Case Study - 2

Project Scenario
The Restructuring Project (Note: The companies and people within the scenario are fictional.)

A government department, the Ministry of Food Hygiene (MFH), faces increasing pressure to cut costs, and deal with the problems caused by inadequate internal controls and outdated technology.

External consultants were employed from Teamtech, a recruitment agency that provides specialist resources to government departments. These consultants conducted a feasibility study to identify options for addressing the problems. The following options were considered:

- Do nothing
- Restructure selected business functions
- Shut down selected business functions and contract external suppliers to provide these services.

The feasibility study concluded that there was a case for restructuring the services currently delivered by two business functions: Facilities (responsible for maintenance of buildings and grounds) and Information Technology (IT). The recommendations were:

- Restructure Facilities services and reduce the number of Facilities staff by 20%.
- Restructure IT services and replace the existing IT system with a new hardware and software solution.

The feasibility study contained a high-level summary of the existing Facilities staffing structure and the existing IT system, plus an outline Business Case for the required project. The external consultants from Teamtech also made the following recommendations for the management of the project:
Case Study - 2

- Use PRINCE2
- Set up the project with 4 management stages:
  o Stage 1: Standard PRINCE2 initiation activities
  o Stage 2: Create a detailed design for the future Facilities staffing structure and a specification of the new hardware and software solution. Prepare a contract for the supply and installation of the new hardware and software solution
  o Stage 3: Create request for tender and evaluate proposals. Select supplier and agree contract
  o Stage 4: Implement the new Facilities staffing structure, install new hardware and software solution, and run a trial period.

Initial estimates indicated that the project would cost £2.5m and take two years to complete. There is an expected saving of £20m over 10 years. MFH senior management accepted the recommendations as a basis for the project. However, any event that may result in a loss of MFH data must be escalated to them immediately.

The Restructuring project has completed the Starting up a Project process and is now in the initiation stage. Owing to the strategic importance of the project, the MFH Chief Executive Officer has taken the role of Executive. A PRINCE2-experienced Project Manager has been appointed from within MFH. Staff within the business functions being restructured will work with the external consultants who conducted the feasibility study to create the detailed design and specification.
Question 2: Organization Theme - Additional Information

Resources who could be involved in the project:

Teamtech Account Manager: He represents Teamtech, a recruitment agency that provides specialist resources to government departments. Teamtech provided the consultants who carried out the feasibility study. They will not be developing any of the project’s products. However, the same consultants will be made available for support and guidance to the Information Technology and Facilities teams during the Restructuring project.

Chief Finance Officer: She was transferred from Information Technology 12 months ago. She is responsible for ensuring a cost-effective approach is adopted in all operational and project activities across the Ministry of Food Hygiene.

Hardware Manager: He reports to the Director of Information Technology. He maintains the computer hardware and software for all business functions.

Payroll Manager: He reports to the Chief Finance Officer. He is a very experienced and efficient accountant who is responsible for running part of the Finance Division on behalf of the Chief Finance Officer. He has been involved in drafting the Ministry’s business strategy and assisting in a full business risk assessment. He also drafted the corporate Business Case standards.

Director of Research and Development: She manages a large team who are always incredibly busy. Many of her research and development processes require input from the Information Technology and Facilities teams on a daily basis. She has an excellent understanding of what each team requires in order to operate effectively.
Question 3: Quality Theme - Additional Information

Product Description for the contract

<table>
<thead>
<tr>
<th>Title</th>
<th>Contract.</th>
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</thead>
<tbody>
<tr>
<td>Purpose</td>
<td>• This agreement specifies the MFH requirements for the supply and installation of a hardware and software solution. It provides measurable criteria against which the selected external supplier's performance will be assessed.</td>
</tr>
<tr>
<td>Composition</td>
<td>• Responsibilities of MFH and selected external supplier. Mechanisms for monitoring and reporting performance levels.</td>
</tr>
<tr>
<td></td>
<td>• MFH Dispute resolution process.</td>
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<tr>
<td></td>
<td>• Confidentiality provisions.</td>
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<tr>
<td></td>
<td>• Conditions for termination of contract.</td>
</tr>
<tr>
<td></td>
<td>• Glossary of all technical terms contained in the contract.</td>
</tr>
<tr>
<td>Format and presentation</td>
<td>• A4, Word document, printed both sides in black and white.</td>
</tr>
<tr>
<td></td>
<td>• Font: Arial, 12pts.</td>
</tr>
<tr>
<td>Quality criteria</td>
<td>• Contains all composition items listed above.</td>
</tr>
<tr>
<td></td>
<td>• Not more than 60 pages.</td>
</tr>
<tr>
<td></td>
<td>• Complies with MFH corporate branding standards.</td>
</tr>
<tr>
<td></td>
<td>• No typographical errors.</td>
</tr>
<tr>
<td>Quality skills required</td>
<td>• Proof-reading skills.</td>
</tr>
<tr>
<td>Quality responsibilities</td>
<td>• Producer/Presenter: Director of Information Technology.</td>
</tr>
<tr>
<td></td>
<td>• Chair: Project Manager.</td>
</tr>
<tr>
<td></td>
<td>• Reviewer: Hardware Manager and Chief Finance Officer.</td>
</tr>
<tr>
<td></td>
<td>• Approver: Chief Executive Officer.</td>
</tr>
</tbody>
</table>

Additional Information continues on next page continued.
Quality notes from the Daily Log
The contract between MFH and the selected external supplier will specify the type and quality of service required. The selected external supplier must follow the industry quality standards for delivering hardware and software solutions.

The MFH quality management system (QMS) has been certified to be in accordance with ISO (International Organization for Standardization) standards. The QMS contains policies and procedures for 80% of MFH business processes. One of these processes covers the production of employment contracts.

The QMS also contains document standards that need to be applied to all documentation. There is no documented change control procedure.

All project documents will be subject to a quality review. Some products will require a formal quality record which is to be signed-off by the quality review chair.

Extract from the draft Quality Management Strategy (may contain errors)

Introduction
1. This document defines the approach to be taken to achieve the required quality levels during the project.
2. The Project Board will have overall responsibility for the Quality Management Strategy.
3. Project Assurance will provide assurance on the implementation of the Quality Management Strategy.

Quality management procedure - Quality standards
4. Industry quality standards for delivering hardware and software solutions.
5. MFH document standards.
Records

6. A Quality Register will be maintained to record the planned quality events and the actual results from the quality activities.
7. Configuration Item Records will be maintained for each product to describe its status, version and variant.
8. Quality records for products that require them will be stored in the quality database.

Roles and responsibilities

9. Team Managers will provide details of quality checks that have been carried out.
10. Team Managers will ensure that the Quality Register is updated with the names of team members who are involved in the review process.
11. The Senior User will review the Product Descriptions of the products to be produced by the selected external supplier to ensure that they can be achieved.
Question 7: Change Theme - Additional Information

The project is three weeks into stage 3. There are 41 weeks remaining in this stage. The request for tender has been approved but has not yet been distributed to the list of external suppliers.

