



*The Foundation Examination*

Sample Foundation Examination  
Paper 1 version 4.0

Multiple Choice

*Instructions*

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1. All 75 questions should be attempted.
2. There are no trick questions.
3. All answers are to be marked on the original examination paper.
4. Please use a pen to mark your answers with either a  $\surd$  or X.
5. You have 1 hour for this paper.
6. You must get 38 or more correct to pass.

*Candidate Number:* .....

1. Which PRINCE2 management product initially provides the Business Case with the reasons why the project outcome is needed?
  - a) Initial Project Plan
  - b) Project Approach
  - c) Project Mandate
  - d) Project Plan
  
2. Which PRINCE2 management product keeps track of Requests for Change?
  - a) Checkpoint Report
  - b) Issue Log
  - c) Quality Log
  - d) Exception Report
  
3. What provision in the *Planning* process can be made for implementing modifications to the current specification of a product?
  - a) Change budget
  - b) Contingency budget
  - c) Contingency plan
  - d) Cost and time tolerance
  
4. Fill in the missing phrase from, “ a project is a management environment that is created for the purpose of delivering one or more business products according to .....

  - a) ....a specified Business Case.”
  - b) ....an agreed contract.”
  - c) ....the Project Plan.”
  - d) ....the customer’s needs.”

  
5. In what sequence would the following appear in a PRINCE2 project?
  - 1) Project Initiation Document
  - 2) Project Mandate
  - 3) Project Brief
  - a) 1,2 and 3
  - b) 2,3 and 1
  - c) 3,1 and 2
  - d) 3,2 and 1

6. Which would require the production of an Exception Report?
- a) When a Project Issue is received stating that a new risk has been identified.
  - b) When a Project Board member raises a complaint after receiving a Highlight Report.
  - c) When a Request For Change or Off-Specification is received from a stakeholder.
  - d) When the current forecast for the end of the stage deviates beyond the delegated tolerance bounds.
7. Which statement is NOT a fundamental principle of *Closing a Project*?  
“A clear end to a project....”
- a) ....is always more successful than the natural tendency to drift into operational management.”
  - b) ....provides a useful opportunity to take stock of achievements.”
  - c) ....provides an opportunity to ensure that all unachieved goals and objectives are identified.”
  - d) ....provides the opportunity to evaluate achievement of all the expected benefits.”
8. Which is one of the few techniques offered by PRINCE2?
- a) Configuration management
  - b) Product based planning
  - c) Risk analysis
  - d) Risk management
9. Which of the following does NOT involve the Project Board?
- a) Exception assessment
  - b) Highlight Reports
  - c) Project closure
  - d) Work Package authorisation
10. When is the Project Manager permitted to deviate from a Stage Plan without immediately having to report it?
- a) When the deviation is within the tolerance levels set by corporate / programme management for the project.
  - b) When the deviation is only slightly beyond the tolerances set for the stage.
  - c) When the deviation is within the maximum and minimum tolerance levels set for the stage.
  - d) When the deviation is beyond minimum tolerance on cost and time for the stage.

11. There must be close liaison between configuration management and which other PRINCE2 component?
- a) Change control
  - b) Plans
  - c) Quality in a project environment
  - d) Management of risk
12. Which of these processes does NOT trigger the *Planning* process?
- a) *Controlling a Stage*
  - b) *Initiating a Project*
  - c) *Managing Stage Boundaries*
  - d) *Starting up a Project*
13. Which PRINCE2 management product would be regarded as a control, as opposed to a report or a plan?
- a) Follow-on Action Recommendations
  - b) Organisation Structure
  - c) Project Approach
  - d) Work Package
14. If, after a quality review follow-up action, an error is still not resolved, what action should be taken?
- a) A Project Issue is raised
  - b) A concession is raised
  - c) An Exception Report is raised
  - d) The review is reconvened
15. Which of the following is NOT a PRINCE2 definition of a project?
- a) Has an organisation structure
  - b) Produces defined and measurable business products
  - c) Uses a defined amount of resources
  - d) Uses a defined set of techniques

