in duration

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- D. Ongoing to produce goods

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

QUESTION 188

Which document in the project management plan can be updated in the Plan Procurement Management process?

- A. Budget estimates
- B. Risk matrix
- C. Requirements documentation

D. Procurement documents

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

Explanation:

Process: 12.1 Plan Procurement Management

Definition: The process of documenting project procurement decisions, specifying the approach, and identifying potential sellers.

Key Benefit: The key benefit of this process is that it determines whether to acquire outside support, and if so, what to acquire, how to acquire it, how much is needed, and when to acquire it.

Inputs

1. Project management plan
2. Requirements documentation
3. Risk register
4. Activity resource requirements
5. Project schedule
6. Activity cost estimates
7. Stakeholder register
8. Enterprise environmental factors
9. Organizational process assets

Tools & Techniques

1. Make-or-buy analysis
2. Expert judgment
3. Market research
4. Meetings

Outputs

1. Procurement management plan
2. Procurement statement of work
3. Procurement documents
4. Source selection criteria
5. Make-or-buy decisions
6. Change requests
7. Project documents updates

QUESTION 189

Which type of probability distribution is used to represent uncertain events such as the outcome of a test or a

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possible scenario in a decision tree?

- A. Uniform
- B. Continuous
- C. Discrete
- D. Linear

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

Explanation:

Decision Tree Analysis. A diagramming and calculation technique for evaluating the implications of a chain of multiple options in the presence of uncertainty.

– Can only be used with discrete data.

QUESTION 190

Which change request is an intentional activity that realigns the performance of the project work with the project management plan?

- A. Update
- B. Preventive action
- C. Defect repair
- D. Corrective action

Correct Answer: D Section: Volume B Explanation

Explanation/Reference:

Explanation:

4.3.3.3 Change Requests

A change request is a formal proposal to modify any document, deliverable, or baseline. An approved change request will replace the associated document, deliverable, or baseline and may result in an update to other parts of the project management plan. When issues are found while project work is

being performed, change requests are submitted, which may modify project policies or procedures, project scope, project cost or budget, project schedule, or project quality. Other change requests cover the needed preventive or corrective actions to forestall negative impact later in the project. Requests for a change can be direct or indirect, externally or internally initiated, and can be optional or legally/contractually mandated, and may include:

Corrective action—An intentional activity that realigns the performance of the project work with the project management plan;

Preventive action—An intentional activity that ensures the future performance of the project work is aligned with the project management plan;

Defect repair—An intentional activity to modify a nonconforming product or product component;

Updates—Changes to formally controlled project documents, plans, etc., to reflect modified or additional ideas or content.

QUESTION 191

Using parametric estimating, if an assigned resource is capable of producing 120 units per hour, how many hours are required to produce 12,000 units?

A. 100

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B. 120

C. 1,000

D. 1,200

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

QUESTION 192

Which stakeholder approves a project's result?

A. Customer

B. Sponsor

C. Seller

D. Functional manager

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

QUESTION 193

Which process involves determining, documenting, and managing stakeholders' needs and requirements to meet project objectives?

- A. Collect Requirements
- B. Plan Scope Management
- C. Define Scope
- D. Define Activities

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

Process: 5.2 Collect Requirements

Definition: The process of determining, documenting, and managing stakeholder needs and requirements to meet project objectives.

Key Benefit: The key benefit of this process is that it provides the basis for defining and managing the project scope including product scope.

Inputs

1. Scope management plan
2. Requirements management plan
3. Stakeholder management plan
4. Project charter
5. Stakeholder register

Tools & Techniques

1. Interviews
2. Focus groups

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3. Facilitated workshops
4. Group creativity techniques
5. Group decision-making techniques

6. Questionnaires and surveys

7. Observations

8. Prototypes

9. Benchmarking

10. Context diagrams

11. Document analysis

Outputs

1. Requirements documentation

2. Requirements traceability matrix

QUESTION 194

Plan Communications Management develops an approach and plan for project communications based on stakeholders' needs and requirements and:

A. Available organizational assets

B. Project staff assignments

C. Interpersonal skills

D. Enterprise environmental factors

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

Process: 10.1 Plan Communications Management

Definition: The process of developing an appropriate approach and plan for project communications based on stakeholder's information needs and requirements, and available organizational assets.

Key Benefit: The key benefit of this process is that it identifies and documents the approach to communicate most effectively and efficiently with stakeholders.

Inputs

1. Project management plan

2. Stakeholder register

3. Enterprise environmental factors

4. Organizational process assets

Tools & Techniques

1. Communication requirements analysis

2. Communication technology

- 3. Communication models
- 4. Communication methods
- 5. Meetings

Outputs

- 1. Communications management plan
- 2. Project documents updates

QUESTION 195

Perform Integrated Change Control is the process of:

- A. Reviewing, approving, and managing all change requests
- B. Facilitating change management, manuals, or automation tools

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- C. Comparing actual results with planned results in order to expand or change a project
- D. Documenting changes according to the change control system by the change control board

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

Process: 4.5 Perform Integrated Change Control

Perform Integrated Change Control is the process of reviewing all change requests; approving changes and managing changes to deliverables, organizational process assets, project documents, and the project management plan; and communicating their disposition. It reviews all requests for changes or modifications to project documents, deliverables, baselines, or the project management plan and approves or rejects the changes.