The Chief Executive Officer (CEO) of the Ministry of Food Hygiene (MFH) has called an emergency meeting because a new Government initiative to centralize all Facilities services has been announced. All existing projects affecting Facilities services are to stop immediately.

The Project Manager has created an Issue Report as the Restructuring project may need to be de-scoped to remove the restructuring of Facilities services. There is £70,000 in the project’s change budget, +6 weeks / -6 weeks project time tolerance and +£350,000 / -£500,000 project cost tolerance remaining.

Reducing the number of staff in Facilities and updating the MFH hardware and software solution is planned to cost £2.5m. This is expected to deliver a saving in yearly operating costs of £2m, or £20m over 10 years.

The work required to reduce the project scope and deliver just the MFH hardware and software solution would cost £1.25m, and deliver a saving in yearly operating costs of £1m or £10m over 10 years. The timescale of two years will remain unchanged. However, the Project Manager is concerned that the specification for the new software solution was designed to include the requirements of the restructured Facilities processes, not the existing processes.
To remove the restructuring of Facilities services from the Restructuring project would require revision of all those products which relate to the implementation of the new Facilities staffing structure. A full analysis has been done. It is forecast that implementing these changes will delay stage 3 by three weeks and increase the cost of stage 3 by £100,000. There is £54,000 of stage 3 cost tolerance remaining.

The Government initiative to centralize all Facilities services should deliver a saving in operating costs of £15m over 10 years. The Centralization project is estimated to cost £1.5m.
Case Study - 2

Question 8: Progress Theme - Additional Information

The following extract is from the Work Package provided to the IT Team Manager for the installation of a new hardware and software solution provided by the selected external supplier. It was prepared by the Project Manager.

The transfer of data from the existing systems to the new software must occur with minimum disruption to current services. At the same time, the Facilities services will be restructured. During the transfer of data, the IT Team Manager will need to work with the Facilities Team Manager to ensure that their work is synchronized and their products are compatible. Completion of this work is scheduled for the end of week 24 of stage 4.

The project information contained in the document extract below is true, but it may NOT be recorded under the right heading or in the correct document.

Draft Work Package

Techniques, processes and procedures
1. Any threat that may result in a loss of MFH data must be escalated immediately.

Joint agreements
2. Work is to start at the beginning of week 2 (Stage 4).
3. The project will take 2 years to complete, at an estimated cost of £2.5m.

Tolerances
4. None.

Constraints
5. MFH staff must not be involved in any heavy lifting during the removal of existing IT equipment.
6. Installation work must take place during MFH normal working hours.
7. +£10,000 / -£25,000.
Reporting arrangements
8. Highlight Report every Monday by 10.00 am.
9. The report must contain a summary of all products worked on during the previous week.
10. Project Manager must be notified of any issues immediately by telephone.

Problem handling and escalation
11. Impact analysis of all issues must be completed within 24 hours.

Extracts or references
12. The Stage Plan for stage 4 is available from Project Support.

Approval method
13. Project Assurance will review the completed Work Package and confirm completion.
Column 1 contains entries recorded in the Daily Log during the Starting up a Project process. For each entry in Column 1, select the activity, if applied appropriately, where this information should have been captured. Each selection from Column 2 can be used once, more than once or not at all.

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Two outsourcing companies have proved to be unreliable on other projects and should not be included as potential service providers.</td>
<td>A. Appoint the Executive and the Project Manager</td>
</tr>
<tr>
<td>2. MFH faces increasing pressure to cut costs, and deal with the problems caused by inadequate internal controls and outdated technology</td>
<td>B. Capture previous lessons</td>
</tr>
<tr>
<td>3. The new hardware will be selected from a choice of commercial off-the shelf solutions. The software solution will be designed and developed specifically for MFH</td>
<td>C. Design and appoint the project management team</td>
</tr>
<tr>
<td>4. It is assumed that the external Teamtech consultants will be available at the start of the initiation stage.</td>
<td>D. Prepare the outline Business Case</td>
</tr>
</tbody>
</table>

E. Select the project approach and assemble the Project Brief

F. Plan the initiation stage
Using the Project Scenario, answer the following 4 questions.

Decide whether the actions taken during the Starting up a Project process represent an appropriate application of PRINCE2 for this project, and select the response that supports your decision.

1. When designing and appointing the project management team, the Project Manager produced a role description for the Executive. Was this an appropriate application of PRINCE2 for this project?

A. Yes, because role descriptions should be created for all Project Board roles.

B. Yes, because the Project Manager is responsible for this activity.

C. No, because the responsibilities of the Executive should be established before this activity.

D. No, because the creation of role descriptions is NOT the responsibility of the Project Manager.
2. When designing and appointing the project management team, the Project Manager recorded the following statement as a risk in the Daily Log:
‘Experience of the Purchasing Officer suggests that delays usually occur when contracts with external suppliers do not include the timescale within which readiness for service is expected’.
Was this an appropriate application of PRINCE2 for this project?

A. Yes, because the Daily Log should be used as a repository for project information that is not yet being captured elsewhere.

B. Yes, because the Project Manager is responsible for identifying all risks associated with the appointment of external suppliers.

C. No, because this is a lesson that can be applied to this project and should be recorded in the Lessons Log.

D. No, because all risks should be recorded in the Risk Register.

3. When preparing the outline Business Case, the Executive asked the MFH Chief Finance Officer to set aside £2,500,000 to fund the project.
Was this an appropriate application of PRINCE2 for this project?

A. Yes, because the Executive is responsible for securing project funding.

B. Yes, because all project funding must be available before the project can be authorized.

C. No, because the full cost of the project is not yet known.

D. No, because this activity is the responsibility of the Project Manager.
4. When preparing the Initiation Stage Plan, the Project Manager defined the reporting and control arrangements to be applied for the duration of the project.
   Was this an appropriate application of PRINCE2 for this project?

A. Yes, because two of the principles of PRINCE2 are 'manage by stages' and 'continued business justification'.

B. Yes, because monitoring and control of the project enables the assessment of ongoing viability.

C. No, because this is the role of the Executive.

D. No, because the reporting and control arrangements in the Initiation Stage Plan should be for the initiation stage.
Using the Project Scenario, answer the following 4 questions about the Initiating a Project process.

Decide whether the actions taken by the Project Manager represent an appropriate application of PRINCE2 for this project and select the response that supports your decision.

1. The Project Manager decided to delay the creation of the Risk Management Strategy until stage 4, when the selected external supplier’s risk management procedures can be used.
Is this an appropriate application of PRINCE2 for this project?

A. Yes, because all strategies should be developed using lessons from external organizations.

B. Yes, because the selected external supplier will be the owner of all project risks associated with the specialist deliverables.

