Which 2 statements apply to the Budgets section?

- A. Amend entry 15 because it should also include the cost of management activities.
- B. Delete entry 16 because timescales should NOT be shown under the heading of budgets.
- C. Delete entry 17 because the risk budget should be shown in the Risk Management Strategy.
- D. Add 'Change budget £500'.
- E. Add 'Cost tolerance +£6k 1-£6k

#### Correct Answer: AD

### **QUESTION 80**

Who is responsible for committing user resources to the project?

- A. Senior User
- B. Senior Supplier
- C. Executive
- D. Project Board

### Correct Answer: A

### **QUESTION 81**

#### HOTSPOT

The project has a cost tolerance of +5% I .5%, of which stage 2 has a tolerance of +£45k 1-£45k.

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 A to E, that applies. Each option can be used once, more than once or not at all.

	Assertion		Reason	
1	If stage 2 exceeds its target by £20k the Stage Plan should be replaced by an Exception Plan.	True-False	When the Stage Plan is updated with activities to deal with any deviations from planned cost and time, this is called an Exception Plan.	True-False
2	The Team Plan required for the development of the service level agreement should be produced in consultation with supplier assurance.	True-False	Supplier assurance should confirm that Team Plans are in accordance with relevant supplier standards.	True-False
3	The Stage Plan for stage 2 should be prepared during the initiation stage.	True-False	All Stage Plans are produced near the end of the initiation stage.	True-False
4	A final stage (stage 5), covering project closure, should be added to the Project Plan.	True-False	The Project Plan covers all management stages.	True-False
5	The cost tolerance planned for each stage should be +5% '.5%.	True-False	Project tolerances for cost and time should always be allocated equally between all of the stages.	True-False
6	The key deliverables and estimates from the feasibility study should provide a major input to the Project Brief.	True-False	The feasibility study should confirm all project costs.	True-False

#### Correct Answer:

	Assertion		Reason	
1	If stage 2 exceeds its target by £20k the Stage Plan should be replaced by an Exception Plan.	True-False	When the Stage Plan is updated with activities to deal with any deviations from planned cost and time, this is called an Exception Plan.	True-False
2	The Team Plan required for the development of the service level agreement should be produced in consultation with supplier assurance.	True-False	Supplier assurance should confirm that Team Plans are in accordance with relevant supplier standards.	True-False
3	The Stage Plan for stage 2 should be prepared during the initiation stage.	True <sub>*</sub> False	All Stage Plans are produced near the end of the initiation stage.	True-False
4	A final stage (stage 5), covering project closure, should be added to the Project Plan.	True <mark>•False</mark>	The Project Plan covers all management stages.	True-False
5	The cost tolerance planned for each stage should be +5% '.5%.	True False	Project tolerances for cost and time should always be allocated equally between all of the stages.	True-False
6	The key deliverables and estimates from the feasibility study should provide a major input to the Project Brief.	True-False	The feasibility study should confirm all project costs.	True-False

# QUESTION 82

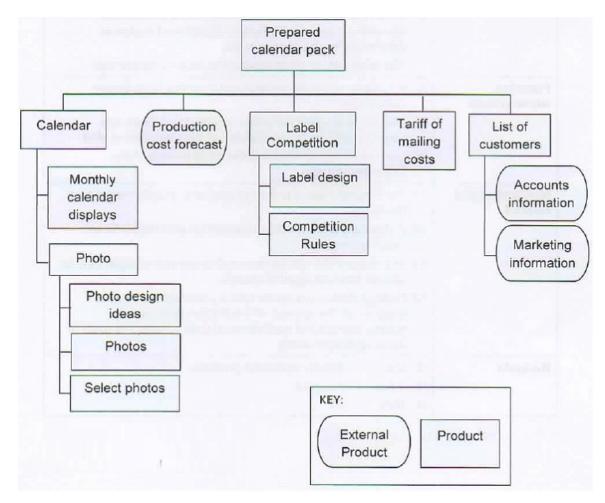
## Product Summary

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).

Plan description	1. Stage 3 is the final stage of the project and will deliver
i fail description	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.
Plan prerequisites	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
Dudgets	16. Time 4 weeks
	17. Risk £0
	17. RISK LU

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?

- A. Delete entry 2 because these are project benefits not prerequisites of the stage.
- B. Delete entry 3 because the production cost forecast is a deliverable of stage 2, not a prerequisite for stage 3.
- C. Delete entry 4 because the customer list is a deliverable of stage 2, not a prerequisite for stage 3.
- D. Add 'Engineering team must be made available for photos'.
- E. Add 'Compliance with the Data Protection Act'.

Correct Answer: AC

# QUESTION 83

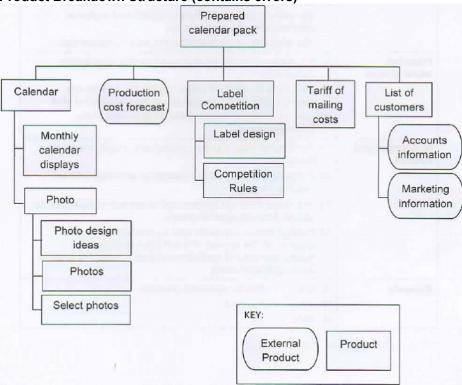
### **Product Summary**

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### Product Breakdown Structure (contains errors)



Extract from Stage Plan for stage 3.