

## Chapter 02 - Project Selection and Prioritization

1. Strategic analysis is an important first step in setting strategic direction.

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Knowledge

**NOTES:** Completion Time: 3 Minutes

2. Strategic analysis is often called Strengths, Weaknesses, Opportunities and Threats (SWOT).

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Knowledge

**NOTES:** Completion Time: 3 Minutes

3. Strategic analysis is often called SWOT - Start With Objectives Template (SWOT).

- a. True
- b. False

**ANSWER:** False

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

4. The internal part of strategic analysis (elements within the project team's control) consists of asking what opportunities and threats are posed by competitors, suppliers, customers, regulatory agencies, technologies and so on.

- a. True
- b. False

**ANSWER:** False

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

## Chapter 02 - Project Selection and Prioritization

5. Once the SWOT analysis is complete, the organization's leadership should establish guiding principles such as the vision and mission before setting strategic objectives.

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

6. The organization's leadership should establish the flow-down objectives to set the stage for establishing the guiding principles such as the vision and mission.

- a. True
- b. False

**ANSWER:** False

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Blooms: Application

**NOTES:** Completion Time: 5 Minutes

7. The vision statement should present a positive, inspiring and vivid description of the organization as it currently exists.

- a. True
- b. False

**ANSWER:** False

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

8. Strategic objectives are the means of achieving the mission and vision, and should provide focus on decisions regarding which projects to select and how to prioritize them.

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Comprehension

## Chapter 02 - Project Selection and Prioritization

**NOTES:** Completion Time: 5 Minutes

9. Strategic objectives describe both short- and long-term results that are desired, along with measures to determine their achievement.

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Knowledge

**NOTES:** Completion Time: 3 Minutes

10. Projects tend to be the primary method for implementing many objectives.

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

11. A portfolio is defined as "projects, programs, subportfolios, and operations managed as a group to achieve strategic business objectives"

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Knowledge

**NOTES:** Completion Time: 3 Minutes

12. A project portfolio is a useful storage medium that enables the project manager to consolidate all project information in a single, convenient location.

- a. True
- b. False

**ANSWER:** False

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

## Chapter 02 - Project Selection and Prioritization

**KEYWORDS:** Bloom's: Comprehension  
**NOTES:** Completion Time: 5 Minutes

13. To accomplish portfolio management, executives need to identify, select, prioritize, resource and govern an appropriate portfolio of projects and other work.

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Knowledge

**NOTES:** Completion Time: 3 Minutes

14. If an organization does not have the right capabilities, a project that may otherwise support organizational goals may be too difficult to successfully complete.

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

15. The degree of formality used in selecting projects varies widely across organizations.

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

16. Because the specific projects within them are of limited duration, programs themselves are temporary.

- a. True
- b. False

**ANSWER:** False

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an

## Chapter 02 - Project Selection and Prioritization

outgrowth of strategic planning.  
**KEYWORDS:** Bloom's: Comprehension  
**NOTES:** Completion Time: 5 Minutes

17. A business case is a brief narrative description of products, services, or results to be supplied by the project.
- a. True
  - b. False

**ANSWER:** False

**DIFFICULTY:** Challenging

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 10 Minutes

18. Payback period models do not consider the amount of profit that may be generated after the costs are paid.
- a. True
  - b. False

**ANSWER:** True

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.04 - Compare the strengths and weaknesses of using financial and scoring models to select projects.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

19. None of the financial project selection models ensure alignment of the project with an organization's strategic goals.
- a. True
  - b. False

**ANSWER:** True

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.04 - Compare the strengths and weaknesses of using financial and scoring models to select projects.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

20. Scoring models are most useful when there are multiple projects and several criteria to be considered.
- a. True
  - b. False

**ANSWER:** True

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.05 - Given organizational priorities and several projects, demonstrate how to select and prioritize projects using a scoring model.