C. No, because effective risk management should be performed throughout the life of the project.

D. No, because the supplier is external to the corporate organization.
2. While preparing the Configuration Management Strategy, the Project Manager decided to recommend that the selected external supplier be authorized to approve and implement all changes. Is this an appropriate application of PRINCE2 for this project?

A. Yes, because the selected external supplier will be delivering products for this project.

B. Yes, because it is the role of the Senior Supplier(s) to safeguard the integrity of the completed solution.

C. No, because the selected external supplier does NOT represent the users.

D. No, because the Change Authority should be independent of the project.

3. While preparing the Quality Management Strategy, the Project Manager noticed that the corporate quality management system does not specifically cover project management. The Project Manager has asked Project Assurance for their advice. Is this an appropriate application of PRINCE2 for this project?

A. Yes, because Project Assurance is responsible for checking that the Quality Management Strategy meets the needs of the Project Board.

B. Yes, because Project Assurance is responsible for specifying the customer's quality expectations and acceptance criteria for the project.

C. No, because the Project Manager should update the corporate quality management system with the missing project management processes.

D. No, because Project Assurance reports directly to the Project Board.
4. The Project Manager has recommended that Exception Reports should be sent to MFH corporate management when any level of tolerance is forecast to be exceeded. Is this an appropriate application of PRINCE2 for this project?

A. Yes, because any forecast to exceed tolerance should be escalated to the next level of management.

B. Yes, because corporate management sets the overall tolerance levels for the project.

C. No, because project controls should be recorded in the Configuration Management Strategy.

D. No, because any forecast deviation from tolerance should be escalated to the next level of management.
Question Number 2
Syllabus Area Organization Theme

Using the Project Scenario, answer the following 6 questions.

Each question proposes alternative candidates for a role, supported by a true statement about each. Select the 2 suggestions which, in the context of PRINCE2 recommended roles and responsibilities, provide an appropriate evaluation of, or alternative to, the candidate originally proposed for that role. Remember to limit your answers to the number of selections requested in each question.

1. The Chief Executive Officer has been appointed to the role of Executive for this project.
Which 2 suggestions are appropriate for this appointment?

A. Retain because he accepts that restructuring is the best solution.
B. Replace with 'Chief Finance Officer' because she can ensure a cost-effective approach to the project.
C. Retain because he has the right level of authority to be able to control the strategic nature of the Restructuring project.
D. Add 'Chief Finance Officer' because she understands the operational environment.
E. Replace with 'Payroll Manager' because he is a very experienced and efficient accountant.
2. The Teamtech Account Manager has been appointed to the role of Senior User for this project. Which 2 suggestions are appropriate for this appointment?

A. Retain because he provides the specialist resources required to support the project.
B. Replace with 'Director of Research and Development' because she deals with Information Technology and Facilities and can make sure the user's needs are specified.
C. Replace with Teamtech consultant because they interface directly with the users.
D. Add 'Hardware Manager' because he maintains computer hardware for all business functions.
E. Retain because he will be providing support to the Facilities team during the project.
3. The Director of Information Technology has been appointed to the role of Senior Supplier for this project. Which 2 suggestions are appropriate for this appointment?

A. Retain because she is responsible for the design of the future Information Technology working practices.

B. Add 'Director of Facilities' because he is responsible for designing the future Facilities staffing structure.

C. Add 'Hardware Manager' because the outcome of the project will have an impact on him.

D. Remove because she only represents Information Technology.

E. Replace with 'Director of Facilities' because he supports the initiative

4. The Payroll Manager has been appointed to the role of Business Project Assurance for this project. Which 2 suggestions are appropriate for this appointment?

A. Remove because the project will have an impact on him and he therefore represents a user.

B. Replace with 'Project Manager' because this is a simple project that does not require additional assurance.

C. Add 'Teamtech Consultants' because they carried out the feasibility study.

D. Add 'Chief Finance Officer' because she is responsible for checking that any supplier and contractor payments are authorized.

E. Retain because he is familiar with the Ministry of Food Hygiene business strategy, the business level risk assessment and the Business Case standards.
5. The Director of Facilities has been appointed to the role of Supplier Project Assurance for this project.

Which 2 suggestions are appropriate for this appointment?

A. Retain because he has a professional facilities management qualification and so is in a position to specify the needs of the Facilities staff.

B. Retain because he will be able to advise on many of the products that will enable restructuring to happen, such as the future Facilities staffing structure.

C. Retain because he is well-regarded within the Ministry because of the efficiencies, superb service and savings he has achieved in Facilities services.

D. Add 'Teamtech Account Manager' because he will advise on potential changes and their impact on the integrity of the project’s products.

E. Remove because he is involved with the project and is therefore NOT independent.

6. Both the Director of Research and Development and the Hardware Manager have been appointed to the role of User Project Assurance for this project. Which 2 suggestions are appropriate for this appointment?

A. Retain because they are both very positive about restructuring the selected business functions.

B. Retain because they can ensure that user liaison is functioning correctly.

C. Remove because neither of these individuals are from the business functions to be restructured.

D. Retain because selecting only one of them may cause unnecessary conflict.

E. Retain because they can advise on the impact of potential changes.
Using the Project Scenario and the additional information provided for this question in the *Scenario Booklet*, answer the following question about roles on the Restructuring project.

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

<table>
<thead>
<tr>
<th>Option</th>
<th>Assertion</th>
<th>Reason</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>True</td>
<td>True</td>
<td>AND the reason explains the assertion</td>
</tr>
<tr>
<td>B</td>
<td>True</td>
<td>True</td>
<td>BUT the reason does not explain the assertion</td>
</tr>
<tr>
<td>C</td>
<td>True</td>
<td>False</td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>False</td>
<td>True</td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>False</td>
<td>False</td>
<td></td>
</tr>
<tr>
<td>Assertion</td>
<td>Reason</td>
<td></td>
<td></td>
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<td>-----------</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1. The Teamtech Account Manager should be appointed as a Senior Supplier for the project.</td>
<td>BECAUSE Senior Suppliers are responsible for the provision of supplier resources.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. The Chief Finance Officer would be an appropriate choice for the role of a Senior Supplier.</td>
<td>BECAUSE The Senior Supplier must demonstrate that the forecast benefits are realized.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. It would be appropriate for the selected external supplier, who was selected in stage 3, to be represented on the Project Board by a Senior Supplier in stage 4.</td>
<td>BECAUSE The Senior Supplier is responsible for assessing the viability of the project approach.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. The Project Manager would be an appropriate choice for the role of Project Support</td>
<td>BECAUSE Project Support is responsible for ensuring that the desired outcome of the project is specified</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. The Hardware Manager would be an appropriate choice for the role of Senior Supplier</td>
<td>BECAUSE The Senior Supplier is accountable for the quality of the products delivered by the supplier(s).</td>
<td></td>
<td></td>
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<tr>
<td>6. The Payroll Manager would be an appropriate choice to provide business assurance</td>
<td>BECAUSE Business assurance should be undertaken by someone with an accountancy qualification</td>
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Question Number 3  
Syllabus Area Quality Theme

<table>
<thead>
<tr>
<th>Syllabus Area</th>
<th>Question Number</th>
<th>Part</th>
<th>Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Theme</td>
<td>3</td>
<td>A</td>
<td>4</td>
</tr>
</tbody>
</table>

Each of the following 4 questions includes a list of **true statements** about the Restructuring project, but only one statement is an appropriate entry for that heading in the Project Product Description.

