

Prince2 Foundation Practice Exam - Set 2

60 Questions with Detailed Solutions

Instructions

- Each question has 4 multiple choice options (A, B, C, D)
 - Select the BEST answer for each question
 - Solutions and explanations are provided at the end
 - Time allocation: 60 minutes (1 minute per question)
-

QUESTIONS

Question 1: Which Prince2 principle requires that every project should have a clear understanding of how it will deliver benefits? A) Manage by Stages B) Continued Business Justification C) Focus on Products D) Learn from Experience

Question 2: What is the primary responsibility of the Senior Supplier in the Project Board? A) To represent user interests B) To provide overall direction C) To represent supplier interests and provide resources D) To manage day-to-day activities

Question 3: In which process would you typically create the Project Product Description? A) Starting up a Project B) Initiating a Project C) Controlling a Stage D) Managing a Stage Boundary

Question 4: What is the main purpose of an End Stage Report? A) To request authorization for the next stage B) To provide a summary of stage achievements C) To report project completion D) To escalate stage issues

Question 5: According to Prince2, what should happen if project tolerance is exceeded? A) The project should continue with revised plans B) The Project Manager should create an Exception Report C) The project should be terminated immediately D) Corporate or Programme Management should be informed

Question 6: Which of the following is NOT a component of the Business Case? A) Executive Summary B) Risk Register C) Reasons D) Options

Question 7: In Prince2, what is the purpose of the Issue Register? A) To record all project products B) To capture and maintain information about issues C) To track project progress D) To document

lessons learned

Question 8: What is the recommended frequency for producing Highlight Reports? A) Daily B) Weekly C) Monthly D) As defined in the Communication Management Strategy

Question 9: Which theme addresses the question "How will the project's products be delivered?" A) Organization B) Plans C) Quality D) Change

Question 10: In Prince2 terminology, what is a 'baseline'? A) The minimum acceptable quality level B) A reference point against which progress can be measured C) The project start date D) The lowest cost estimate

Question 11: Which process contains the activity 'Authorize the project'? A) Starting up a Project B) Initiating a Project C) Directing a Project D) Controlling a Stage

Question 12: What is the main difference between management stages and technical stages? A) Management stages are longer than technical stages B) Management stages are for planning, technical stages for delivery C) Management stages are commitment points for senior management D) There is no difference

Question 13: In the Risk theme, what is meant by 'risk tolerance'? A) The project's attitude toward risk B) The threshold levels of risk that are acceptable C) The maximum number of risks allowed D) The cost of risk management

Question 14: Which role has the authority to authorize Work Packages? A) Team Manager B) Project Manager C) Senior User D) Project Executive

Question 15: What triggers the 'Managing Product Delivery' process? A) Project authorization B) Stage authorization C) Work Package authorization D) Product completion

Question 16: In Prince2, what is the purpose of a Product Description? A) To show product dependencies B) To define a product's purpose, composition, and quality criteria C) To estimate product costs D) To assign product ownership

Question 17: Which of the following best describes 'earned value management'? A) A technique for estimating project costs B) A method for measuring project performance C) A way to calculate project benefits D) A risk assessment technique

Question 18: What is the main purpose of the Quality Management Strategy? A) To define quality standards for the project B) To describe quality control procedures C) To specify how quality will be achieved and assessed D) To identify quality roles and responsibilities

Question 19: In Prince2, when should the Project Initiation Documentation be created? A) Before the project starts B) During the Initiating a Project process C) At the end of the initiation stage D) When requested by the Project Board

Question 20: Which of the following is a valid reason for creating an Exception Plan? A) Regular stage planning B) Stage tolerance is exceeded C) New team members join D) Annual planning cycle

Question 21: What is the primary purpose of the Daily Log? A) To record formal project decisions B) To track team productivity C) To record informal notes and actions for the Project Manager D) To document quality checks