Key Benefit: The key benefit of this process is that it allows for documented changes within the project to be considered in an integrated fashion while reducing project risk, which often arises from changes made without consideration to the overall project objectives or plans.

Inputs

1. Project management plan
2. Work performance reports
3. Change requests
4. Enterprise environmental factors
5. Organizational process assets

Tools & Techniques

1. Expert judgment
2. Meetings
3. Change control tools

Outputs

1. Approved change requests
2. Change log
3. Project management plan updates
4. Project documents updates

QUESTION 196

When painting a bedroom, preparing the walls can be done while the paint is being chosen. This is an example of a:

- A. lead
- B. lag
- C. mandatory dependency
- D. internal dependency

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

6.3.2.2 Dependency Determination

Dependencies may be characterized by the following attributes: mandatory or discretionary, internal or external, as described below. Dependency has four attributes, but two can be applicable at the same time in following ways: mandatory external dependencies, mandatory internal dependencies, discretionary external dependencies, or discretionary internal dependencies.

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Mandatory dependencies. Mandatory dependencies are those that are legally or contractually required or inherent in the nature of the work. Mandatory dependencies often involve physical limitations, such as on a construction project, where it is impossible to erect the superstructure until after the foundation has been built, or on an electronics project, where a prototype has to be built before it can be tested. Mandatory dependencies are also sometimes referred to as hard logic or hard dependencies. Technical dependencies may not be mandatory. The project team determines which dependencies are mandatory during the process of sequencing the activities. Mandatory dependencies should not be confused with assigning schedule constraints in the scheduling tool.

Discretionary dependencies. Discretionary dependencies are sometimes referred to as preferred logic, preferential logic, or soft logic. Discretionary dependencies are established based on knowledge of best practices within a particular application area or some unusual aspect of the project where a specific sequence is desired, even though there may be other acceptable sequences. Discretionary dependencies should be fully documented since they can create arbitrary total float values and can limit later scheduling options. When fast tracking techniques are employed, these discretionary dependencies should be reviewed and considered for modification or removal. The project team determines which dependencies are discretionary during the process of sequencing the activities.

External dependencies. External dependencies involve a relationship between project activities and non-project activities. These dependencies are usually outside the project team's control. For example, the testing activity in a software project may be dependent on the delivery of hardware from an external source, or governmental environmental hearings may need to be held before site preparation can begin on a construction project. The project management team determines which dependencies are external during the process of sequencing the activities.

Internal dependencies. Internal dependencies involve a precedence relationship between project activities and are generally inside the project team's control.

For example, if the team cannot test a machine until they assemble it, this is an internal mandatory dependency. The project management team determines which dependencies are internal during the process of sequencing the activities.

QUESTION 197

Which action is included in the Control Costs process?

- A. Identify how the project costs will be planned, structured, and controlled
- B. Determine policies, objectives, and responsibilities to satisfy stakeholder needs
- C. Develop an approximation of the monetary resources needed to complete project activities
- D. Monitor cost performance to isolate and understand variances from the approved cost baseline

Correct Answer: D Section: Volume B Explanation

Explanation/Reference:

Explanation:

7.3.3.1 Cost Baseline

The cost baseline is the approved version of the time-phased project budget, excluding any management reserves, which can only be changed through formal change control procedures and is used as a basis for comparison to actual results. It is developed as a summation of the approved budgets for the different schedule activities.

Process: 7.4 Control Costs

Definition: The process of monitoring the status of the project to update the project costs and managing changes to the cost baseline.

Key Benefit: The key benefit of this process is that it determines the cost baseline against which project performance can be monitored and controlled.

Inputs

1. Project management plan
2. Project funding requirements
3. Work performance data
4. Organizational process assets

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Tools & Techniques

1. Earned value management
2. Forecasting
3. To-complete performance index (TCPI)
4. Performance reviews
5. Project management software
6. Reserve analysis

Outputs

1. Work performance information
2. Cost forecasts
3. Change requests
4. Project management plan updates
5. Project documents updates
6. Organizational process assets updates

QUESTION 198

What is the risk rating if the probability of occurrence is 0.30 and the impact if it does occur is moderate (0.20)?