1. Which statement should be recorded under the **Acceptance criteria** heading?

A. The new hardware and software solution should be capable of processing 500% more data than the existing system.

B. Any changes to the project's products must be managed through formal change control.

C. External consultants are to provide guidance on the development of the detailed design for the future Facilities staffing structure.

D. The selected external supplier should be appointed in stage 3.
2. Which statement should be recorded under the **Development skills required** heading?

A. External consultants are to assist in the creation of the detailed design for future Facilities staffing structure and the specification for the new hardware and software solution.

B. The detailed design for the future Facilities staffing structure will be based on the high-level summary of the existing Facilities staffing structure.

C. The Hardware Manager will accept handover of the new hardware and software solution.

D. The Director of Facilities will be responsible for checking the contract.

3. Which statement should be recorded under the **Project-level quality tolerances** heading?

A. Facilities staffing numbers are to be reduced by 20% and all Facilities services restructured.

B. Facilities staff should be restructured as soon as possible to avoid the chance of industrial action.

C. Increased maintenance costs should be kept to a minimum.

D. To continue to function effectively, a minimum of 15% of Facilities staff should be released, but no more than 25%.
4. Which statement should be recorded under the **Acceptance method** heading?

A. The Director of Information Technology will be responsible for the quality of the new hardware and software solution.

B. The results of the hardware and software trial will be reviewed to confirm full functionality before accepting handover of the new hardware and software solution.

C. The Hardware Manager will accept handover of the new hardware and software solution.

D. Staff within the business functions being restructured will work with the external consultants who conducted

<table>
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<tr>
<th>Syllabus Area</th>
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<tbody>
<tr>
<td>Quality Theme</td>
<td>3</td>
<td>B</td>
<td>4</td>
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</table>

**Using the Project Scenario and the Product Description provided as additional information for this question in the Scenario Booklet, answer the following question.**

The Director of Information Technology is responsible for producing the contract for the supply and installation of the hardware and software solution. The Work Package does not contain any other products and has a tolerance of +2 days / -2 days. The contract has been produced on target and the quality review meeting is taking place.

The following 4 entries have been included in the consolidated question list or raised at the meeting. Select the appropriate action which should now be agreed by the review team to deal with each entry.
Case Study - 2

1. Although it is not specified in the current corporate branding standards, the MFH corporate logo should be shown on the front page of the contract.

A. Agree to amend this within the remaining +2 days tolerance.

B. Raise an issue (off-specification).

C. Raise an issue (request for change).

D. Accept this as a concession.

2. The contract is not printed in colour.

A. Agree to redesign the contract within the remaining +2 days tolerance.

B. Raise an issue (off-specification).

C. Accept this as a concession.

D. No action required.

3. The contract contains a technical term that is missing from the glossary of terms. This is estimated to take only a few minutes to correct.

A. Agree to add this term into the glossary of terms within the remaining +2 days tolerance.

B. Raise an issue (off-specification).

C. Raise an issue (request for change).

D. No action required.
4. The contract does not contain the MFH dispute resolution process. The addition of this will take one day to complete but it will increase the contract to more than 60 pages.

A. Raise an issue (off-specification).

B. Raise an issue (request for change).

C. Agree to add the MFH dispute resolution process within the remaining +2 days tolerance.

D. No action required.

Using the Quality notes from the Daily Log and the Extract from the draft Quality Management Strategy provided as additional information for this question in the *Scenario Booklet*, answer the following 4 questions about the Quality Management Strategy.

1. Which statement applies to the **Introduction** section?

   A. Delete entry 1 because the project approach is defined in the Project Brief.

   B. Delete entry 2 because this is the Project Manager’s responsibility.

   C. Delete entry 3 because it is the Project Manager’s responsibility to implement the Quality Management Strategy.

   D. Move entry 3 to the **Roles and responsibilities** section because this is a quality responsibility.
2. Which statement applies to the Quality standards section?

A. Delete entry 4 because external suppliers are responsible for applying any relevant standards to their work.

B. Delete entry 5 because the lack of a change control procedure makes the MFH document standards unsuitable.

C. Add 'MFH Processes: Production of employment contracts'.

D. Add ‘PRINCE2 change control procedures will be used to manage any changes to baselined products’.

3. Which statement applies to the Records section?

A. Delete entry 6 because this information should be included in Stage or Team Plans.

B. Move entry 6 to the Reporting section because the information should be used to report on quality activities.

C. Delete entry 7 because this should be included in the Configuration Management Strategy.

D. Delete entry 8 because the results of quality reviews are recorded in the Quality Register.
4. Which statement applies to the **Roles and responsibilities** section?

A. Move entry 9 to the **Records** section because this information will be required to create a record of each quality check.

B. Delete entry 9 because this is the responsibility of the quality review chair.

C. Delete entry 10 because only the Project Manager can update the Quality Register.

D. Amend entry 11 because this is the responsibility of Supplier Project Assurance

<table>
<thead>
<tr>
<th>Syllabus Area</th>
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</thead>
<tbody>
<tr>
<td>Plans Theme</td>
<td>4</td>
<td>A</td>
<td>6</td>
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</tbody>
</table>

Column 1 is a list of **true statements** to be included in the Stage Plan for stage 2. Column 2 is a selection of Stage Plan headings. For each statement in Column 1, select from Column 2 the Stage Plan heading under which it should be recorded. Each selection from Column 2 can be used once, more than once or not at all.
<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  This plan includes the detailed design of the Facilities staffing structure</td>
<td>A. Plan description</td>
</tr>
<tr>
<td>2  A monthly stage status report will be provided to the Project Board.</td>
<td>B. Plan prerequisites</td>
</tr>
<tr>
<td>3  The high-level summary, produced in the feasibility study by the management consultants, will be used by the project.</td>
<td>C. External dependencies</td>
</tr>
<tr>
<td>4  The Project Board has approved the recommendation to reduce the number of staff in Facilities and to implement a new hardware and software solution. This decision must remain in place</td>
<td>D. Planning assumptions</td>
</tr>
<tr>
<td>5  Based on advice from the Ministry of Trade and Industry that, in their experience, drafting a contract is a lengthy process, allowances have been made for this in the Stage Plan for stage 2.</td>
<td>E. Lessons incorporated</td>
</tr>
<tr>
<td>6  Time: +2 weeks / -2 weeks.</td>
<td>F. Monitoring and control</td>
</tr>
<tr>
<td></td>
<td>G. Budgets</td>
</tr>
<tr>
<td></td>
<td>H. Tolerances</td>
</tr>
<tr>
<td></td>
<td>I. Schedule</td>
</tr>
</tbody>
</table>
Case Study - 2

Using the Project Scenario, answer the following question.
The project has a cost tolerance of +5% / -5%, of which stage 2 has a
tolerance of +£45,000 / -£45,000.