Question 22: In Prince2, what does 'embedding' mean in the context of project management? A) Making Prince2 part of the organizational culture B) Training all staff in Prince2 C) Using Prince2 for all projects D) Certifying Project Managers

Question 23: Which tolerance level would typically be the smallest? A) Project tolerance B) Stage tolerance C) Work Package tolerance D) They are all equal

Question 24: What is the purpose of impact analysis in the Change theme? A) To identify who will be affected by changes B) To assess the effect of a proposed change C) To calculate change costs D) To schedule change implementation

Question 25: In Prince2, what happens during the 'Closing a Project' process? A) Final products are delivered B) The project is evaluated and closed down C) Remaining work is transferred D) All of the above

Question 26: Which of the following is NOT a trigger for the Managing a Stage Boundary process? A) Approaching the end of a stage B) Exception situation requiring a new plan C) Daily progress reporting D) Ad hoc direction from the Project Board

Question 27: What is the main characteristic of a management product? A) It is delivered to the customer B) It is created to help manage the project C) It requires special skills to create D) It is the final output of the project

Question 28: In Prince2, what is meant by 'quality planning'? A) Scheduling quality activities B) Defining quality criteria and methods C) Assigning quality responsibilities D) Budgeting for quality activities

Question 29: Which process is responsible for capturing lessons during project execution? A) Starting up a Project B) Controlling a Stage C) Managing Product Delivery D) Closing a Project

Question 30: What is the recommended action when a risk materializes (becomes an issue)? A) Update the Risk Register only B) Create an entry in the Issue Register and update the Risk Register C) Ignore it as it's no longer a risk D) Report it immediately to the Project Board

Question 31: In Prince2, what is the purpose of the Organization theme? A) To define the company structure B) To define roles, responsibilities and communication structure C) To organize project activities D) To structure project documentation

Question 32: Which of the following is a benefit of using management stages? A) Faster project delivery B) Lower project costs C) Regular review and authorization points D) Reduced documentation

Question 33: What is the main purpose of a Product Flow Diagram? A) To show product costs B) To show the sequence and dependencies of product delivery C) To show product quality requirements D) To show product ownership

Question 34: In Prince2, what is 'customer acceptance'? A) Formal confirmation that products meet requirements B) Customer satisfaction survey results C) Payment for delivered products D) Customer sign-off on project closure

Question 35: Which of the following best describes the 'Manage by Stages' principle? A) Projects should be divided into technical stages B) Each stage should have different objectives C) Projects should be planned and controlled stage by stage D) Stages should be of equal duration

Question 36: What is the primary purpose of the Project Mandate? A) To authorize the project B) To provide the trigger and purpose for the project C) To define project scope D) To estimate project costs

Question 37: In the Progress theme, what are 'controls'? A) Project constraints B) Mechanisms for decision-making and direction C) Quality checkpoints D) Risk mitigation measures

Question 38: Which role is typically responsible for Project Assurance activities? A) Project Manager B) Team Manager C) Project Board members or their delegates D) External auditors

Question 39: What should be the basis for creating a Stage Plan? A) The Project Plan B) Available resources C) Time constraints D) Budget limitations

Question 40: In Prince2, what is a 'decision log'? A) Record of all project decisions B) Part of the Daily Log for informal decisions C) Formal register of board decisions D) Prince2 doesn't use decision logs

Question 41: Which of the following would typically require Change Authority approval? A) Major scope changes B) Minor specification changes within tolerance C) Risk responses D) Resource allocation

Question 42: What is the main purpose of the Project Plan? A) To show detailed activities B) To provide high-level project overview for the Project Board C) To assign work to teams D) To track daily progress

Question 43: In Prince2, what is meant by 'continual business justification'? A) Business case is created once and never changed B) Business case must be reviewed and updated throughout the project C) All activities must show immediate business value D) Business justification is only needed at project start