16. Which of the following statements regarding the PRINCE2 customer / supplier environment is FALSE?
- a) Any reference in the PRINCE2 manual to the Business Case usually means the customer's Business Case.
  - b) In customer / supplier situations, there will always be two Business Cases.
  - c) The customer / supplier may be part of the same corporate body, or may be independent of each other.
  - d) The Executive role is defined to look after the business interests of the customer and supplier.
17. Which feature of PRINCE2 tells the Project Manager where a product is, what its status is and who is working on it?
- a) Checkpoint Report
  - b) Configuration management
  - c) Product Description
  - d) Work Package
18. In the process *Closing a Project* the project files are archived. What is the explanation given for this?
- a) Never throw anything away.
  - b) This material may be needed by programme management.
  - c) To permit any future audit of the project's actions.
  - d) To provide useful lessons to future projects.
19. Which of the following statements is FALSE? Project Managers using PRINCE2 are encouraged to ...
- a) ... divide the project into manageable stages for more accurate planning.
  - b) ... establish terms of reference as a prerequisite to the start of the project.
  - c) ... provide brief reports to management at regular meetings.
  - d) ... use a defined structure for delegation, authority and communication.
20. Which is NOT one of the four steps of the product based planning technique?
- a) Identifying dependencies
  - b) Producing a Product Breakdown Structure
  - c) Writing a Product Description for the final product
  - d) Writing Product Descriptions of each significant product

21. In which order would the following occur in the risk management cycle?
- 1) Assessing probability and impact of the risks.
  - 2) Balancing the cost of taking action against the likelihood and impact of allowing the risk to occur.
  - 3) Logging the risk.
  - 4) Watching for the early warning signs for a change in the risk's status.
- a) 2,1,4 and 3  
b) 2,4,3 and 1  
c) 3,1,2 and 4  
d) 4,3,1 and 2
22. Which document lists the major products of a plan with their key delivery dates?
- a) Checkpoint Report
  - b) Product Breakdown Structure
  - c) Product Checklist
  - d) Product Description
23. What is the configuration of the final deliverable of the project?
- a) The description of the product
  - b) The interim products
  - c) The single end product
  - d) The sum total of its products
24. Which part of a product lifespan is not part of a project life cycle in the eyes of PRINCE2?
- a) Assessment of the value of the product after a period of use.
  - b) Finalisation of the Business Case.
  - c) The change-over to operational use of the product.
  - d) The specification of the product.
25. In which order would these activities concerning Project Issues occur?
- 1) Evaluate the impact of the issue
  - 2) Log the issue
  - 3) Recommend a course of action
  - 4) Update the Risk Log if the issue relates to an identified risk or reveals a new risk
- a) 1,3,4 and 2  
b) 2,4,1 and 3  
c) 1,2,4 and 3  
d) 2,1,4 and 3

26. Which of these statements is FALSE?
- a) A Team Plan needs approval by the Project Board.
  - b) An Exception Plan needs the approval of the next higher level of authority.
  - c) For each stage identified in the Project Plan, a Stage Plan is required.
  - d) The Project Plan is an overview of the total project.
27. Which of the following statements is FALSE?
- a) A company's quality management system becomes part of PRINCE2.
  - b) A customer's quality expectations should be discovered in the process *Starting Up a Project*.
  - c) PRINCE2 may form part of a company's quality management system.
  - d) The Stage Plan describes in detail how part of the Project Plan will be carried out.
28. Which one of these statements describes the true purpose of Acceptance Criteria?
- a) A justification for undertaking the project based on estimated costs and anticipated benefits.
  - b) A measurable definition of what must be done for the final product to be acceptable to the customer.
  - c) To provide a full and firm foundation for the initiation of a project.
  - d) To trigger *Starting up a Project*.
29. How often does PRINCE2 recommend that open Project Issues should be reviewed?
- a) At checkpoint meetings
  - b) At Exception assessments
  - c) On a regular basis
  - d) Weekly
30. Which of these PRINCE2 management products would be reviewed at the end of each stage?
- 1) Business Case
  - 2) Project Brief
  - 3) Project Plan
  - 4) Risk Log
- a) 1,2 and 3
  - b) 1 and 3
  - c) 1,3 and 4
  - d) 1 and 4