Lines 1 to 6 in the table below consist of an assertion statement and a reason
statement. For each line identify the appropriate option, from options A to E,
that applies. Each option can be used once, more than once or not at all.

<table>
<thead>
<tr>
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<th>Remarks</th>
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</thead>
<tbody>
<tr>
<td>A</td>
<td>True</td>
<td>True</td>
<td>AND the reason explains the assertion</td>
</tr>
<tr>
<td>B</td>
<td>True</td>
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<td>BUT the reason does not explain the assertion</td>
</tr>
<tr>
<td>C</td>
<td>True</td>
<td>False</td>
<td></td>
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<tr>
<td>D</td>
<td>False</td>
<td>True</td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>False</td>
<td>False</td>
<td></td>
</tr>
<tr>
<td>Assertion</td>
<td>Reason</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. If stage 2 exceeds its target by £20,000, the Stage Plan should be</td>
<td>Because When the Stage Plan is updated with activities to deal with any deviations from planned cost and time, this is called an Exception Plan.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>replaced by an Exception Plan.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. The Team Plan required for the development of the contract should be</td>
<td>Because Supplier assurance should confirm that Team Plans are in accordance with relevant supplier standards.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>produced in consultation with supplier assurance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. The Stage Plan for stage 2 should be prepared during the initiation</td>
<td>Because All Stage Plans are produced near the end of the initiation stage.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>stage</td>
<td></td>
<td></td>
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<tr>
<td>4. A final stage (stage 5), covering project closure, should be added to</td>
<td>Because Following initiation, the Project Plan covers all subsequent management stages.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>the Project Plan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. The cost tolerance planned for each stage should be +5% / -5%.</td>
<td>Because Project tolerances for cost and time should always be allocated equally between all of the stages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. The key deliverables and estimates from the feasibility study should</td>
<td>Because The feasibility study should confirm all project costs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>provide a major input to the Project Brief.</td>
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</tbody>
</table>
Question Number 5
Syllabus Area Business Case Theme

<table>
<thead>
<tr>
<th>Syllabus Area</th>
<th>Question Number</th>
<th>Part</th>
<th>Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Case Theme</td>
<td>5</td>
<td>A</td>
<td>6</td>
</tr>
</tbody>
</table>

Each of the following 6 questions include **true statements** about the Restructuring project, but only 2 statements are appropriate entries for that heading in the project’s Business Case. Remember to limit your answers to the number of selections requested in each question.

1. Which **2** statements should be recorded under the **Reasons** heading?

   A. There is an expected saving of £20m over 10 years.
   
   B. Contracting an external supplier to provide services currently delivered by selected business functions would reduce the issues caused by outdated technology.
   
   C. The Ministry of Food Hygiene (MFH) needs to deal with the increasing pressure to cut costs.
   
   D. Reducing staff will mean that no property transfer is required.
   
   E. The inadequate controls and outdated technology must be addressed.
2. Which 2 statements should be recorded under the **Business options** heading?

A. The contracting of an external supplier to deliver selected business functions would not provide the required outcome.

B. The reduction of staff and the updating of technology used in MFH means a re-engineering of existing services will deliver the performance improvements required.

C. Use external consultants to provide guidance on the detailed design of the Facilities staff structure.

D. Set up a PRINCE2 project to deliver the restructured services.

E. Review a list of external suppliers to determine a shortlist of possible external suppliers.

3. Which 2 statements should be recorded under the **Expected benefits** heading?

A. The contract to supply the hardware and software solution, at current prices, will be worth £2m.

B. Updating technology would allow MFH to take advantage of the best hardware and software solutions the market has to offer.

C. The total expected savings over 10 years, at current prices, are £20m.

D. The reduction in staff will enable MFH to reduce costs to agreed levels.

E. The cost of the Restructuring project is £2.5m, but with considerable savings over 10 years.
4. Which 2 statements should be recorded under the Expected dis-benefits heading?

A. An investment of £2.5m is required.
B. Staff morale will be negatively affected.
C. The project will take two years to deliver.
D. Staff may lose the opportunity to work in Facilities.
E. It will not be possible to transfer some of the existing MFH data onto the new software solution, requiring data to be held on two systems for a short period.

5. Which 2 statements should be recorded under the Timescale heading?

A. The contract with the selected external supplier will be agreed during stage 3.
B. The expected benefits will be realized over a 10-year period.
C. If there is any change to the scope of the services to be restructured, the project timescale will be extended and the realization of benefits will be delayed.
D. The expected benefits should start to be realized as soon as the new hardware and software solutions become operational at the end of stage 4.
E. The detailed design for the future Facilities staffing structure is estimated to take six weeks.
6. Which 2 statements should be recorded under the **Major risks** heading?

A. Due to market conditions, a suitable external supplier may not be found, which may lead to premature closure of the project.

B. Owing to employment contract changes, staff may resist restructuring, which would make it difficult to progress and cause a possible delay to project completion.

C. Existing MFH data may prove difficult to transfer to the new software solution, which would require additional specialist resources, at the expense of the external supplier.

D. The initial estimates, taken from the feasibility study report, indicate that the project will take two years to complete, which means that the business problems would remain for this period.

E. The management stages recommended by the consultants may not be appropriate, which would result in confusion in planning.
Using the Project Scenario, answer the following question.

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

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<tr>
<td>E</td>
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</table>

<table>
<thead>
<tr>
<th>Assertion</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The selected external supplier should have their own Business Case for the work they are doing on the Restructuring project.</td>
<td>Because All project costs, including the cost of work carried out by external suppliers on the project, should be included in the customer's Business Case</td>
</tr>
<tr>
<td>2. The cost of managing the hardware and software contract should be included in the Business Case.</td>
<td>Because The information in the Business Case is used to compare the development, maintenance and operational costs with the value of the benefits over a period of time.</td>
</tr>
<tr>
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<tr>
<td>---</td>
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</tr>
<tr>
<td>3. Any event that may result in loss of MFH data' should be recorded under the <strong>Major risks</strong> section of the Business Case.</td>
<td>Because</td>
</tr>
<tr>
<td>4. All expected benefits from the restructuring of Facilities services should be included in the Business Case.</td>
<td>Because</td>
</tr>
<tr>
<td>5. The End Project Report should identify whether the expected savings of £20m over 10 years have been achieved.</td>
<td>Because</td>
</tr>
<tr>
<td>6. The Project Board should ensure that the Benefits Review Plan includes the mechanisms for measuring all the claimed benefits of restructuring.</td>
<td>Because</td>
</tr>
</tbody>
</table>
Table:

<table>
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<tr>
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<th>Part</th>
<th>Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Theme</td>
<td>6</td>
<td>A</td>
<td>6</td>
</tr>
</tbody>
</table>

Answer the following 6 questions about the project’s Risk Management Strategy.
Each question includes a list of statements but, according to PRINCE2, only 2 statements are appropriate entries for that heading in the project’s Risk Management Strategy.
Remember to limit your answers to the number of selections requested in each question.