Question 44: Which process includes the activity 'Prepare premature closure'? A) Closing a Project B) Directing a Project C) Controlling a Stage D) Managing a Stage Boundary

Question 45: What is the purpose of the Risk Management Strategy? A) To list all project risks B) To describe how risk will be managed on the project C) To assign risk ownership D) To calculate risk costs

Question 46: In Prince2, what is meant by 'follow-on action recommendations'? A) Next steps for the project team B) Recommendations for unfinished work or ongoing activities C) Actions for the next project D) Maintenance activities

Question 47: Which of the following is a characteristic of effective Project Board members? A) Detailed knowledge of project activities B) Authority to commit resources they represent C) Daily involvement in project work D) Technical expertise in all project areas

Question 48: What is the main purpose of the Change Control approach? A) To prevent all changes B) To assess and control changes to baselines C) To speed up change implementation D) To reduce change costs

Question 49: In Prince2, what is the relationship between products and activities? A) Products are created by activities B) Activities are more important than products C) There is no relationship D) Activities create products and products enable activities

Question 50: Which of the following would be found in a Work Package? A) Detailed activity schedules B) Product Descriptions and constraints C) Risk responses D) Business case updates

Question 51: What is the main purpose of quality control in Prince2? A) To plan quality activities B) To check that products meet quality criteria C) To improve quality processes D) To assign quality responsibilities

Question 52: In Prince2, what triggers an End Project Report? A) Project completion B) Project Board request C) Budget exhaustion D) Approaching project closure

Question 53: Which principle emphasizes that project teams should actively seek out lessons from previous projects? A) Continued Business Justification B) Learn from Experience C) Manage by Exception D) Defined Roles and Responsibilities

Question 54: What is the recommended content of a lessons report at project closure? A) All mistakes made during the project B) Lessons that could benefit future projects C) Personal feedback on team members D) Technical problems encountered

Question 55: In Prince2, what is the purpose of change control? A) To implement changes quickly B) To ensure changes are properly evaluated and authorized C) To reduce the number of changes D) To eliminate change costs

Question 56: Which of the following is NOT a valid project outcome according to Prince2? A) Project delivered on time and budget B) Project delivered late but within budget C) Project terminated early D) Project continues indefinitely

Question 57: What is the primary focus of the 'Focus on Products' principle? A) Manufacturing products efficiently B) Understanding and agreeing what the project will deliver C) Maximizing product value D) Reducing product costs

Question 58: In Prince2, when would you typically update the Business Case? A) Only at project start B) At the end of each stage C) Throughout the project as required D) Only when problems occur

Question 59: Which of the following best describes quality assurance in Prince2? A) Testing products for defects B) Independent monitoring of project management processes C) Training team members in quality techniques D) Creating quality documentation

Question 60: What is the main benefit of using product-based planning in Prince2? A) Faster planning process B) Lower planning costs C) Clear understanding of what must be delivered D) Reduced planning documentation

ANSWERS AND EXPLANATIONS

Answer 1: B - Continued Business Justification *Explanation: This principle requires that projects remain justified throughout their lifecycle by delivering benefits.*

Answer 2: C - To represent supplier interests and provide resources *Explanation: The Senior Supplier represents those designing, developing, facilitating, procuring, and implementing the project.*

Answer 3: A - Starting up a Project *Explanation: The Project Product Description is created during Starting up a Project to define what the project must deliver.*

Answer 4: B - To provide a summary of stage achievements *Explanation: End Stage Reports summarize the performance of the completed stage against its Stage Plan.*

Answer 5: D - Corporate or Programme Management should be informed *Explanation: Project tolerance is set by the layer above the Project Board, so they must be informed if it's exceeded.*

Answer 6: B - Risk Register *Explanation: The Risk Register is a separate document. Business Case components include Executive Summary, Reasons, Options, Expected Benefits, Expected Dis-benefits, Timescale, Costs, Investment Appraisal, and Major Risks.*

