Here are 200 more objective type sample questions and their answers are given just below to them. This exam is just to give you an idea of type of questions which may be asked in PMP Certification Exams. Even we have taken full care to give correct answers for all the questions but it is recommended to verify these answers.

In examination, you will get each question one by one on computer screen.

1 Which of the following is an advantage of centralized contracting?
   1. Makes it easier to find vendors
   2. Increases company expertise in contracting
   3. Gives more loyalty to the project
   4. Allows a contracts person to work on a single project

   Answer: B
   Hint: A centralized department is created to bring in processes and uniformity, which leads to development of expertise.

2 Risks will be identified during which risk management process es?
   1. Perform Quantitative Risk Analysis and Identify Risks
   2. Identify Risks and Control Risks
   3. Perform Qualitative Risk Analysis and Control Risks
   4. Identify Risks

   Answer: B
   Hint: PMBOK 5 Page 312, Figure 11.1

3 The highest point of Maslow's hierarchy of needs is:
   1. Physiological satisfaction
   2. Attainment of survival
   3. Esteem
   4. Self-actualization

   Answer: D
   Hint: Read Maslow's theory on hierarchy of needs. Self-actualization is on top of the pyramid.

4 Who is ultimately responsible for quality management on the project?
   1. Project engineer
   2. Project manager
   3. Quality manager
   4. Team member

   Answer: B
   Hint: PMBOK 5 Page 16, Sec 1.7 Role of the Project Manager
5 In the context of estimation, a heuristic is best described as a::

1. control tool.
2. scheduling method.
3. planning tool.
4. rule of thumb.

Answer: D

Hint: PMBOK 5 Page 204, Sec 7.2.2 Estimate Costs: Tools & Techniques

6 If earned value \( EV = 350 \), actual cost \( AC = 400 \), planned value \( PV = 325 \), what is cost variance \( CV \)?

1. 350
2. -75
3. 400
4. -50

Answer: D

Hint: \( CV = EV - AC \)

7 A project manager has just been assigned to a new project and has been given the preliminary project scope statement and the project charter. The first thing the project manager must do is:

1. create a project scope statement.
2. confirm that all the stakeholders have contributed to the scope.
3. analyze project risk.
4. begin work on a project management plan.

Answer: B

Hint: PMBOK 5 Page 66 Sec 4.1 Develop Project Charter

8 You are taking over a project during the planning process group and discover that six individuals have signed the project charter. Which of the following should most concern you?

1. Who will be a member of the change control board
2. Spending more time on configuration management
3. Getting a single project sponsor
4. Determining the reporting structure

Answer: D

Hint: PMBOK 5 Page 66 Sec 4.1 Develop Project Charter

9 The project manager is making sure that the product of the project has been completed according to the project management plan. What part of the project management process is he in?

1. Planning
2. Executing
3. Monitoring and controlling
4. Closing

Answer: D
The WBS and WBS dictionary are completed. The project team has begun working on identifying risks. The sponsor contacts the project manager, requesting that the responsibility assignment matrix be issued. The project has a budget of U.S. $100,000 and is taking place in three countries using 14 human resources. There is little risk expected for the project and the project manager has managed many projects similar to this one. What is the next thing to do?

1. Understand the experience of the sponsor on similar projects.
2. Create an activity list.
3. Make sure the project scope is defined.
4. Complete risk management and issue the responsibility assignment matrix.

Answer: B

Risk tolerances are determined in order to help:

1. the team rank the project risks.
2. the project manager estimate the project.
3. the team schedule the project.
4. management know how other managers will act on the project.

Answer: A

A project manager is employed by a construction company and is responsible for the furnishing of the completed building. One of the first things that the project manager for this project should do is to write a:

1. Work breakdown structure.
2. Budget baseline.
3. Project charter.
4. Project plan.

Answer: C

Your company has an emergency and needs contracted work done as soon as possible. Under these circumstances, which of the following would be the helpful to add to the contract?

1. A clear contract statement of work
2. Requirements as to which subcontractors can be used
3. Incentives
4. A force majeure clause

Answer: C

The "halo effect" refers to the tendency to:

1. promote from within.
2. hire the best.
3. move people into project management because they are good in their technical fields.
4. move people into project management because they have had project management training.

Answer: C

Hint: Flaw in Expert Judgment when people good in certain areas are deemed as good in all areas.

15 A project manager is trying to complete a software development project, but cannot get enough attention for the project. Resources are focused on completing process-related work and the project manager has little authority to properly assign resources. What form of organization must the project manager be working in?

1. Functional
2. Matrix
3. Expediter
4. Coordinator

Answer: A

Hint: PMBOK 5 Page 21, Sec 2.1.3 Organizational Structures

16 All of the following are characteristics of a project EXCEPT:

1. Temporary
2. Definite beginning and end
3. Interrelated activities
4. Repeats itself every month

Answer: D

Hint: PMBOK 5 Page 3, Sec 1.2 What is a Project?