1. Which 2 statements would be appropriate entries under the **Risk management procedure** heading?

A. When a new problem arises, a full impact analysis will be undertaken to assess the impact on the project’s objectives and Business Case.

B. Probability will be assessed against the scales defined in this Risk Management Strategy.

C. Any risk which has an expected value of more than £1,000 will NOT be registered.

D. Every threat and opportunity identified must be clearly defined in terms of cause, event and effect.

E. 'Reduce' - Response actions which result in a lower impact and/or probability rating.
2. Which 2 statements would be appropriate entries under either the **Records** or **Reporting** headings?

A. Project Support will maintain the Risk Register.  
B. The evaluated net effect of all risks will be updated at the end of each stage and included in the End Stage Report.  
C. The Change Authority will report monthly to the Project Manager on the status of the change budget.  
D. Risks that are likely to occur within the next two weeks should be recorded as imminent.  
E. A summary of risks will be maintained and included with the monthly Highlight Reports to the Project Board.

3. Which 2 statements would be appropriate entries under the **Timing of risk management activities** heading?

A. The selected external supplier will manage any risks to their Business Case and report these to the Project Manager.  
B. The Project Board should hold monthly meetings to set project-level risk tolerance.  
C. At the end of each stage, risk owners will be consulted to check on the status of risk responses.  
D. Any new risks identified during product development should be reported to the Project Manager by the Team Manager.  
E. When authorizing a stage, the Project Board will check that the exposure to risk is still acceptable.
4. Which 2 statements would be appropriate entries under the **Roles and responsibilities** heading?

A. Each risk will be assigned a risk owner.

B. Risks exceeding the agreed project risk tolerance will be reported to the Project Board.

C. Time tolerances are allocated to each stage by the Project Manager.

D. Project Assurance will ensure that project risks are identified, assessed and controlled according to the agreed risk management procedure.

E. An external consultant is to facilitate a risk identification workshop.

5. Which 2 statements would be appropriate entries under the **Proximity** heading?

A. Proximity categories for this project are: Imminent; Within the stage; Within the project; Beyond the project.

B. The risk of MFH having no restructuring experience will be categorized as Stage 4 proximity.

C. Imminent risks are those which may occur within two weeks.

D. Any risk with a proximity category of imminent will be estimated as having a very high impact.

E. The risk of staff leaving the organization is categorized as 'beyond the project' proximity.
6. Which 2 statements would be appropriate entries under the **Risk tolerance** heading?

A. Any risk whose impact and probability is very high must be escalated to corporate or programme management.

B. Any event that may result in loss of MFH data must be escalated to the Project Board.

C. The Team Manager’s threshold level of risk exposure is low impact and low probability.

D. The cost of all fallback plans must be contained within the project’s tolerance.

E. The risk budget will have a tolerance of +/- 10%.
None of the Ministry of Food Hygiene’s (MFH) employees on the project management team has any experience in restructuring, which could lead to difficulties in understanding what is required from a restructuring project and in dealing competently with the selected external suppliers. The result could be a new software solution that does not solve the business problems.

Column 1 contains a number of possible risk responses to the above risk. For each risk response, select from Column 2 the appropriate risk threat response type that it represents. Each selection from Column 2 can be used once, more than once or not at all.
<table>
<thead>
<tr>
<th>Case Study - 2</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Contract a restructuring specialist to take an assurance role in the project, and provide advice to the Project Board and Project Manager.</td>
<td>A. Avoid</td>
</tr>
<tr>
<td>2. Include a clause in the contract with the selected external supplier stating that, if the full functionality of the software solution is not delivered, the selected external supplier will reduce their fees accordingly</td>
<td>B. Reduce</td>
</tr>
<tr>
<td>3. Hire experienced restructuring contractors to assist MFH staff throughout the project</td>
<td>C. Fallback</td>
</tr>
<tr>
<td>4. Rely on the selected external supplier to act in a reliable and conscientious manner to provide the support and advice that will protect MFH’s interests</td>
<td>D. Transfer</td>
</tr>
<tr>
<td>5. Request assistance from central government if difficulties arise in understanding what is happening</td>
<td>E. Accept</td>
</tr>
<tr>
<td>6. Identify MFH employees with knowledge or experience in restructuring and include them in the project team.</td>
<td>F. Share</td>
</tr>
<tr>
<td>Syllabus Area</td>
<td>Question Number</td>
</tr>
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</tr>
<tr>
<td>Change Theme</td>
<td>7</td>
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</table>

The Ministry of Food Hygiene (MFH) has a quality management system which contains a document control process to manage all documentation requirements. The document control process was created by the MFH Quality Manager, who now maintains all of MFH’s documents and performs an organization wide configuration management role. The MFH Quality Manager will administer the configuration management procedure for the Restructuring project since this must comply with the MFH document control process.

Using the information above, answer the following 2 questions.

1. According to PRINCE2, which statement about the Configuration Management Strategy for the Restructuring project is correct?
   A. Every project needs a Configuration Management Strategy, even if the organization has existing configuration management standards, because every project has different circumstances.
   B. The Project Manager should develop a separate Configuration Management Strategy for each of the suppliers working on this project because each will manage and store products differently.
   C. A Configuration Management Strategy is unnecessary for this project because the MFH document control process is already documented. This should be referenced in the Quality Management Strategy.
2. According to PRINCE2, which statement about appointing the MFH Quality Manager to administer the configuration management procedure is correct?

A. The MFH Quality Manager should administer the configuration management procedure on this project because this task should always be assigned to corporate or programme management.

B. The MFH Quality Manager should administer the configuration management procedure on one project at a time. If the MFH Quality Manager already performs this task on another project, another individual should be appointed.

C. The MFH Quality Manager would be suitable to perform this task because he is the author of the document control process and is likely to have the knowledge required for this role.
Using the additional information provided for this question in the *Scenario Booklet*, answer the following 4 questions about the Project Manager’s response to the potential removal of Facilities services from the scope of the Restructuring project.

1. Having created the Issue Report and analyzed the impact of removing Facilities services from the scope of the Restructuring project, the proposed option exceeds tolerance. What is the next action the Project Manager should consider?

   A. Create an Exception Report to inform the Project Board of the situation and the available options.
   
   B. Update the associated Configuration Item Records with details of the Issue Report that caused the change.
   
   C. Amend the Stage Plan for stage 3: remove all products related to Facilities services and add the activities required to deliver the new Government initiative.
   