Answer 7: B - To capture and maintain information about issues *Explanation: The Issue Register is the repository for all issues raised during the project.*

Answer 8: D - As defined in the Communication Management Strategy *Explanation: The frequency is tailored to project needs and defined in the Communication Management Strategy.*

Answer 9: B - Plans *Explanation: The Plans theme addresses the questions of how, when, and by whom products will be delivered.*

Answer 10: B - A reference point against which progress can be measured *Explanation: A baseline is an approved version of a product or plan used as a basis for comparison.*

Answer 11: C - Directing a Project *Explanation: The Project Board authorizes the project through the 'Authorize the project' activity in Directing a Project.*

Answer 12: C - Management stages are commitment points for senior management *Explanation: Management stages provide senior management with control points for authorization and resource commitment.*

Answer 13: B - The threshold levels of risk that are acceptable *Explanation: Risk tolerance defines the boundaries of acceptable risk levels for the project.*

Answer 14: B - Project Manager *Explanation: The Project Manager has the authority to authorize Work Packages to Team Managers.*

Answer 15: C - Work Package authorization *Explanation: Managing Product Delivery is triggered when a Work Package is authorized by the Project Manager.*

Answer 16: B - To define a product's purpose, composition, and quality criteria *Explanation: Product Descriptions specify what products are, why they're needed, and what makes them acceptable.*

Answer 17: B - A method for measuring project performance *Explanation: While not explicitly part of Prince2, earned value management is a performance measurement technique.*

Answer 18: C - To specify how quality will be achieved and assessed *Explanation: The Quality Management Strategy describes the quality techniques, standards, and responsibilities.*

Answer 19: B - During the Initiating a Project process *Explanation: The PID is created during project initiation to establish the foundation for project management.*

Answer 20: B - Stage tolerance is exceeded *Explanation: Exception Plans are created when stage tolerance is exceeded and approved by the Project Board.*

Answer 21: C - To record informal notes and actions for the Project Manager *Explanation: The Daily Log is the Project Manager's informal diary for recording observations and actions.*

Answer 22: A - Making Prince2 part of the organizational culture *Explanation: Embedding means integrating Prince2 principles and practices into the organization's way of working.*

Answer 23: C - Work Package tolerance *Explanation: Tolerances typically decrease at each level, with Work Package tolerance being the most restrictive.*

Answer 24: B - To assess the effect of a proposed change *Explanation: Impact analysis evaluates the implications of a proposed change on the project's objectives.*

Answer 25: D - All of the above *Explanation: Closing a Project includes evaluating the project, ensuring handover, and formally closing the project.*

Answer 26: C - Daily progress reporting *Explanation: Daily reporting is part of regular project control, not a trigger for Managing a Stage Boundary.*

Answer 27: B - It is created to help manage the project *Explanation: Management products are created to plan, monitor, and control the project.*

Answer 28: B - Defining quality criteria and methods *Explanation: Quality planning involves defining what quality means and how it will be achieved.*

Answer 29: B - Controlling a Stage *Explanation: Lessons are captured throughout project execution as part of controlling stages.*

Answer 30: B - Create an entry in the Issue Register and update the Risk Register *Explanation: When risks materialize, they become issues and both registers need updating.*

Answer 31: B - To define roles, responsibilities and communication structure *Explanation: The Organization theme establishes the project's management structure.*

Answer 32: C - Regular review and authorization points *Explanation: Management stages provide natural break points for senior management review and decision-making.*

Answer 33: B - To show the sequence and dependencies of product delivery *Explanation: Product Flow Diagrams illustrate the order in which products should be developed.*

Answer 34: A - Formal confirmation that products meet requirements *Explanation: Customer acceptance is the formal agreement that delivered products are satisfactory.*

Answer 35: C - Projects should be planned and controlled stage by stage *Explanation: This principle ensures projects are manageable by dividing them into stages.*