17 A team is using a fishbone diagram to help determine what quality standards will be used on the project. What part of the quality management process are they in?

1. Perform quality control
2. Perform quality assurance
3. Plan Quality Management
4. Variable analysis

Answer: C

Hint: PMBOK 5 Page 235, Sec 8.1.2 Plan Quality Management

18 The equivalent of cost reimbursable contracts is frequently termed:

1. Back charge contracts.
2. Fixed price contracts.
3. Progress payment contracts.
4. Cost plus contracts.

Answer: D

Hint: Read about Type of Vendor Contracts such as Cost Plus Incentive Fee CPIF

19 A buyer extends a formal invitation containing a scope of work. The invitation seeks a response describing the methodology and results that will be provided to the buyer. This is called:
1. Invitation to bid.
2. Request for information.
3. Request for proposal.
4. Request for bid.

Answer: C

Hint: PMBOK 5 Page 558 Request for proposal definition

20 A project manager must have some work done by an outside contractor. This work has a great deal of risk associated with it, and it has become very difficult to find a contractor willing to take on the job. Which of the following types of contract would offer the greatest incentive to the contractor?

1. Cost plus percentage of cost as an award fee
2. Cost plus fixed fee
3. Cost plus incentive fee
4. Firm fixed price

Answer: A

Hint: Option A is most lucrative incentive while option C also offers incentives. Read about Type of Vendor Contracts such as Cost Plus Incentive Fee CPIF

21 Purchasing insurance is considered an example of risk:

1. mitigation.
2. transfer.
3. acceptance.
4. avoidance.

Answer B

Hint: PMBOK 5 Page 344 Sec 11.5.2.1 Strategies for Negative Risks

22 A cost performance index CPI of 0.89 means:

1. at this time, we expect the total project to cost 89 percent more than planned.
2. when the project is completed we will have spent 89 percent more than planned.
3. the project is only progressing at 89 percent of that planned.
4. the project is only getting 89 cents out of every dollar invested.

Answer: D

Hint: PMBOK 5 Page 219 - Cost performance index

23 In a matrix organization, which of the following is true??

1. The project manager is responsible for employee skills improvement.
2. The functional manager is responsible for employee skills improvement.
3. The project manager is responsible for the employee.s annual appraisal.
4. The employee is responsible for his or her own skills improvement.

Answer: B

Hint: PMBOK 5 Page 21, Sec 2.1.3 Organizational Structures

24 Your program manager has come to you, the project manager, for help with a bid for her
newest project. You want to protect your company from financial risk. You have limited scope
definition. What is the BEST type of contract to choose?

1. Fixed price \( FP \)
2. Cost plus percent of cost \( CPPC \)
3. Time and material \( T&M \)
4. Cost plus fixed fee \( CPFF \)

Answer: D

Hint: CPFF is the best contract type from buyer perspective as the seller is aware that cost overruns
may have to be borne by him.

25 The project management process groups are:

1. Initiating, planning, expediting, and control.
2. Plan, organize, develop, and control.
3. Plan, do, observe, commit.
4. Initiating, planning, executing, monitoring & controlling, and closing.

Answer: D

Hint: PMBOK 5 Page 49 Definitions of Process Groups

26 In which project management process group is the detailed project budget created?

1. Initiating
2. Before the project management process
3. Planning
4. Executing

Answer: C

Hint: PMBOK 5 Page 61 Table 3-1 Project Management Process Group and Knowledge Area
Mapping

27 Which of the following conflict resolution techniques will generate the MOST lasting solution?

1. Forcing
2. Smoothing
3. Compromise
4. Problem solving

Answer: D

Hint: Except Problem Solving, all other approaches are temporary solutions resulting in recurring
conflicts.

28 Breaking the major deliverables into smaller, more manageable components to provide better
control is called:

1. Scope planning.
2. Decomposition.
3. Scope base lining.
4. Bill of Materials \( BOM \).

Answer: B
29 Which of the following is NOT an input to the initiating process group?

1. Company processes
2. The company culture
3. Historical WBSs
4. Project scope statement

Answer: D

30 Workarounds are determined during which risk management process?

1. Identify Risks
2. Perform Quantitative Risk Analysis
3. Plan Risk Responses
4. Control Risks

Answer: D

31 A person who is involved in or may be affected by the activities or anyone who has something to gain or lose by the activity of the project is called a:

1. Team member.
2. Customer.
4. Supporter.

Answer: C

32 Quality is:

1. meeting and exceeding the customer's expectations.
2. adding extras to make the customer happy.
3. the degree to which the inherent characteristics fulfill requirements.
4. conformance to management's objectives.

Answer: C

33 A schedule performance index SPI of 0.76 means:

1. you are over budget.
2. you are ahead of schedule.
3. you are only progressing at 76 percent of the rate originally planned.
4. you are only progressing at 24 percent of the rate originally planned.

