Project Management 14th edition Kerzner Test Bank

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TEST BANK - CHAPTER 1

Multiple Choice Questions (20)

1. What is the primary difference between a project and ongoing operations?

A. Projects are more important than operations

B. Projects are temporary with defined start and end dates ✅

C. Projects require more resources than operations

D. Projects always involve external customers

Answer: B Explanation: Projects are temporary endeavors with specific objectives and defined timeframes, while operations are ongoing and repetitive.

Learning Objective: 2 Bloom's Level: Comprehension Difficulty: Easy

2. According to Kerzner, the traditional triple constraints of project management are:

A. Quality, scope, and stakeholders

B. Time, cost, and performance/scope ✅

C. Resources, risk, and requirements

D. Planning, execution, and control

Answer: B Explanation: The traditional triple constraints are time, cost, and performance/scope, though modern PM recognizes additional competing constraints.

Learning Objective: 4 Bloom's Level: Knowledge Difficulty: Easy

3. Which component of PMI's Talent Triangle has gained increased importance in the 14th edition?

A. Technical Project Management

B. Leadership Skills

C. Business Acumen ✅

D. Risk Management

Answer: C Explanation: Business Acumen has gained prominence as project managers now manage part of a business rather than just technical projects.

Learning Objective: 7 Bloom's Level: Comprehension Difficulty: Medium

4. Data-driven project management primarily involves:

A. Using more software tools

B. Making decisions based on factual information rather than intuition ✅

C. Collecting more project data

D. Automating project processes

Answer: B Explanation: Data-driven PM emphasizes making decisions based on facts and analytical insights rather than gut feelings or intuition.

Learning Objective: 9 Bloom's Level: Comprehension Difficulty: Medium

5. In a project-driven organization, projects typically:

A. Support the functional departments

B. Have their own profit and loss statements ✅

C. Are managed by functional managers

D. Have lower priority than operations

Answer: B Explanation: In project-driven organizations, each project operates as a separate profit center with its own P&L statement.

Learning Objective: 8 Bloom's Level: Comprehension Difficulty: Medium

6. The project manager's primary responsibility for resources is to:

A. Directly control all project resources

B. Negotiate with functional managers for resources ✅

C. Hire all project team members

D. Set salary levels for team members

Answer: B Explanation: Project managers typically negotiate with functional managers who control the actual resources.

Learning Objective: 5 Bloom's Level: Comprehension Difficulty: Medium

7. Which of the following best describes "added value" in project management?

A. Increasing project costs

B. Extending project duration

C. Incremental improvements that enhance deliverable performance ✅

D. Adding more project team members

Answer: C Explanation: Added value refers to incremental improvements that enhance performance or provide business advantage.

Learning Objective: 10 Bloom's Level: Comprehension Difficulty: Medium

8. The concept of "competing constraints" recognizes that projects may have:

A. Only three constraints to manage

B. Five or more constraints requiring trade-off analysis ✅

C. No real constraints in modern PM

D. Constraints that never conflict

Answer: B Explanation: Modern PM recognizes multiple competing constraints beyond the traditional triple constraints.

Learning Objective: 4 Bloom's Level: Analysis Difficulty: Hard

9. In matrix organizations, project team members typically report to:

A. Only the project manager

B. Only the functional manager

C. Both project and functional managers ✅

D. Senior executives only

Answer: C Explanation: Matrix structures involve dual reporting relationships to both project and functional management.

Learning Objective: 6 Bloom's Level: Comprehension Difficulty: Medium

10. Project success in the 14th edition is defined as:

A. Meeting time, cost, and scope only

B. Satisfying the customer requirements

C. Delivering business benefits and value within competing constraints ✅

D. Using the latest project management tools

Answer: C Explanation: Modern project success includes business value creation within multiple competing constraints.

Learning Objective: 1 Bloom's Level: Comprehension Difficulty: Medium

11. The primary reason project management has grown since the 1990s is:

A. Better software tools became available

B. Companies realized it was mandatory for survival ✅

C. Government regulations required it

D. It became easier to implement

Answer: B Explanation: Companies realized PM was necessary for survival, not just a nice-to-have capability.

Learning Objective: 3 Bloom's Level: Comprehension Difficulty: Medium

12. Functional managers are primarily responsible for:

A. Project integration and coordination

B. Providing technical expertise and resources ✅

C. Customer relationship management

D. Project scheduling and budgeting

Answer: B Explanation: Functional managers provide technical expertise and assign resources to projects.

