# Chapter 1 Projects in Contemporary Organizations

## True/False

1. The past several decades have been marked by rapid decline in the use of project management as a means by which organizations achieve their objectives.

Ans: False

Section: Introduction

Level: Easy

1. The project to construct a highway is unique because the characteristics of terrain will be different for different segments.

Ans: True

Section: 1.1 The Definition of a “Project”

Level: Advanced

1. The project to construct a highway is unique because consistency of the concrete will vary for different segments.

Ans: False

Section: 1.1 The Definition of a “Project”

Level: Advanced

1. The project to construct a highway is unique because different types of laborers will be used to build various segments of the highway.

Ans: False

Section: 1.1 The Definition of a “Project”

Level: Advanced

1. The project to construct a highway is unique because different people manage different sections of the highway.

Ans: False

Section: 1.1 The Definition of a “Project”

Level: Advanced

1. The production of weekly status reports could be considered a project.

Ans: False

Section: 1.1 The Definition of a “Project”

Level: Easy

1. All stakeholders have a financial interest in a project.

Ans: False

Section: 1.1 The Definition of a “Project”

Level: Easy

1. The techniques of project management were developed by an organization called the Project Management Institute (PMI).

Ans: False

Section: 1.1 The Definition of a “Project”

Level: Easy

1. The overwhelming majority of all projects are comparatively small.

Ans: True

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Deliverables are also known as scope.

Ans: True

Section: 1.1 The Definition of a “Project”

Level: Easy

1. In computer science, projects are not called projects. Instead, they are called programs.

Ans: False

Section: 1.1 The Definition of a “Project”

Level: Intermediate

1. One of the two primary tasks of the project manager is to manage the trade-offs associated with the project.

Ans: True

Section: 1.1 The Definition of a “Project”

Level: Easy

1. One of the two primary tasks of the project manager is to manage the budget.

Ans: False

Section: 1.1 The Definition of a “Project”

Level: Intermediate

1. One of the two primary tasks of the project manager is to anticipate and address risks to the project.

Ans: True

Section: 1.1 The Definition of a “Project”

Level: Easy

1. From the early days of project management, the direct project objectives of time, cost, and scope have been accepted as the primary determinants of project success or failure.

Ans: True

Section: 1.1 The Definition of a “Project”

Level: Easy

1. A universal characteristic of projects is that every project is unique.

Ans: True

Section: 1.1 The Definition of a “Project”

Level: Easy

1. A universal characteristic of projects is that a project is a one-time occurrence with a well-defined and specific set of desired end results.

Ans: True

Section: 1.1 The Definition of a “Project”

Level: Easy

1. A universal characteristic of projects is that every project has a project manager.

Ans: False

Section: 1.1 The Definition of a “Project”

Level: Easy

1. A universal characteristic of projects is that they have a finite duration.

Ans: True

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Projects typically have limited budgets.

Ans: True

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Project managers rarely see much conflict.

Ans: False

Section: 1.1 The Definition of a “Project”

Level: Easy

1. A lion’s share of the credit for the development of the techniques and practices of project management belongs to the military.

Ans: True

Section: 1.2 Why Project Management?

Level: Easy

1. The basic purpose for initiating a project is to make money.

Ans: False

Section: 1.2 Why Project Management?

Level: Easy

1. Most organizations report that project management results in greater organizational complexity.

Ans: True

Section: 1.2 Why Project Management?

Level: Easy

1. Agile teams must be staffed with people who are the very best at what they do.

Ans: False

Section: 1.4 Agile Project Management

Level: Easy

1. With Agile, the emphasis is on producing products quickly.

Ans: False

Section: 1.4 Agile Project Management

Level: Easy

1. With Agile, product development work and administrative overhead should be kept to the minimum needed to achieve the project’s objectives.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. With Agile there is a concerted effort to ensure that everything is documented.

Ans: False

Section: 1.4 Agile Project Management

Level: Easy

1. With the traditional waterfall approach, customers are involved at the start of the project, when the scope of the project needs to change, and at the end of the project.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. The Agile approach minimizes customer input in order to keep the schedule as tight as possible.