Answer: C
Contract closure is different from administrative closure in that contract closure:

1. occurs before administrative closure.
2. is the only one to involve the customer.
3. includes the return of property.
4. may be done more than once for each contract.

Answer: A

Hint: PMBOK 5, Page 100, Sec 4.6 Close Project or Phase

During the full life cycle of the project, a plot of the project’s expected expenditures will usually follow a characteristic ..S.. shape. This indicates that:

1. There is a cyclic nature to all projects.
2. Problems will always occur in the execution phase.
3. There are high expenditures during closeout.
4. The bulk of the project budget will be spent in the execution phase.

Answer: D

Hint: PMBOK 5, Page 214, Figure 7-9 Cost Baseline, Expenditures, and Funding Requirements

An output of administrative closure is the creation of:

1. project archives.
2. a project charter.
3. a project management plan.
4. a risk analysis plan.

Answer: A

Hint: PMBOK 5, Page 100, Sec 4.6 Close Project or Phase

A temporary endeavor undertaken to create a new product or service is called a:

1. New product development.
2. Project.
3. Program.
4. Enterprise.

Answer: B

Hint: PMBOK 5, Page 553, Definition of Project

An example of scope validation is:

1. Reviewing the performance of an installed software module.
2. Managing changes to the project schedule.
3. Decomposing the WBS to a work package level.
4. Performing a benefit-cost analysis to determine if we should proceed.

Answer: A

Hint: PMBOK 5, Page 133-134 Sec 5.5 Validate Scope

What conflict resolution technique is a project manager using when he says, “I cannot deal with this issue now!”
1. Problem solving
2. Forcing
3. Withdrawal
4. Compromising

Answer: C

Hint: Avoidance or procrastination to deal with an issue comes under Withdrawal.

40 Approved Change Requests are an input to:

1. Control Scope and Validate Scope.
2. Direct and Manage Project Work.
3. develop project management plan and develop project charter.

Answer: B

Hint: PMBOK 5, Page 82, Sec 4.3.1.2 Approved Change Requests

41 A group of related projects that are managed in a coordinated way that usually include an element of ongoing activity is called a:

1. Major project.
2. Project office.
3. Program.
4. Group of projects.

Answer: C

Hint: PMBOK 5, Page 553, Definition of Program

42 To control the schedule, a project manager is reanalyzing the project to predict project duration. She does this by analyzing the sequence of activities with the least amount of scheduling flexibility. What technique is she using?

1. Critical path method
2. Flowchart
3. Precedence diagramming
4. Work breakdown structure

Answer: A

Hint: PMBOK 5, Page 536, Definition of Critical Path Method CPM

43 A project manager has assembled the project team, identified 56 risks on the project, determined what would trigger the risks, rated them on a risk rating matrix, tested their assumptions and assessed the quality of the data used. The team is continuing to move through the risk management process. What has the project manager forgotten to do?

1. Simulation
2. Risk mitigation
3. Overall risk ranking for the project
4. Involving of other stakeholders

Answer: D

Hint: PMBOK 5, Page 319-321 Sec 11.2 Identify Risks
Configuration management plan is:
1. Used to ensure that the description of the project product is correct and complete.
2. The creation of the work breakdown structure.
3. The set of procedures developed to control changes.
4. A mechanism to track budget and schedule variances.

Answer : C

Hint: PMBOK 5, Page 138, Sec 5.6.1.1 - Configuration management plan

A rough order of magnitude estimate is made during which project management process group?
1. Project planning
2. Project closing
3. Project executing
4. Project initiating

Answer : D

Hint: PMBOK 5, Page 201, Sec 7.2 Estimate Costs

The work defined at the lowest level of the breakdown structure to estimate as well as manage time and cost is called the:
1. Activity.
2. Task.
3. Work package.
4. Cost account.

Answer : C

Hint: PMBOK 5, Page 567, Definition of Work Package

All of the following are examples of the cost of nonconformance EXCEPT?
1. Rework
2. Quality training
3. Scrap
4. Warranty costs

Answer : B

Hint: PMBOK 5, Page 235

What type of contract do you not want to use if you do not have enough labor to audit invoices?
1. Cost plus fixed fee CPFF
2. Time & material T&M
3. Fixed price FP
4. Fixed price incentive fee FPIF

Answer : A

Hint: CPFF would involve auditing invoices presented by the vendor to account for the costs incurred.
49 A project manager has just been assigned to a project. The document that recognizes the existence of the project is called:

1. The statement of work.
2. The project assignment.
3. The project charter.
4. The product description.

Answer: C

Hint: PMBOK 5 Page 66 Sec 4.1 Develop Project Charter

50 The WBS for the project represents:

1. All the tangible items that must be delivered to the client.
2. All the work that must be completed for the project.
3. The work that must be performed by the project team.
4. All the activities of the project.

Answer: B

Hint: PMBOK 5 Page 567, Definition of Work Breakdown Structure WBS