- A. 0.03
- B. 0.06
- C. 0.10
- D. 0.50

Correct Answer: B Section: Volume B Explanation

Explanation/Reference:

QUESTION 199

A complete set of concepts, terms, and activities that make up an area of specialization is known as:

- A. a Knowledge Area
- B. a Process Group
- C. program management
- D. portfolio management

Correct Answer: A Section: Volume B Explanation

Explanation/Reference:

Explanation:

3.9 Role of the Knowledge Areas

The 47 project management processes identified in the PMBOK® Guide are further grouped into ten separate Knowledge Areas. A Knowledge Area represents a complete set of concepts, terms, and activities that make up a professional field, project management field, or area of specialization. These ten Knowledge Areas are used on most projects most of the time. Project teams should utilize these ten Knowledge Areas and other Knowledge Areas, as appropriate, for their specific project. The Knowledge Areas are: Project Integration Management, Project Scope Management, Project Time Management, Project Cost Management, Project Quality Management, Project Human Resource Management, Project Communications Management, Project Risk Management, Project Procurement Management and Project Stakeholder Management. Each Knowledge Area within the PMBOK® Guide is contained in a separate section.

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QUESTION 200

The risk response strategy in which the project team acts to reduce the probability of occurrence or impact of a risk is known as:

- A. exploit
- B. avoid
- C. mitigate
- D. share

Correct Answer: C Section: Volume B Explanation

Explanation/Reference:

Explanation:

11.5.2.1 Strategies for Negative Risks or Threats

Three strategies, which typically deal with threats or risks that may have negative impacts on project objectives if they occur, are: avoid, transfer, and

mitigate. The fourth strategy, accept, can be used for negative risks or threats as well as positive risks or opportunities. Each of these risk response strategies have varied and unique influence on the risk condition. These strategies should be chosen to match the risk's probability and impact on the project's overall objectives. Avoidance and mitigation strategies are usually good strategies for critical risks with high impact, while transference and acceptance are usually good strategies for threats that are less critical and with low overall impact. The four strategies for dealing with negative risks or threats are further described as follows:

Avoid. Risk avoidance is a risk response strategy whereby the project team acts to eliminate the threat or protect the project from its impact. It usually involves changing the project management plan to eliminate the threat entirely. The project manager may also isolate the project objectives from the risk's impact or change the objective that is in jeopardy. Examples of this include extending the schedule, changing the strategy, or reducing scope. The most radical avoidance strategy is to shut down the project entirely. Some risks that arise early in the project can be avoided by clarifying requirements, obtaining information, improving communication, or acquiring expertise.

Transfer. Risk transference is a risk response strategy whereby the project team shifts the impact of a threat to a third party, together with ownership of the response. Transferring the risk simply gives another party responsibility for its management—it does not eliminate it. Transferring does not mean disowning the risk by transferring it to a later project or another person without his or her knowledge or agreement. Risk transference nearly always involves payment of a risk premium to the party taking on the risk. Transferring liability for risk is most effective in dealing with financial risk exposure. Transference tools can be quite diverse and include, but are not limited to, the use of insurance, performance bonds, warranties, guarantees, etc. Contracts or agreements may be used to transfer liability for specified risks to another party. For example, when a buyer has capabilities that the seller does not possess, it may be prudent to transfer some work and its concurrent risk contractually back to the buyer. In many cases, use of a cost-plus contract may transfer the cost risk to the buyer, while a fixed-price contract may transfer risk to the seller.

Mitigate. Risk mitigation is a risk response strategy whereby the project team acts to reduce the probability of occurrence or impact of a risk. It implies a reduction in the probability and/or impact of an adverse risk to be within acceptable threshold limits. Taking early action to reduce the probability and/or impact of a risk occurring on the project is often more effective than trying to repair the damage after the risk has occurred.

Adopting less complex processes, conducting more tests, or choosing a more stable supplier are examples of mitigation actions. Mitigation may require prototype development to reduce the risk of scaling up from a bench- scale model of a process or product. Where it is not possible to reduce probability, a mitigation response might address the risk impact by targeting linkages that determine the severity. For example, designing redundancy into a system may reduce the impact from a failure of the original component.

Accept. Risk acceptance is a risk response strategy whereby the project team decides to acknowledge the risk and not take any action unless the risk occurs. This strategy is adopted where it is not possible or cost- effective to address a specific risk in any other way. This strategy indicates that the project team has decided not to change the project management plan to deal with a risk, or is unable to identify any other suitable response strategy. This strategy can be either passive or active. Passive acceptance requires no action except

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to document the strategy, leaving the project team to deal with the risks as they occur, and to periodically review the threat to ensure that it does not change significantly. The most common active acceptance strategy is to establish a contingency reserve, including amounts of time, money, or resources to handle the risks.

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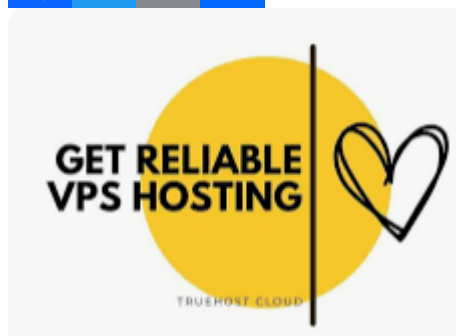
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