Ans: False

Section: 1.4 Agile Project Management

Level: Easy

1. In the traditional waterfall approach, the project team relies on detailed and structured change management procedures that ultimately discourage changes and stifle creativity.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. Agile approaches have built-in mechanisms that encourage and welcome change.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: Our highest priority is to satisfy the customer through early and continuous delivery of valuable software.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: Welcome changing requirements, even late in development. Agile processes.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: Deliver working software infrequently, say once a quarter or less. That way, there is plenty of time to make sure the software is bug free.

Ans: False

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: Business people must not be involved in the project as they will distract the developers and slow down the process.

Ans: False

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: Build projects around motivated individuals.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: The most efficient and effective method of conveying information to and within a development team is frequent group emails.

Ans: False

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: Working software is the primary measure of progress.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: Agile processes promote sustainable development.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: Continuous attention to technical excellence and good design enhances agility.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: Simplicity--the art of maximizing the amount of work not done--is essential.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: The best architectures, requirements, and designs emerge from well developed plans.

Ans: False

Section: 1.4 Agile Project Management

Level: Easy

1. One of the Agile principles is as follows: At regular intervals, the team reflects on how to become more effective, then tunes and adjusts its behavior accordingly.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. Scrum is the most popular Agile approach

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

1. With scrum, the project work is completed in sprints that typically last one to two months.

Ans: False

Section: 1.4 Agile Project Management

Level: Easy

1. With scrum, the length of the sprints gets shorter as the project nears completion.

Ans: False

Section: 1.4 Agile Project Management

Level: Easy

1. A scrum master is a part of the scrum team.

Ans: True

Section: 1.4 Agile Project Management

Level: Easy

## Multiple Choice

1. The authors identify three forces that combine to mandate the use of teams to solve problems. Identify the force that the authors did not name.

a) Explosion in the growth of certified project managers

b) Worldwide acceptance of the Project Management Institute

c) Interaction of supply and demand

d) Evolution of worldwide competitive markets for the production and consumption of goods and services

Ans: d

Section: Introduction

Level: Easy

1. The overwhelming majority of all projects are of what size?

a) Small

b) Medium

c) Large

d) Very large

Ans: a

Section: Three Project Objectives: The “Triple Constraint” or “Iron Triangle”

Level: Easy

1. Identify the example that would not usually be considered a project.

a) Building a house

b) Developing a computer software application program

c) Hosting a wedding reception

d) Assembly line manufacturing of automobiles

Ans: d

Section: 1.1 The Definition of a “Project”

Level: Intermediate

1. According to the authors, the prime objectives of project management are what?

a) Scope, cost, time

b) Quality, scope, schedule

c) Customer satisfaction, budget, schedule

d) Cost, quality, customer satisfaction

Ans: a

Section: 1.1 The Definition of a “Project”

Level: Easy

1. The authors discuss four dimensions of project success. Which of the following is not one of those four dimensions?

a) Project efficiency

b) Cost to the customer

c) Business impact on the organization

d) Opening new opportunities for the future

Ans: b

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Which of the following is not one of the four dimensions of project success?

a) Opening new opportunities for the future

b) Number of people working on the project

c) Impact on the customer

d) Business impact on the organization

Ans: b

Section: 1.1 The Definition of a “Project”

Level: Easy

1. There are three characteristics that all projects share. Which of the following is not one of those characteristics?

a) The project is unique

b) The project is a one-time occurrence

c) The outcome of the project may change over time

d) The project has a finite duration

Ans: c

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Which of the following is not a likely attribute of quasi-projects?

a) Lack of specificity in the project objective

b) A designated team working on the project

c) Undefined performance parameters

d) Limited scope and budget

Ans: d

Section: 1.1 The Definition of a “Project”

Level: Easy

1. The production of weekly employment reports or the delivery of mail could be considered a what?

a) Project

b) Non-project

c) Quasi-projects

d) Triple projects

Ans: b

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Who, according to the authors, has played a significant role in the development of techniques for project management?

a) European navigators

b) Trader community

c) Brokerage firms

d) The military

Ans: d

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Shenhar has concluded that project success has four dimensions. Which of the following is not one of those dimensions?

a) The iron triangle

b) Impact on the customer

c) Impact on the budget

d) Opening new opportunities for the future

Ans: c

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Recent research focused on the direct objectives now suggest managers should use three measures. Which of the following is not one of those measures?

a) The iron triangle

b) Project ownership success

c) Project investment success

d) Project time success

Ans: d

Section: 1.1 The Definition of a “Project”

Level: Easy

1. The organization that has the responsibility for maintaining and publishing *The PMBOK Guidebook* is called what?

a) PMI

b) APM

c) PRINCE2

d) IPMA

Ans: a

Section: 1.2 Why Project Management?