   D. Create an Exception Plan to change all of the project’s products to reflect the exclusion of Facilities services.

2. What will be the impact on project costs?

   A. The project costs will increase by £100,000.
   
   B. The project costs will not change.
   
   C. The project costs will reduce to £1.25m.
   
   D. The project costs will reduce to £1.35m.
3. If the decision is made to remove Facilities services from the scope of the Restructuring project, what risk would this introduce to the project?

A. None, because any risk associated with Facilities services will be managed by another project.

B. These changes will delay stage 3 by three weeks.

C. There is only £70,000 left in the project change budget.

D. The specification of the new software solution may not support the existing Facilities processes.

4. What will be the impact on the benefits?

A. Reduced savings, now £10m over 10 years.

B. Increased savings of £5m over 10 years from the new initiative to centralize Facilities services.

C. An additional cost of £1.5m to deliver Facilities services.

D. Restructuring project cost reduced by 50%.
Using the additional information provided for this question in the *Scenario Booklet*, answer the following question.

The Project Manager has now completed the Issue Report. The situation is now being managed under formal issue and change control.

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

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<td>E</td>
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<tr>
<td>Assertion</td>
<td>Reason</td>
<td></td>
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<tr>
<td>--------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>1. The de-scoping of Facilities services from the Restructuring project should be treated as a request for change</td>
<td>BECAUSE Any proposal for a change to a project's baseline should be treated as a request for change</td>
<td></td>
</tr>
<tr>
<td>2. The Project Manager should now consider alternative options for centralizing Facilities services.</td>
<td>BECAUSE There must be a balance between the advantage to be gained by implementing an option, and the time, cost and risk of implementing it.</td>
<td></td>
</tr>
<tr>
<td>3. This situation should be referred to corporate or programme management.</td>
<td>BECAUSE Any forecast deviation beyond agreed tolerance levels should be escalated to the next higher authority.</td>
<td></td>
</tr>
<tr>
<td>4. The Stage Plan for stage 3 should be re-issued to the Project Board with all of the products associated with Facilities services removed</td>
<td>BECAUSE The original version of the Stage Plan for stage 3 should be retained for audit purposes</td>
<td></td>
</tr>
<tr>
<td>5. An Exception Plan should be presented to the Project Board for them to consider the consequences of the issue and the options available to deal with it.</td>
<td>BECAUSE Only the Project Board can approve deviations beyond project tolerance levels</td>
<td></td>
</tr>
<tr>
<td>6. This change should be funded from the remaining £70,000 change budget and the balance of £30,000 taken from the stage cost tolerance</td>
<td>BECAUSE A change budget can be used to implement a request for change, provided its use is within the constraints set by the Project Board</td>
<td></td>
</tr>
</tbody>
</table>
Column 1 is a list of **true statements** about the Restructuring project. For each statement in Column 1, select from Column 2 the tolerance area it represents. Each selection from Column 2 can be used once, more than once or not at all.

<table>
<thead>
<tr>
<th>Column 1</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1. The new IT system must include new software but the hardware is a desirable requirement which will be satisfied if funds are available</td>
<td>A. Time</td>
</tr>
<tr>
<td></td>
<td>B. Cost</td>
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<td></td>
<td>C. Scope</td>
</tr>
<tr>
<td></td>
<td>D. Risk</td>
</tr>
<tr>
<td></td>
<td>E. Quality</td>
</tr>
<tr>
<td></td>
<td>F. Benefits</td>
</tr>
<tr>
<td>2. The sale of old hardware is expected to provide a profit of £200,000, +/- 10%.</td>
<td></td>
</tr>
</tbody>
</table>
Case Study - 2

Using the Draft Work Package provided as additional information for this question in the Scenario Booklet, answer the following 4 questions.

All the statements that add or amend an entry contain true information, but this may be under the wrong heading, or not relevant to the Work Package. Remember to limit your answers to the number of selections requested in each question.

1. Which 2 statements apply to either the Joint agreements or Tolerances sections?

A. Delete entry 2 because this information will be contained in the Stage Plan for stage 4.

B. Delete entry 3 because this information is contained in the Project Plan.

C. Add 'Work is to finish at the end of week 24 of stage 4' to Joint agreements.

D. Add 'The transfer of data to the new software must occur with minimum disruption' to Tolerances.

E. Add 'Facilities Team Manager, with responsibility for restructuring Facilities services' to Joint agreements.
2. Which 2 statements apply to either the **Techniques, processes and procedures** or **Constraints** sections?

A. Move entry 1 to **Tolerances** because this represents a risk tolerance.

B. Move entry 5 to **Techniques, processes and procedures** because this is a technique which staff should be aware of.

C. Delete entry 6 because this is outside the scope of the Work Package.

D. Move entry 7 to **Tolerances** because this represents a cost tolerance.

E. Add 'Products must be compatible with those developed by the Facilities Team Manager' to **Techniques, processes and procedures**.

3. Which 2 statements apply to either the **Reporting arrangements** or **Problem handling and escalation** sections?

A. Replace entry 8 with 'Checkpoint Report every Monday by 10.00 am' because Highlight Reports are intended for the Project Board.

B. Delete entry 9 because this level of detail is unnecessary.

C. Move entry 10 to **Problem handling and escalation** because that section describes how issues are handled.

D. Add 'Any risks identified to be added to the Risk Register' to **Reporting arrangements**.

E. Delete entry 11 because the impact analysis should be provided when the issue is notified.
4. Which 2 statements apply to either the **Extracts or references** or **Approval method** sections?

A. Delete entry 12 because this should be the Team Plan not the Stage Plan.

B. A suitable entry for **Extracts or references** would be 'Product Descriptions are available from Project Support'.

C. Move entry 13 to **Reporting arrangements** because this describes how completion will be advised to the Project Manager.

D. Delete entry 13 because this is NOT a Project Assurance responsibility.

E. A suitable entry for **Approval method** would be 'The Project Manager is to be advised of completion of the Work Package by email'
At the end of stage 3, the external supplier will be selected and the contract awarded. During stage 4, the selected external supplier will act as a Team Manager to complete the installation of the new hardware and software solution.

Lines 1 to 6 in the table below consist of an assertion statement and a reason statement. For each line identify the appropriate option, from options A to E, that applies. Each option can be used once, more than once or not at all.