Answer 36: B - To provide the trigger and purpose for the project *Explanation: The Project Mandate provides the initial authority and rationale for starting the project.*

Answer 37: B - Mechanisms for decision-making and direction *Explanation: Controls are the means by which the Project Board directs and controls the project.*

Answer 38: C - Project Board members or their delegates *Explanation: Project Assurance is the responsibility of Project Board members, often delegated to others.*

Answer 39: A - The Project Plan *Explanation: Stage Plans are detailed breakdowns of the relevant portion of the Project Plan.*

Answer 40: B - Part of the Daily Log for informal decisions *Explanation: Prince2 doesn't have a separate decision log; informal decisions are recorded in the Daily Log.*

Answer 41: B - Minor specification changes within tolerance *Explanation: Change Authority typically handles smaller changes within defined limits.*

Answer 42: B - To provide high-level project overview for the Project Board *Explanation: The Project Plan gives the Project Board an overview of how and when objectives will be achieved.*

Answer 43: B - Business case must be reviewed and updated throughout the project *Explanation: Continual business justification means the business case is kept current throughout the project.*

Answer 44: A - Closing a Project *Explanation: Premature closure preparation is an activity within the Closing a Project process.*

Answer 45: B - To describe how risk will be managed on the project *Explanation: The Risk Management Strategy defines the risk management approach for the project.*

Answer 46: B - Recommendations for unfinished work or ongoing activities *Explanation: Follow-on actions are recommendations for work not completed during the project.*

Answer 47: B - Authority to commit resources they represent *Explanation: Project Board members must have the authority to make decisions for their stakeholder groups.*

Answer 48: B - To assess and control changes to baselines *Explanation: Change control ensures that changes are properly evaluated before implementation.*

Answer 49: A - Products are created by activities *Explanation: In product-based planning, activities are derived from the products that need to be created.*

Answer 50: B - Product Descriptions and constraints *Explanation: Work Packages contain the information needed to create specified products.*

Answer 51: B - To check that products meet quality criteria *Explanation: Quality control involves checking and testing products against their quality criteria.*

Answer 52: D - Approaching project closure *Explanation: The End Project Report is prepared during the Closing a Project process.*

Answer 53: B - Learn from Experience *Explanation: This principle requires teams to learn from previous projects and apply those lessons.*

Answer 54: B - Lessons that could benefit future projects *Explanation: Lessons reports should focus on insights that will help future similar projects.*

Answer 55: B - To ensure changes are properly evaluated and authorized *Explanation: Change control provides a systematic approach to managing change requests.*

Answer 56: D - Project continues indefinitely *Explanation: All projects must have a defined end point; continuing indefinitely violates project principles.*

Answer 57: B - Understanding and agreeing what the project will deliver *Explanation: Focus on Products ensures clear definition and agreement on project deliverables.*

Answer 58: C - Throughout the project as required *Explanation: The Business Case should be updated whenever circumstances change significantly.*

Answer 59: B - Independent monitoring of project management processes *Explanation: Quality assurance involves independent monitoring to ensure processes are followed correctly.*

Answer 60: C - Clear understanding of what must be delivered *Explanation: Product-based planning ensures all stakeholders have a clear view of project deliverables.*

Scoring Guide

- **50-60 correct (83-100%):** Excellent - Ready for the exam
- **42-49 correct (70-82%):** Good - Review weak areas
- **36-41 correct (60-69%):** Fair - Significant study needed
- **Below 36 (Below 60%):** More preparation required

Study Focus Areas for Set 2

Pay special attention to:

- **Process Integration:** How the seven processes work together
- **Product Management:** Product descriptions, flow diagrams, and product-based planning
- **Quality Management:** Quality planning, control, and assurance differences
- **Change Control:** Change authority vs. Project Board decision-making
- **Progress Control:** Tolerances, reporting, and exception management
- **Business Case Management:** When and how to update throughout the project

This second set focuses more on integration concepts and practical application of Prince2 principles!