Level: Easy

31. Which of the following is not a trend in project management?

a) Increase in virtual projects

b) Decreasing importance of project managers

c) Importance given to strategic goals

d) Regular accomplishment of routine goals

Ans: b

Section: 1.2 Why Project Management?

Level: Easy

1. A project that involves global teams with team members operating in different physical geographic locations and different time zones.

a) International project

b) Program

c) Online project

d) Virtual project

Ans: d

Section: 1.2 Why Project Management?

Level: Easy

1. Project management has emerged because the characteristics of our contemporary society demand the development of new methods of management. Of the many forces involved, which of the following are not paramount?

a) Access to far more information via the Internet

b) The growing demand for a range of complex, customized goods and services

c) The evolution of worldwide competitive markets

d) The exponential expansion of human knowledge

Ans: a

Section: 1.2 Why Project Management?

Level: Moderate

1. The “stretched-S” pattern observed during the project life cycle, for the most part, is a result of which of the following?

a) changing levels of resources used during successive stages of the project life cycle

b) changing attitudes of the people who work in the project.

c) difficulty in performing the individual activities of a project.

d) principle that work expands to fill the allotted time

Ans: a

Section: 1.3 The Project Life Cycle

Level: Easy

1. The largest amount of effort applied to a project is during which of the following?

a) Conception

b) Planning, scheduling, monitoring, and control

c) Selection

d) Evaluation and termination

Ans: b

Section: 1.3 The Project Life Cycle

Level: Easy

1. Earned value is based on the concept that the percentage of project completion is closely correlated with which of the following?

a) The number of levels in the project

b) Relevance of the project

c) Cost or the use of resources

d) Final assembly of the output

Ans: c

Section: 1.3 The Project Life Cycle

Level: Advanced

1. While there are a number of different Agile approaches, they all share the following general characteristics except which one?

a) The project is divided into iterations most commonly called tasks

b) Based on its roots in lean management, there is an emphasis on simplicity

c) Project teams are self-m

d) Progress on the project is measured in terms of working product functionality

Ans: a

Section: 1.4 Agile Project Management

Level: Easy

1. Associated with the scrum framework are three specific team roles. Which of the following is not one of those roles?

a) Product owner

b) Developers

c) Scrum lord

d) Scrum master

Ans: c

Section: 1.4 Agile Project Management

Level: Easy

## Fill-in-the-Blanks

1. The \_\_\_\_\_ project is generally credited with beginning the era of modern project management.

Ans: Manhattan

Section: 1.1 The Definition of a “Project”

Level: Intermediate

1. According to the PMBOK Guidebook, a \_\_\_\_\_ is a temporary endeavor undertaken to create a unique product or service.

Ans: project

Section: 1.1 The Definition of a “Project”

Level: Easy

1. \_\_\_\_\_ is a subset of a project consisting of work packages.

Ans: Task

Section: 1.1 The Definition of a “Project”

Level: Easy

Bloom’s: Knowledge

AACSB: Analysis

Page: 2

1. The desired outcomes or results of a project are called \_\_\_\_\_\_\_.

Ans: deliverables

Section: 1.1 The Definition of a “Project”

Level: Easy

1. As sub-elements of a task, these \_\_\_\_\_ need to be accomplished to achieve the objectives of the task.

Ans: work packages

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Projects are bound by the three objectives of scope, time, and cost. These are collectively referred to as the \_\_\_\_\_.

Ans: Triple Constraint

Section: 1.1 The Definition of a “Project”

Level: Easy

1. The \_\_\_\_\_ of the project team is a crucial but unstated element of ancillary trade-offs that the project manager must consider.

Ans: health

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Projects often interact with other projects being carried out simultaneously within the organization and these interactions take the form of competition for scarce resources between projects. This is an example of project \_\_\_\_\_.

