

Project Management (Sem. VIII Institute Elective)

Q. no	Practice Question of Project Management Set 1	Marks
1	The time necessary to complete the project is referred to as a. Implementation time b. Life cycle c. Operation cycle d. Production cycle	1
2	In which of the following project phases is the project schedule developed? a. Conceptual b. Planning c. Implementation d. Design	1
3	The cause of change that cannot be managed by PM is a. Technological uncertainty b. Innovation c. Change in environment d. Increased client knowledge	1
4	PM will be also involved in making choice that require balancing is a. Goals of the project b. Goals of the firm c. Both a and b d. Goal of the resources	1
5	The chances of the successful completion of multidisciplinary project is a. Very low b. Below expected c. High d. Above expected	1
6	The PM must perceive sufficient technical knowledge to a. Outsiders b. Client c. Senior executives d. Both b and c	1
7	Change in the required project performance is better known as a. Scooping b. Scoop creep c. Scoop change d. Scoop control	1
8	PMP stands for a. Project Management Planning b. Project Management Professionals c. Project Management Process d. Project Management Phase	1
9	Which from the following represents the correct project cycle? a. Planning→Initiating→Executing→Closing	1

Project Management (Sem. VIII Institute Elective)

	<ul style="list-style-type: none"> b. Planning→Executing→Initiating→Closing c. Initiating→Planning→Executing→Closing d. Initiating→Executing→Planning→Closing 	
10	<p>Most of the people needed for a project must be borrowed by the PM from</p> <ul style="list-style-type: none"> a. Managerial departments b. Functional departments c. Manufacturing department d. Marketing department 	1
11	<p>At the project competitions phase, the priority phase is</p> <ul style="list-style-type: none"> a. Performance b. Schedule c. Budget d. Cost 	1
12	<p>The ability to put many pieces of a task together to form a coherent whole, is the job of</p> <ul style="list-style-type: none"> a. Project Management b. Engineering Management c. Functional Manager d. Marketing Manager 	1
13	<p>Project manager should be able to fulfill the role of :</p> <ul style="list-style-type: none"> a. Integrator b. Functional manager c. Line manager d. Sponsor 	1
14	<p>Which one of the following best describes project management?</p> <ul style="list-style-type: none"> a. Using APM's Body of Knowledge 6th edition as a guide to all projects. b. Employing a project manager who has undertaken similar projects. c. Utilising team members who can work on a project full time. d. Application of processes and methods throughout the project life cycle. 	1
15	<p>Project selection models are of how many types?</p> <ul style="list-style-type: none"> a. 3 types b. 2 types c. 4 types d. 5 types 	1
16	<p>Which decisions are required for selection of project?</p> <ul style="list-style-type: none"> a. Model decisions b. Analyzing decisions c. Selection decisions d. Data gathering decisions 	1
17	<p>Planning expenses which will influence the operation of a firm over a number of years is called</p> <ul style="list-style-type: none"> a. Investment b. Capital Budgeting c. Net present value d. Dividend valuation 	1

Project Management (Sem. VIII Institute Elective)

18	<p>Which models are designed to overcome the disadvantages of profitability models</p> <ul style="list-style-type: none"> a. Factoring models b. Gradation models c. Scoring models d. Evaluation models 	1
19	<p>Project which involves a disruptive technology which is known to the industry that the organization has been developing over time are:</p> <ul style="list-style-type: none"> a. Derivative projects b. Platform projects c. Breakthrough projects d. R&D projects 	1
20	<p>In which step of project portfolio process the assessment of availability of internal and external resources done?</p> <ul style="list-style-type: none"> a. Establish a project council b. Identify project categories c. Collect project data d. Assess resource availability 	1
21	<p>Which of the following tools and techniques is not used in the process of Identify Risks?</p> <ul style="list-style-type: none"> a. Risk checklist analysis b. Risk categorization c. SWOT Analysis d. Diagramming Techniques 	1
22	<p>When is the risk and uncertainty in a project's life cycle at the highest?</p> <ul style="list-style-type: none"> a. Design b. Implementation c. Starting of the project d. Closing of the project 	1
23	<p>You have identified a large number of risks during your risk identification process. What will be your next step?</p> <ul style="list-style-type: none"> a. You will prioritize them using the Qualitative Risk Analysis process b. Go for the Quantitative Risk Analysis c. Assign the risk owner to each risk d. Calculate the contingency reserve 	1
24	<p>Which of the following diagram looks like a fish skeleton?</p> <ul style="list-style-type: none"> a. Ishikawa diagram b. Decision Tree c. Tornado diagram d. Data flow diagram 	1
25	<p>Define the work breakdown structure?</p> <ul style="list-style-type: none"> a. list of the activities making up the higher levels of the project b. A definition of the hierarchy of project tasks, subtasks, and work packages c. A depiction of the activities making up a project d. A structure that is incompatible with the Critical Path Method 	1
26	<p>From following which is not Risk response strategy?</p> <ul style="list-style-type: none"> a. Accept or Ignore b. Avoidance 	1

Project Management (Sem. VIII Institute Elective)