31. Why is a copy of the Project Issue always returned to the author?
- a) The author owns it.
  - b) To acknowledge its receipt and entry into the system.
  - c) To elicit further information.
  - d) To notify rejection of the Issue.
32. Which of the options below is used to review the total benefits achieved by the project?
- a) End Project Report
  - b) Follow-on Action Recommendations
  - c) Post-Project Review
  - d) Quality review
33. Which of these statements is FALSE?
- a) A PRINCE2 project has a finite life cycle.
  - b) A PRINCE2 project has a defined amount of resources.
  - c) A PRINCE2 project may have only activities, i.e. no products.
  - d) A PRINCE2 project has an organisation structure with defined responsibilities to manage the project.
34. Which ONE of the following statements concerning a 'risk owner' is FALSE?
- a) Each risk owner is identified in the Risk Log.
  - b) Project Board members may be appointed as risk owners.
  - c) The risk owner would be the person best situated to keep an eye on the risk.
  - d) The risk owner would normally be responsible for analysis of the owned risk.
35. Which PRINCE2 management product reviews actual achievements against the Project Initiation Document?
- a) End Project Report
  - b) Follow-On Action Recommendations
  - c) Lessons Learned Report
  - d) Post-Project Review Plan

36. In PRINCE2, how are all potential changes dealt with?
- a) Configuration items
  - b) Exception Reports
  - c) Project Issues
  - d) Follow-on Action Recommendations
37. Which one of these is NOT a key criterion for producing a Product Flow Diagram?
- a) Are the products clearly and unambiguously defined?
  - b) Is any product dependant on a product outside the scope of this plan?
  - c) On what other products is each product dependent?
  - d) Which products can be developed in parallel?
38. For a quality review, when are suitable reviewers identified?
- a) During the quality review preparation step
  - b) In planning the relevant stage
  - c) In the Project Quality Plan
  - d) When the product is passed to configuration management
39. The existence of what PRINCE2 management product is checked in the process *Starting Up a Project* and its initial version finalised in *Initiating a Project*?
- a) Business Case
  - b) Project Brief
  - c) Project Mandate
  - d) Project Plan
40. Which would NOT form part of the composition of the Business Case?
- a) An explanation of why the project is needed
  - b) Options considered to deliver the required outcome
  - c) The chosen option to deliver the required outcome
  - d) The sources of information or supply for the final product of the project

41. PRINCE2 lists a number of reasons why it is seldom desirable or possible to plan an entire project in detail at the start. Which of these is NOT one of these reasons?
- a) A changing or uncertain environment
  - b) A PRINCE2 requirement
  - c) Difficulty in predicting business conditions in the future
  - d) Difficulty in predicting resource availability well into the future
42. In which process is the Project Brief produced?
- a) *Directing a Project*
  - b) *Initiating a Project*
  - c) *Managing Product Delivery*
  - d) *Starting up a Project*
43. When should a Product Description be baselined?
- a) As soon as it is available in draft form.
  - b) As soon as it is written.
  - c) When the associated product has passed its quality check.
  - d) When the plan containing its creation is baselined.
44. What period does an Exception Plan cover?
- a) From the problem to the end of the project.
  - b) From the problem to the end of a plan that will no longer finish within agreed tolerances.
  - c) The work needed to put the project back within its tolerances.
  - d) The time needed to produce an Exception Report.
45. There are several benefits that the end stage assessment brings to a project. Which one of the following is NOT a benefit?
- a) To enable the approval of an Exception Report.
  - b) To ensure that key decisions are made prior to the detailed work needed to implement them.
  - c) To provide a 'fire break' for the project by encouraging the Project Board to assess the project viability at regular intervals.
  - d) To provide a review of a risky project at key moments when new information about those risks appears.