Learning Objective: 5 Bloom's Level: Comprehension Difficulty: Easy

13. Which factor contributed most to early project management development?

A. Commercial software development

B. Defense and aerospace industry requirements ✅

C. Manufacturing automation

D. Financial services growth

Answer: B Explanation: Early PM development was driven by defense and aerospace industry complexity.

Learning Objective: 3 Bloom's Level: Knowledge Difficulty: Easy

14. The role of artificial intelligence in modern project management is primarily to:

A. Replace project managers

B. Support data-driven decision making ✅

C. Eliminate project risks

D. Automate all project processes

Answer: B Explanation: AI supports better decision-making through data analysis and insights.

Learning Objective: 9 Bloom's Level: Comprehension Difficulty: Medium

15. Project deliverables are best defined as:

A. Project management documents

B. Measurable, tangible outputs from project work ✅

C. Customer requirements

D. Project management software

Answer: B Explanation: Deliverables are measurable, tangible outputs that create business value.

Learning Objective: 2 Bloom's Level: Knowledge Difficulty: Easy

16. In non-project-driven organizations, projects typically:

A. Have higher priority than operations

B. Support functional departments and product lines ✅

C. Operate as independent profit centers

D. Are managed by external consultants

Answer: B Explanation: In non-project-driven orgs, projects support the main functional operations.

Learning Objective: 8 Bloom's Level: Comprehension Difficulty: Medium

17. The project sponsor's primary role is to:

A. Manage day-to-day project activities

B. Provide resources and remove obstacles ✅

C. Perform technical work on the project

D. Control project team performance

Answer: B Explanation: Sponsors provide high-level support, resources, and obstacle removal.

Learning Objective: 5 Bloom's Level: Comprehension Difficulty: Easy

18. Business value in project management refers to:

A. The cost of the project

B. Quantifiable and non-quantifiable benefits from deliverables ✅

C. The number of deliverables produced

D. The project management methodology used

Answer: B Explanation: Business value includes both quantifiable and non-quantifiable benefits.

Learning Objective: 10 Bloom's Level: Comprehension Difficulty: Medium

19. The systems approach to project management emphasizes:

A. Using computer systems for planning

B. Integration of all organizational activities toward project objectives ✅

C. Creating separate systems for each project

D. Avoiding organizational complexity

Answer: B Explanation: Systems approach focuses on integrating all activities toward common objectives.

Learning Objective: 1 Bloom's Level: Analysis Difficulty: Hard

20. Modern project managers are expected to make decisions about:

A. Technical issues only

B. Project management processes only

C. Both project and business issues ✅

D. Functional department operations

Answer: C Explanation: Modern PMs manage part of the business and make both project and business decisions.

Learning Objective: 7 Bloom's Level: Comprehension Difficulty: Medium

True/False Questions (10)

1. Projects are typically repetitive activities that continue indefinitely.

Answer: False Explanation: Projects are temporary endeavors with defined start and end dates.

Learning Objective: 2 Bloom's Level: Knowledge Difficulty: Easy

2. Data-driven project management relies primarily on intuition and experience.

Answer: False Explanation: Data-driven PM emphasizes factual information over intuition.

Learning Objective: 9 Bloom's Level: Comprehension Difficulty: Easy

3. In project-driven organizations, each project typically operates as a separate profit center.

Answer: True Explanation: Project-driven organizations treat projects as individual profit centers.

Learning Objective: 8 Bloom's Level: Knowledge Difficulty: Easy

4. The traditional triple constraints are the only constraints that affect project success.

Answer: False Explanation: Modern PM recognizes multiple competing constraints beyond the traditional three.

Learning Objective: 4 Bloom's Level: Comprehension Difficulty: Medium

5. Functional managers typically have authority to assign and remove resources from projects.

Answer: True Explanation: Functional managers control resources and make assignment decisions.

Learning Objective: 5 Bloom's Level: Comprehension Difficulty: Easy

6. Business Acumen has become less important for project managers in recent years.

Answer: False Explanation: Business Acumen has gained importance as PMs manage business aspects.

Learning Objective: 7 Bloom's Level: Comprehension Difficulty: Medium

7. Added value always increases project costs and duration.

Answer: False Explanation: Added value can provide benefits that justify additional investment.

Learning Objective: 10 Bloom's Level: Analysis Difficulty: Medium

8. Matrix organizations eliminate the need for functional departments.

Answer: False Explanation: Matrix structures combine functional and project organizations.

Learning Objective: 6 Bloom's Level: Comprehension Difficulty: Easy

9. Project success can only be measured by meeting time, cost, and scope constraints.

Answer: False Explanation: Modern success includes business value and stakeholder satisfaction.

