Which of the following statements concerning strategic analysis is true?

a. Strategic analysis focuses exclusively upon external analysis.

b. External analysis focuses on the strengths and weaknesses of the organization.

c. Internal analysis focuses on the threats and opportunities facing the organization.

d. External analysis focuses on the threats and opportunities facing the organization.

ANSWER: D

All of the following factors influence the opportunities and threats an organization must consider when performing a strategic analysis EXCEPT:

a. competitors

b. suppliers

c. regulatory agencies

d. employees

ANSWER: D

A clear and compelling vision will have all the following characteristics EXCEPT:

a. often requires extra effort to achieve.

b. often requires several years to achieve.

c. provides detailed roadmap for managing a project

d. helps stakeholders to understand the direction of the firm.

ANSWER: C

Which of the following responses most accurately depicts the correct sequence of activities in the strategic planning process?

a. strategic objectives - strategic analysis - guiding principles - flow-down objectives

b. guiding principles - strategic analysis - strategic objectives - flow-down objectives

c. strategic analysis - guiding principles - strategic objectives - flow-down objectives

d. guiding principles - strategic objectives - flow-down objectives - strategic analysis

ANSWER: C

Many writers have stated that effective objectives should be:

a. broad - to cover many dimensions of the business

b. measurable - to track progress

c. unachievable - to inspire maximum performance

d. resource based - to focus on the inputs

ANSWER: B

All of the following statements concerning project portfolios are true EXCEPT:

a. The projects in a portfolio are grouped to be managed collectively.

b. Portfolios cannot include operations and programs.

c. Portfolios usually include a mix of high-risk and low-risk projects.

d. All projects in a portfolio contribute to the organization’s goals.

ANSWER: B

Portfolios deal with all of an organization’s projects, while programs deal with:

a. ongoing operations

b. a specific group of related projects

c. resource availability

d. tradeoffs between schedule, scope and quality

ANSWER: B

Portfolio management helps an organization achieve its strategic goals in all of the following ways EXCEPT:

a. managing ongoing projects

b. providing needed resources

c. selecting the right projects

d. prioritizing work to be done

ANSWER: A

The document that describes why the project is needed, and may include estimated costs and benefits, is called a:

a. program management plan

b. business case

c. SWOT analysis

d. guiding principle

ANSWER: B

All of the following factors should be assessed to determine an organization’s ability to perform projects EXCEPT:

a. Does the organization have free and open communication, creativity, and empowered decision making?

b. Does the organization have a clearly defined project management process?

c. Do teams and individuals follow instructions well?

d. Does the organization monitor and understand it’s external environment?

ANSWER: C

All of the following represent appropriate sources to identify new potential projects EXCEPT:

a. existing and potential customers

b. the operations staff within the organization

c. industry and trade journals

d. lessons learned from previous projects

ANSWER: D

Which of the following statements best describes the contemporary use of financial models and scoring models for project selection?

a. These methods are often used together to ensure financial and non-financial factors are both considered.

b. Financial methods are preferred because they ensure alignment with the organization’s strategic goals.

c. Scoring models are unreliable because they fail to consider financial factors.

d. One of these techniques is typically used to the exclusion of the other, due to time demands.

ANSWER: A

Which of the following statements correctly describes a weakness associated with the financial project selection model?

a. The benefit-to-cost models favor projects which generate the smallest absolute return over a specified period.

b. Payback period models do not consider the profit to be realized after the costs are paid.

c. The Net Present Value (NPV) method does not consider the time value of money.

d. The Internal Rate of Return (IRR) method is difficult to use when a project has conventional cash flows.

ANSWER: B

All of the following criteria serve as a valid basis for identifying potential projects in most organizations EXCEPT:

a. social need

b. environmental considerations

c. technological advances

d. internal politics

ANSWER: D

Based on the information provided in Figure 2-1, which criterion is most important to the leadership team?

a. strategic fit

b. risk

c. market potential

d. probability of success

ANSWER: A

Based on the information provided in Figure 2-1, which project has the highest probability of success?

a. Project A

b. Project B

c. Project C

d. Project D

ANSWER: B

Consider the information provided in Figure 2-1. Based on the results in the project selection and prioritization matrix, which project would you select if you were limited to selecting only one project?

a. Project A

b. Project B

c. Project C

d. Project D

ANSWER: B

Based on the information provided in Figure 2-1, which project is least attractive based on the strategic fit?

a. Project A

b. Project B

c. Project C

d. Project D

ANSWER: D

Once selected projects have been prioritized, it is time to assign resources to projects based on their order of priority. Resources could include all of the following EXCEPT:

a. subject matter experts

c. quality metrics

b. equipment

d. money

ANSWER: C

Which of the following is NOT a typical source selection criterion that an organization would use to evaluate potential contractors?

a. life cycle cost

b. references

c. personalities

d. technical approach

ANSWER: C

All of the following organizations can effectively use a scoring model to select and prioritize competing projects EXCEPT:

a. the leadership team

b. client companies

c. contractor companies

d. program management office

ANSWER: D

All of the following may be negotiated between a client company and a contractor EXCEPT:

a. the amount of money to be paid.

b. quality standards

c. selection criteria for scoring models

d. personnel assignments

ANSWER: C