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<tbody>
<tr>
<td>Progress Theme</td>
<td>8</td>
<td>C</td>
<td>6</td>
</tr>
<tr>
<td>Assertion</td>
<td>Reasoning</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------</td>
<td>-----------</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1.</strong> The <strong>Project controls</strong> section of the Project Initiation Documentation should be updated as soon as the external supplier has been selected during stage 3.</td>
<td><strong>BECAUSE</strong> The Project Initiation Documentation contains a summary of the project-level controls for monitoring and reporting.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2.</strong> Checkpoint Reports should be used to monitor the external supplier's progress during stage 4.</td>
<td><strong>BECAUSE</strong> The Project Manager requires regular progress reports from a Team Manager in order to monitor the progress of a Work Package.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>3.</strong> Once the external supplier is selected, the Product Description for the selected external supplier should be updated.</td>
<td><strong>BECAUSE</strong> The composition field of a Product Description should be used to record any change in the status of a product.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4.</strong> Checkpoint Reports should provide progress updates on the implementation of the new hardware and software solution.</td>
<td><strong>BECAUSE</strong> A Work Package defines the reporting arrangements between a supplier and the Project Board.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>5.</strong> If they forecast that their Work Package will exceed its tolerance, the selected external supplier should provide an Exception Report for the Project Manager.</td>
<td><strong>BECAUSE</strong> The Team Manager is responsible for informing the Project Manager if any of the agreed tolerances for a Work Package are forecast to be exceeded.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6.</strong> Benefit tolerance should be set in the next Stage Plan for Project Assurance to monitor.</td>
<td><strong>BECAUSE</strong> Project Assurance is responsible for monitoring the Business Case against project progress.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table:

<table>
<thead>
<tr>
<th>Syllabus Area</th>
<th>Question Number</th>
<th>Part</th>
<th>Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Controlling a Stage + Managing Product Delivery Processes</td>
<td>9</td>
<td>A</td>
<td>3</td>
</tr>
</tbody>
</table>

Column 1 is a list of actions that occur during the Controlling a Stage process. For each action in Column 1, select from Column 2 the PRINCE2 theme that is being applied. Each selection from Column 2 can be used once, more than once or not at all.

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ensure that each product in a completed Work Package has gained its required approval, as defined in its Product Description</td>
<td>A. Business Case</td>
</tr>
<tr>
<td></td>
<td>B. Organization</td>
</tr>
<tr>
<td></td>
<td>C. Quality</td>
</tr>
<tr>
<td>2. Carry out an analysis of a potential event that may have a favourable impact on the project’s objectives</td>
<td>D. Plans</td>
</tr>
<tr>
<td></td>
<td>E. Risk</td>
</tr>
<tr>
<td>3. Define the tolerance within a Work Package to be agreed with a Team Manager</td>
<td>F. Change</td>
</tr>
<tr>
<td></td>
<td>G. Progress</td>
</tr>
</tbody>
</table>
### Case Study - 2

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Controlling a Stage + Managing Product Delivery</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Processes</td>
<td>9</td>
<td>B</td>
<td>4</td>
</tr>
</tbody>
</table>

Column 1 is a list of entries from the Daily Log that were made during stage 4 in the Controlling a Stage process. For each entry in Column 1, select the first management product from Column 2 that should be updated, or created, as a result of the entry. Each selection from Column 2 can be used once, more than once or not at all.

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The Executive has asked for a minor change to the baselined detailed</td>
<td>A. Work Package</td>
</tr>
<tr>
<td>design document. This change will not affect any other products.</td>
<td>B. Team Plan</td>
</tr>
<tr>
<td>2. Staff communication was very useful in getting support from MFH</td>
<td>C. Issue Register</td>
</tr>
<tr>
<td>staff who will be affected by the restructuring of Facilities services</td>
<td>D. Stage Plan for stage 4</td>
</tr>
<tr>
<td>3. The Facilities Team Manager requires formal instructions to begin</td>
<td>E. Lessons Log</td>
</tr>
<tr>
<td>the planned work to implement the future Facilities staffing structure.</td>
<td>F. Project Plan</td>
</tr>
<tr>
<td>4. The selected external supplier is concerned that there are delays</td>
<td></td>
</tr>
<tr>
<td>with Government departments getting work signed-off after completion.</td>
<td></td>
</tr>
</tbody>
</table>
### Case Study - 2

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<td>9</td>
<td>C</td>
<td>5</td>
</tr>
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</table>

Stage 4 has started and the Information Technology Team Manager is responsible for the Work Package to implement the new hardware and software solution.

Answer the following 5 questions about the actions the Information Technology Team Manager should take during the Managing Product Delivery process to deal with the events and situations described. Remember to limit your answers to the number of selections requested in each question.

1. While producing the Team Plan to deliver the agreed Work Package, the Team Manager discovered that the representatives assigned to check the products were unsuitable.

Which 2 actions should the Team Manager take in response to this situation?

A. Ask the Project Manager to confirm this information.

B. Discuss the situation with Project Assurance.

C. Advise the Project Manager of this risk.

D. Update the Quality Register with these concerns.

E. Notify the Project Manager by raising an Exception Report explaining why the reviewers are unsuitable.
2. The chair of a quality review meeting advised the Team Manager that, because there were so many major issues, the product had been rejected. The presenter estimated that the corrections would take about two weeks. The re-assessment of the product will take a further week resulting in a three-week delay. The Work Package only has one-week tolerance. Which 2 actions should the Team Manager take in response to this situation?

A. Ask the reviewers to work overtime to prevent the delay.

B. Ensure that the situation is included in the next Highlight Report.

C. Raise an issue explaining that tolerances are forecast to be exceeded.

D. Advise the Project Manager of the risk that there may be a two-week delay in the delivery of one of the products.

E. Ensure that the Quality Register is updated with the quality review result.

3. Two weeks after starting work the Team Manager noticed that each completed product had exceeded its estimated effort by around 10%. If this trend continues the Work Package will exceed its agreed cost tolerance of 5%. Which 2 actions should the Team Manager take in response to this situation?

A. Check the status of the products currently being worked on and analyze the effort expended.

B. Update the Stage Plan by increasing all future work estimates by 10%.

C. Amend the Work Package and ensure that the revised targets are met.

D. Escalate the situation in the next Checkpoint Report.

E. Raise an issue that costs will exceed tolerance if the current trend continues.
Case Study - 2

4. The Team Manager has received notification that the new hardware and software solution has been installed and completed, but there is a concern that it has not been approved by the appropriate people. Which 2 actions should the Team Manager take to check that the products have been approved as required?

A. Check the Quality Register for the sign-off date on which the quality activity was complete.
B. Check the Product Descriptions to ascertain who should have approved the products.
C. Check the Configuration Management Strategy for product handover procedures.
D. Check the approval method required in the Work Package.
E. Check the Product Descriptions for the quality method required.

5. The Work Package has been in progress for four weeks and has four weeks remaining. The Information Technology Team Manager is concerned that he has no idea what the Facilities Team Manager is doing about preparing to implement the new Facilities staffing structure. He is uncertain about what should be happening.

Which 2 initial actions should the Team Manager take in response to this concern?

A. Notify the Project Manager by raising an Exception Report.
B. Raise this concern in the next fortnightly Highlight Report.
C. Check the Communication Management Strategy to ascertain what records of communications with the selected external supplier are required.
D. Check the Information Technology Work Package for development interfaces.
E. Raise an issue to notify the Project Manager of this concern.