## Chapter 02 - Project Selection and Prioritization

**KEYWORDS:** Bloom's: Knowledge  
**NOTES:** Completion Time: 3 Minutes

21. Traditional financial models are most useful when there are multiple projects and several criteria to be considered.
- a. True
  - b. False

**ANSWER:** False  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.04 - Compare the strengths and weaknesses of using financial and scoring models to select projects.  
**KEYWORDS:** Bloom's: Comprehension  
**NOTES:** Completion Time: 5 Minutes

22. Sometimes situations dictate that a project must be chosen regardless of any other considerations such as strategic fit, profitability or probability of success.
- a. True
  - b. False

**ANSWER:** True  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.  
**KEYWORDS:** Bloom's: Comprehension  
**NOTES:** Completion Time: 5 Minutes

23. In addition to considering financial factors, organizations often identify project selection criteria to determine how well each potential project fits with the organization's strategic planning.
- a. True
  - b. False

**ANSWER:** True  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.  
**KEYWORDS:** Bloom's: Comprehension  
**NOTES:** Completion Time: 3 Minutes

24. Scoring models are very useful in providing input into the starting order of projects.
- a. True
  - b. False

**ANSWER:** True  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** True / False  
**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.05 - Given organizational priorities and several projects, demonstrate

## Chapter 02 - Project Selection and Prioritization

how to select and prioritize projects using a scoring model.

**KEYWORDS:** Bloom's: Knowledge

**NOTES:** Completion Time: 3 Minutes

25. Project scoring models are very useful in providing performance data that can be used to terminate a project.

- a. True
- b. False

**ANSWER:** False

**DIFFICULTY:** Challenging

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.05 - Given organizational priorities and several projects, demonstrate how to select and prioritize projects using a scoring model.

**KEYWORDS:** Bloom's: Application

**NOTES:** Completion Time: 10 Minutes

26. When a contractor seeking external projects prepares to submit a proposal, it is really conducting a small project with the primary deliverable of the project being a compelling and complete proposal.

- a. True
- b. False

**ANSWER:** True

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.03 - From a contractor's viewpoint, describe how to secure projects.

**KEYWORDS:** Bloom's: Knowledge

**NOTES:** Completion Time: 5 Minutes

27. When a client company decides to engage an external contractor to perform project work, it must be prepared to submit a proposal and prepare a bid.

- a. True
- b. False

**ANSWER:** False

**DIFFICULTY:** Challenging

**QUESTION TYPE:** True / False

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.03 - From a contractor's viewpoint, describe how to secure projects.

**KEYWORDS:** Bloom's: Application

**NOTES:** Completion Time: 10 Minutes

28. 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

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

## Chapter 02 - Project Selection and Prioritization

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

29. 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

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

30. 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 all stakeholders understand the direction of the organization

**ANSWER:** c

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

31. 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

**DIFFICULTY:** Challenging

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Application

## Chapter 02 - Project Selection and Prioritization

**NOTES:** Completion Time: 10 Minutes

32. Many writers have stated that for strategic objectives to be effective, they 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

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

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

- a. The projects in a portfolio are managed as a group to achieve strategic business objectives.
- b. Portfolios cannot include operations and programs.
- c. Portfolios usually include a mix of some high-risk, high-reward projects and some low-risk projects.
- d. Each project in the portfolio should have a direct impact on the organization.

**ANSWER:** b

**DIFFICULTY:** Challenging

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Application

**NOTES:** Completion Time: 10 Minutes

34. Portfolios deal with all of an organization's projects, while programs deal with:

- a. ongoing operations
- b. a specific group of related projects, subprograms, and program activities
- c. resource availability
- d. tradeoffs between schedule, scope and quality

**ANSWER:** b

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

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

- a. managing ongoing projects

## Chapter 02 - Project Selection and Prioritization

- b. providing needed resources
- c. selecting the right projects
- d. prioritizing work to be done

**ANSWER:** a

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

36. This document summarizes why the project is important by describing the benefits of a selected component, and is used as a basis for authorizing further project management activities:

- a. program management plan
- b. business case
- c. SWOT analysis
- d. guiding principle

**ANSWER:** b

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

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

- a. Do we have have a teamwork attitude, free and open communication, creativity, and empowered decision making?
- b. Do we have a clearly defined project management process?
- c. Do teams and individuals follow instructions well?
- d. Do we monitor and understand our external environment?