Learning Objective: 1 Bloom's Level: Comprehension Difficulty: Medium

10. Artificial intelligence is expected to replace project managers in most organizations.

Answer: False Explanation: AI supports decision-making but doesn't replace PM leadership roles.

Learning Objective: 9 Bloom's Level: Comprehension Difficulty: Medium

Short Answer Questions (7)

1. Explain the difference between project-driven and non-project-driven organizations.

Answer: Project-driven organizations characterize all work through projects, with each project as a separate profit center. Non-project-driven organizations use projects to support functional operations and product lines, with profit measured on vertical/functional lines.

Learning Objective: 8 Bloom's Level: Comprehension Difficulty: Medium

2. Describe the three components of PMI's updated Talent Triangle.

Answer: Ways of Working (technical PM skills), Power Skills (leadership and interpersonal abilities), and Business Acumen (strategic and business management knowledge). Business Acumen has gained prominence as PMs now manage business aspects.

Learning Objective: 7 Bloom's Level: Comprehension Difficulty: Medium

3. What are competing constraints and why are they important in modern project management?

Answer: Competing constraints are multiple project limitations beyond time/cost/scope, including quality, risk, stakeholder satisfaction, and resources. They require sophisticated trade-off analysis as not all constraints can be optimized simultaneously.

Learning Objective: 4 Bloom's Level: Analysis Difficulty: Hard

4. How does data-driven project management differ from traditional decision-making approaches?

Answer: Data-driven PM bases decisions on factual information, analytical insights, and structured data rather than intuition or gut feelings. It provides more precise information and better risk management.

Learning Objective: 9 Bloom's Level: Analysis Difficulty: Medium

5. Explain the roles and responsibilities of project managers versus functional managers.

Answer: Project managers coordinate and integrate activities across functions, focusing on "when" and "what." Functional managers provide technical expertise and resources, determining "how" work is accomplished while maintaining technical excellence.

Learning Objective: 5 Bloom's Level: Comprehension Difficulty: Medium

6. Why has project management evolved from a "nice-to-have" to a "mandatory" capability?

Answer: Economic pressures, increased competition, technological complexity, and need for better resource control made PM essential for survival. Companies now manage their business as a series of projects.

Learning Objective: 3 Bloom's Level: Analysis Difficulty: Medium

7. What is business value in project management and how is it measured?

Answer: Business value includes quantifiable benefits (ROI, cost savings) and non-quantifiable benefits (customer satisfaction, competitive advantage) resulting from project deliverables. It's measured through various metrics aligned with strategic objectives.

Learning Objective: 10 Bloom's Level: Analysis Difficulty: Hard

Essay/Case-Based Questions (3)

1. Case Analysis: Matrix Organization Authority Conflict

A project manager in a matrix organization is experiencing conflicts with functional managers over resource assignments. The functional managers claim they need their best people for department work, while the project manager needs these same resources for a critical client project. Analyze this situation using Kerzner's framework and recommend solutions.

Sample Answer: This represents a classic matrix authority conflict. Solutions include: (1) Executive intervention to clarify priorities, (2) Negotiation based on business value and client importance, (3) Resource sharing agreements, (4) Clear role definition through responsibility matrices. Success requires shared accountability and recognition that both vertical and horizontal needs are legitimate.

Learning Objective: 6 Bloom's Level: Analysis Difficulty: Hard

2. Strategic Analysis: Implementing Data-Driven Project Management

Your organization wants to transition from intuition-based to data-driven project management. Develop a comprehensive plan addressing the cultural, technological, and process changes required. Consider resistance factors and implementation strategies.

Sample Answer: Implementation requires: (1) Cultural change management to overcome resistance to data-based decisions, (2) Technology infrastructure for data collection and analysis, (3) Training on analytical tools and interpretation, (4) Gradual implementation starting with pilot projects, (5) Metrics and KPIs aligned with business objectives, (6) Leadership commitment and modeling of data-driven behavior.

Learning Objective: 9 Bloom's Level: Synthesis Difficulty: Hard

3. Business Value Creation: Beyond Triple Constraints

Explain how modern project management creates business value beyond simply meeting time, cost, and scope constraints. Provide specific examples of how projects can contribute to organizational competitive advantage and long-term success.

Sample Answer: Modern PM creates value through: (1) Strategic alignment with business objectives, (2) Capability building and knowledge transfer, (3) Market positioning and

competitive advantage, (4) Customer relationship development, (5) Innovation and process improvement, (6) Risk mitigation and opportunity identification. Examples include new product development, digital transformation, and operational excellence initiatives.

Learning Objective: 10 Bloom's Level: Synthesis Difficulty: Hard