Ans: interdependencies

Section: 1.1 The Definition of a “Project”

Level: Intermediate

1. An important implication of the project life cycle concept is that a project will resist \_\_\_\_\_ of its existence.

Ans: termination

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Individuals or groups with a special interest in a project are called \_\_\_\_\_.

Ans: stakeholders

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Relations between organizational functions, where one function or task is dependent on others, are known as \_\_\_\_\_.

Ans: interdependencies

Section: 1.1 The Definition of a “Project”

Level: Easy

1. The military generally uses the term \_\_\_\_\_ to refer to an exceptionally large, long-range objective that is broken down into a set of projects.

Ans: program

Section: 1.1 The Definition of a “Project”

Level: Easy

1. The \_\_\_\_\_ is a project management organization headquartered in the United Kingdom, which started in the early 1970s and serves all of Europe.

Ans: APM

Section: 1.2 Why Project Management

Level: Moderate

1. Conflicting expectations among stakeholders related to performance, cost, and time will require the project manager to make appropriate \_\_\_\_\_\_\_ in order to balance competing demands related to these objectives.

Ans: trade-offs

Section: 1.2 Why Project Management?

Level: Easy

1. The foundational basis for education for project managers is the \_\_\_\_\_.

Ans: *PMBOK Guidebook*

Section: 1.2 Why Project Management?

Level: Easy

1. The Project Management Institute offers two certifications called the \_\_\_\_\_ and the \_\_\_\_\_.

Ans: PMP and CAPM

Section: 1.2 Why Project Management?

Level: Easy

The process of creating artificial deadlines and budgets to accomplish specific, though routine, tasks within a functional department is called \_\_\_\_\_\_.

Ans: projectizing

Section: 1.2 Why Project Management?

Level: Easy

1. A \_\_\_\_ is responsible for the evaluation and improvement of an organization’s project management skill and experience in managing projects.

Ans: project management office

Section: 1.2 Why Project Management?

Level: Easy

1. The conventional project life cycle can be described as a pattern characterized by \_\_\_\_\_ progress.

Ans: slow-rapid-slow

Section: 1.3 The Project Life Cycle

Level: Moderate

1. In a conventional project life cycle, as work progresses, uncertainty about the expected outcome should \_\_\_\_\_.

Ans: decrease

Section: 1.3 The Project Life Cycle

Level: Easy

1. The chance that project processes or outcomes will not turn out as planned is called \_\_\_\_\_.

Ans: risk

Section: Glossary

Level: Easy

1. Having only partial or no information about the situation or outcomes is called \_\_\_\_\_.

Ans: uncertainty

Section: 1.3 The Project Life Cycle

Level: Easy

1. In the traditional approach to project management, one phase of the project is completed before the next phase is started. This is typically referred to as the \_\_\_\_\_ method.

Ans: Waterfall

Section: 1.4 Agile Project Management

Level: Easy

1. \_\_\_\_\_: Approaches for managing projects based on lean management principles that were developed to provide greater flexibility to respond to changing customer requirements and ultimately complete projects more efficiently.

Ans: Agile

Section: Glossary

Level: Easy

1. \_\_\_\_\_: The desired elements of value, outcomes, or results that must be created for a project to be considered complete.

Ans: Deliverables

Section: Glossary

Level: Easy

1. \_\_\_\_\_: Relations between organizational functions where one function or task is dependent on others.

Ans: Interdependencies

Section: Glossary

Level: Easy

1. \_\_\_\_\_: A standard concept of a product or project wherein it goes through a start-up phase, a building phase, a maturing phase, and a termination phase.

Ans: Life Cycle

Section: Glossary

Level: Easy

1. \_\_\_\_\_: Declaration of foundational values underlying Agile approaches to managing projects.

Ans: Manifesto for Agile Software Development

Section: Glossary

Level: Easy

1. \_\_\_\_\_: Often not distinguished from a project, but frequently meant to encompass a group of projects oriented toward a specific goal.

Ans: Program

Section: Glossary

Level: Easy

1. \_\_\_\_\_: A temporary endeavor undertaken to create a unique product, service, or result.

Ans: Project

Section: Glossary

Level: Easy

1. \_\_\_\_\_: The means, techniques, and concepts used to run a project and achieve its objectives.

Ans: Project Management

Section: Glossary

Level: Easy

1. \_\_\_\_\_: The chance that project processes or outcomes will not occur as planned.