**ANSWER:** c

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.01.06 - Explain the strengths an organization might possess that could improve its ability to perform projects.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

38. 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

## Chapter 02 - Project Selection and Prioritization

**ANSWER:** d

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time: 5 Minutes

39. 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

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.04 - Compare the strengths and weaknesses of using financial and scoring models to select projects.

**KEYWORDS:** Bloom's: Application

**NOTES:** Completion Time: 5 Minutes

40. 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

**DIFFICULTY:** Challenging

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.04 - Compare the strengths and weaknesses of using financial and scoring models to select projects.

**KEYWORDS:** Bloom's: Application

**NOTES:** Completion Time: 10 Minutes

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

- a. social need
- b. environmental consideration
- c. technological advance
- d. internal politics

**ANSWER:** d

**DIFFICULTY:** Moderate

## Chapter 02 - Project Selection and Prioritization

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Comprehension

**NOTES:** Completion Time:5 Minutes

Project/Criteria & Weight:	New Products	Customer Relations	Supplier Relations	Success Probability	Weighted Total Score
	10	6	7	5	
Project A	5 50	3 18	3 21	3 15	104
Project B	3 30	4 24	5 35	4 20	109
Project C	3 30	4 24	3 21	2 10	85
Project D	2 20	2 12	5 35	3 15	82

Figure 2-1 Project Selection and Prioritization Matrix

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

- new products
- customer relations
- supplier relations
- success probability

**ANSWER:** a

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.05 - Given organizational priorities and several projects, demonstrate how to select and prioritize projects using a scoring model.

**KEYWORDS:** Bloom's: Application

**NOTES:** Completion Time: 5 Minutes

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

- Project A
- Project B
- Project C
- Project D

**ANSWER:** b

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.05 - Given organizational priorities and several projects, demonstrate how to select and prioritize projects using a scoring model.

## Chapter 02 - Project Selection and Prioritization

**KEYWORDS:** Bloom's: Application

**NOTES:** Completion Time: 5 Minutes

44. 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

**DIFFICULTY:** Easy

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.05 - Given organizational priorities and several projects, demonstrate how to select and prioritize projects using a scoring model.

**KEYWORDS:** Bloom's: Application

**NOTES:** Completion Time: 3 Minutes

45. Based on the information provided in Figure 2-1, which project is LEAST attractive based on new products?

- a. Project A
- b. Project B
- c. Project C
- d. Project D

**ANSWER:** d

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.05 - Given organizational priorities and several projects, demonstrate how to select and prioritize projects using a scoring model.

**KEYWORDS:** Bloom's: Application

**NOTES:** Completion Time: 5 Minutes

46. Once selected projects have been prioritized, it is time to assign resources to each. Resources could include all of the following EXCEPT:

- a. subject matter experts
- b. equipment
- c. quality metrics
- d. funds

**ANSWER:** c

**DIFFICULTY:** Easy

**QUESTION TYPE:** Multiple Choice

**LEARNING OBJECTIVES:** CTPM.KLOP.19.02.02 - Describe how to select, prioritize, and resource projects as an outgrowth of strategic planning.

**KEYWORDS:** Bloom's: Knowledge

**NOTES:** Completion Time: 3 Minutes

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

## Chapter 02 - Project Selection and Prioritization

- a. life cycle cost
- b. references
- c. personalities
- d. technical approach

*ANSWER:* c

*DIFFICULTY:* Easy

*QUESTION TYPE:* Multiple Choice

*LEARNING OBJECTIVES:* CTPM.KLOP.19.02.03 - From a contractor's viewpoint, describe how to secure projects.

*KEYWORDS:* Bloom's: Knowledge

*NOTES:* Completion Time: 3 Minutes

48. \_\_\_\_\_ between a client company and a contractor company should aim at a win-win solution, and the outcome must benefit both the parties involved.