	<ul style="list-style-type: none"> c. Mitigate d. Remove 																	
27	<p>Who are responsible for identifying project risks?</p> <ul style="list-style-type: none"> a. Project team members b. Project stakeholders c. Project managers d. Project sponsor 	1																
28	<p>In time-cost optimization of a project, crashing is done.</p> <ul style="list-style-type: none"> a. On all the activities. b. On all the activities lying on the critical path c. Only on activities lying on the original critical path and having flatter cost slopes d. On original critical activities and those that become critical at any stage of crashing in the order of ascending cost slope 	1																
29	<p>In resources leveling</p> <ul style="list-style-type: none"> a. Total duration of project is reduced b. Total duration of project is increased c. Uniform demand of resources is achieved d. Cost of project is controlled 	1																
30	<p>In PERT analysis, the time estimates of activities and probability of their occurrence follow</p> <ul style="list-style-type: none"> a. Normal distribution curve b. Poisson's distribution curve c. Beta distribution curve d. None of the above 	1																
31	<p>For a project the following data is given</p> <table style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;">Activity</th> <th style="text-align: left;">Duration (weeks)</th> </tr> </thead> <tbody> <tr><td>1-2</td><td>6</td></tr> <tr><td>1-3</td><td>10</td></tr> <tr><td>1-4</td><td>6</td></tr> <tr><td>2-3</td><td>10</td></tr> <tr><td>2-4</td><td>4</td></tr> <tr><td>3-5</td><td>6</td></tr> <tr><td>4-5</td><td>6</td></tr> </tbody> </table> <p>The critical path time estimate in days is</p> <ul style="list-style-type: none"> a. 18 b. 20 c. 22 d. 24 	Activity	Duration (weeks)	1-2	6	1-3	10	1-4	6	2-3	10	2-4	4	3-5	6	4-5	6	2
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32	<p>In a Project network the critical path time is 17 days and variance of critical activities is 2.77, 0.11, and 0.11 respectively. The standard deviation of the projects is_____</p> <ul style="list-style-type: none"> a. 1.53 	2																

Project Management (Sem. VIII Institute Elective)

	b. 1.63 c. 1.73 d. 1.83																					
33	If the probability of risk is 40% and impact is 4 then what would be the PI score of risk? a) 1.8 b) 1.9 c) 1.6 d) 8.0	2																				
34	If accompany spends 100,000 to develop an application system and receives a net cash return of 20,000 per year then what will be the payback period? a) 3 years b) 4 years c) 5 years d) 6 years	2																				
35	A project has four activities P, Q, R and S as shown below. <table border="1" style="margin: 10px auto; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="padding: 5px;">Activity</th> <th style="padding: 5px;">Normal duration (days)</th> <th style="padding: 5px;">Predecessor</th> <th style="padding: 5px;">Cost slope (Rs./day)</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">P</td> <td style="padding: 5px;">3</td> <td style="padding: 5px;">-</td> <td style="padding: 5px;">500</td> </tr> <tr> <td style="padding: 5px;">Q</td> <td style="padding: 5px;">7</td> <td style="padding: 5px;">P</td> <td style="padding: 5px;">100</td> </tr> <tr> <td style="padding: 5px;">R</td> <td style="padding: 5px;">4</td> <td style="padding: 5px;">P</td> <td style="padding: 5px;">400</td> </tr> <tr> <td style="padding: 5px;">S</td> <td style="padding: 5px;">5</td> <td style="padding: 5px;">R</td> <td style="padding: 5px;">200</td> </tr> </tbody> </table> <p style="margin-top: 10px;">The normal cost of the project is Rs. 10,000/- and the overhead cost is Rs. 200/- per day. If the project duration has to be crashed down to 9 days, the total cost (in Rupees) of the project is _____</p> a. 12490 to 12510 b. 13490 to 13510 c. 14490 to 14510 d. 15490 to 15510	Activity	Normal duration (days)	Predecessor	Cost slope (Rs./day)	P	3	-	500	Q	7	P	100	R	4	P	400	S	5	R	200	2
Activity	Normal duration (days)	Predecessor	Cost slope (Rs./day)																			
P	3	-	500																			
Q	7	P	100																			
R	4	P	400																			
S	5	R	200																			
36	In your project, you identify a risk that, due to the possibility of the entrance of a new supplier, may provide some components at a cheaper price. What kind of risk is this? a. Negative Risk b. Positive Risk c. Known Risk d. Secondary Risk	2																				
37	A project costs 100,000 to implement and has annual cash inflow of 25,000. Calculate the payback period for this. Also calculate NPV for the same for four years and a required rate of return of 8 percent. Net cash flow is 65000, 75000, 10000 and 10000 for year1, year2, year3 & year4 respectively. a) 39565 b) 39774 c) 38555 d) 40000	2																				
38	Activities A, B, and C are the immediate predecessors for Y activity. If the earliest finish times for the three activities are 12, 15, and 10, then the earliest start time for Y will be	2																				

Project Management (Sem. VIII Institute Elective)

	<ul style="list-style-type: none">a. 10b. 15c. 12d. Cannot be determined	
39	<p>Activities P, Q and R instantly follow activity M, and their current start times are 12, 19, and 10. Therefore, the latest finish time for activity M is</p> <ul style="list-style-type: none">a. 11b. 10c. 18d. Cannot be determined	2
40	<p>The standard deviation for a PERT diagram is calculated</p> <ul style="list-style-type: none">a. taking the sum of the standard deviations on all the nodes.b. taking the sum of the standard deviations on the nodes on the critical pathc. taking the sum of the variances on the nodes on the critical path, then find the square root.d. taking the sum of the variance on all the nodes, then find the square root	