Ans: Risk

Section: Glossary

Level: Easy

1. \_\_\_\_\_: Most popular Agile approach which defines specific team roles, project events, documents for planning and reviewing projects referred to as “artifacts,” and rules that govern the relationship among the roles, events, and artifacts.

Ans: Scrum

Section: Glossary

Level: Easy

1. \_\_\_\_\_: In scrum, the project work is completed in sprints that typically last one to two weeks but occasionally last as long as four weeks. The duration of the sprints is held constant for a given project. Each sprint has specific targets in terms of product functionality to be completed and the quality of the work completed during the sprint is evaluated during the sprint.

Ans: Sprints

Section: Glossary

Level: Easy

1. \_\_\_\_\_: Individuals or groups with a special interest in a project, usually the project team, client, senior management, and specific public interest groups that impact or are impacted by the project.

Ans: Stakeholder

Section: Glossary

Level: Easy

1. \_\_\_\_\_: Doing the best within a function or area but at a cost to the larger whole.

Ans: Suboptimize

Section: Glossary

Level: Easy

1. \_\_\_\_\_: A subset of a project, consisting of work packages.

Ans: Task

Section: Glossary

Level: Easy

1. \_\_\_\_\_: The means for accomplishing a task.

Ans: Technology

Section: Glossary

Level: Easy

1. \_\_\_\_\_: Taking less on one measure, such as scope, in order to do better on another, such as schedule or cost.

Ans: Trade-off

Section: Glossary

Level: Easy

1. \_\_\_\_\_: Having only partial or no information about the situation or outcomes, often due to ambiguity or complexity. Greater uncertainty translates into increased risk.

Ans: Uncertainty

Section: Glossary

Level: Easy

1. \_\_\_\_\_: An approach to managing projects where one phase of the project is completed before the next phase is started.

Ans: Waterfall Approach

Section: Glossary

Level: Easy

1. \_\_\_\_\_: A sub-element of a task used to assign costs and values.

Ans: Work Package

Section: Glossary

Level: Easy

## Essay Questions

1. Briefly describe the three characteristics that are common to all projects.

Answer

The first is that every project is unique. That is, every project has some attributes that make it a one-of-a-kind undertaking. As a result of being unique, projects cannot be reduced to routine. The second is that a project is a one-time occurrence with a well-defined and specific set of desired end results. We know that since every project is unique, it must be a one-time occurrence. The outcomes must be well-defined because these outcomes are used to plan the project. Therefore, without well-defined outcomes, no project plan is possible. The third is that projects have a finite duration. In other words, they have a specific deadline.

Section: 1.1 The Definition of a “Project”

Level: Easy

1. Discuss the factors that have contributed to the growth of the Project Management Institute.

Answer

The complexity of problems faced by the project manager and the rapid growth in the number project-oriented organizations has contributed to the professionalization of project management. The growth in membership reflects the growth in the use of projects as well as the importance of PMI in the development of project management as a profession. The mission of PMI is to foster the growth of project management and to build professionalism in the field. PMI is responsible for codifying the areas of learning required for competent project management. PMI also offers a certificate called the Project Management Professional (PMP®) that includes a group of education, experience, and testing requirements to be obtained.

Section: 1.2 Why Project Management?

Level: Easy

1. Name four benefits of project management.

Answer

The project form of organization allows the project manager to be responsive to (1) the client and the environment, (2) identify and correct problems at an early date (3) make timely decisions about trade-offs between conflicting project goals, and (4) ensure that managers of the separate tasks that comprise the project do not optimize the performance of their individual tasks at the expense of the total project.

Section: 1.2 Why Project Management?

Level: Easy

1. What are some of the benefits of using project management?

Answer

Better control, better customer relations, shorter development times, lower costs, higher quality and reliability, higher profit margins, etc. are the benefits of using project management.

Section: 1.2 Why Project Management?

Level: Easy

1. Describe the project life cycle.

Answer

The project life cycle describes the set of tasks that must be completed in order to produce a product or service. There are many different project life cycles that exist, but a typical set includes: conception, selection, planning, scheduling, monitoring and controlling, and evaluation and termination.

Section: 1.3 The Project Life Cycle

Level: Intermediate