- a. selections
- b. meetings
- c. conflicts
- d. negotiations

*ANSWER:* d

*DIFFICULTY:* Moderate

*QUESTION TYPE:* Multiple Choice

*LEARNING OBJECTIVES:* CTPM.KLOP.19.02.03 - From a contractor's viewpoint, describe how to secure projects.

*KEYWORDS:* Bloom's: Application

*NOTES:* Completion Time: 5 Minutes

49. 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

*DIFFICULTY:* Moderate

*QUESTION TYPE:* Multiple Choice

*LEARNING OBJECTIVES:* CTPM.KLOP.19.02.03 - From a contractor's viewpoint, describe how to secure projects.

*KEYWORDS:* Bloom's: Comprehension

*NOTES:* Completion Time: 5 Minutes

50. Describe the relationship between the strategic planning process and portfolio management in an organization.

*ANSWER:* **Key concepts to be covered in the response could include, but are not limited to:**

Project selection should begin with the organization's strategic planning process, which could include a strategic analysis of the organization's strengths and weaknesses (SWOT analysis).

A vision and mission statement would then be developed, and would be used to set strategic objectives and flow-down objectives for the organization.

Portfolio management would follow, as its goal is to achieve the maximum benefit toward

## Chapter 02 - Project Selection and Prioritization

the strategic goals of the company. To accomplish this, executives need to identify, select, prioritize, resource, and govern an appropriate portfolio of projects and other work.

*DIFFICULTY:*

Challenging

*QUESTION TYPE:*

Essay

*LEARNING OBJECTIVES:*

CTPM.KLOP.19.02.01 - Explain in your own words the strategic planning and portfolio management processes.

*KEYWORDS:*

Bloom's: Application

*NOTES:*

Completion Time: 10 Minutes

51. Describe the advantages and limitations of financial models in project selection.

*ANSWER:*

**Key concepts to be covered in the response could include, but are not limited to:**

Financial models are helpful because from management's perspective, projects are investments. Therefore, proper selection should yield a portfolio of projects that collectively contribute to organizational success.

All financial analysis techniques have both strengths and weaknesses. None of the financial models ensure alignment with an organization's strategic goals. Therefore, financial analysis, while very useful, is normally not enough.

In addition to ensuring that selected projects make sense financially, other criteria often need to be considered. A tool called a scoring model helps to select and prioritize potential projects. It is useful whenever there are multiple projects and several criteria to be considered.

*DIFFICULTY:*

Moderate

*QUESTION TYPE:*

Essay

*LEARNING OBJECTIVES:*

CTPM.KLOP.19.02.04 - Compare the strengths and weaknesses of using financial and scoring models to select projects.

*KEYWORDS:*

Bloom's: Comprehension

*NOTES:*

Completion Time: 5 Minutes

52. Describe the advantages and limitations of scoring models in project selection.

*ANSWER:*

**Key concepts to be covered in the response could include, but are not limited to:**

Scoring models are helpful in selecting and prioritizing potential projects. They are useful if there are several criteria for project selection, and multiple projects to consider.

Project selection criteria should include how well each potential project fits with the organization's strategic planning. The company's leaders should agree on these criteria. Mandatory "must do" criteria should be identified and all criteria should be assigned weights.

Projects can then be scored according to each criterion and assigned a weighted score.

When completed the weighted scoring models can serve as a starting point for project selection and order of priority. However, other factors should be considered such as the urgency of each project, practical details concerning the timing, the cost of delaying expected benefits from selected projects, and conflicting resource needs.

*DIFFICULTY:*

Challenging

*QUESTION TYPE:*

Essay

*LEARNING OBJECTIVES:*

CTPM.KLOP.19.02.04 - Compare the strengths and weaknesses of using financial and

## Chapter 02 - Project Selection and Prioritization

*KEYWORDS:* scoring models to select projects.  
Bloom's: Application

*NOTES:* Completion Time: 10 Minutes