46. The initial Project Plan is based on the Project Brief, the Project Quality Plan and which other product?
- a) The Initiation Stage Plan
  - b) The Project Approach
  - c) The Project Initiation Document
  - d) The Project Mandate
47. Which PRINCE2 management product is a record of some current or forecast failure to meet a requirement?
- a) Exception Report
  - b) Follow-On Action Recommendations
  - c) Highlight Report
  - d) Off-Specification
48. Which of the following responsibilities does NOT belong to the role of the producer during a formal quality review?
- a) Agree actions to resolve errors.
  - b) Distribute a copy of the product and its Product Description.
  - c) Obtain sign-off from reviewers for changes made to the product.
  - d) Sign off that errors have been resolved satisfactorily.
49. The process *Controlling a Stage* drives which other process on a frequent, iterative basis?
- a) *Directing a Project*
  - b) *Managing Product Delivery*
  - c) *Managing Stage Boundaries*
  - d) *Planning*
50. In which process is the Project Quality Plan created?
- a) *Directing a Project*
  - b) *Initiating a Project*
  - c) *Managing Stage Boundaries*
  - d) *Starting up a Project*

51. Which of the following can be described as “partitions of the project with decision points?”
- a) Highlight Reports
  - b) Processes
  - c) Stages
  - d) Tolerances
52. In which sub-process of *Controlling a Stage* is the Risk Log updated?
- a) *Assessing Progress*
  - b) *Capturing Project Issues*
  - c) *Examining Project Issues*
  - d) *Reporting Highlights*
53. If a question arises on why a particular product was changed, which element of PRINCE2 would be of most help in finding the information?
- a) Change control
  - b) Configuration management
  - c) Issue Log
  - d) Quality Log
54. In which sub-process is a Stage Plan updated with actuals?
- a) *Assessing Progress*
  - b) *Planning a Stage*
  - c) *Reporting Highlights*
  - d) *Reviewing Stage Status*
55. In which sub-process is progress and status information fed back to Project Manager via Checkpoint Reports?
- a) *Assessing Progress*
  - b) *Delivering a Work Package*
  - c) *Executing a Work Package*
  - d) *Reviewing Stage Status*

56. Which statement or statements are TRUE?

- 1) Delegated Project Assurance roles report directly to corporate or programme management
- 2) In PRINCE2 the Project Manager role must be full time
- 3) A project management structure is a temporary structure

- a) All are false
- b) 1 only
- c) 2 only
- d) 3 only

57. When does the process *Directing a Project* begin?

- a) After the start-up of the project
- b) At the end of the Initiation Stage
- c) Before start-up of the project
- d) From *Starting up a Project*

58. In which of the following processes is the Business Case reviewed and updated?

- a) *Controlling a Stage*
- b) *Directing a Project*
- c) *Managing Product Delivery*
- d) *Managing Stage Boundaries*

59. The existence of what information is expected by the process *Starting Up a Project*?

- a) An appointed organisation
- b) Project Initiation Document
- c) Project Mandate
- d) Project Plan

60. In the PRINCE2 document management structure, how many types of file are recommended?

- a) One for each stage
- b) Two, management and specialist
- c) Just the quality file
- d) Three; project, stage and quality

61. Which activity is NOT included in the role description of the quality review chairman?
- a) Check that the product is ready for review.
  - b) Ensure all agreed errors are recorded on a follow-up action list.
  - c) Gather in question lists and set the review meeting agenda.
  - d) Read back the agreed actions at the end of the meeting and note who is to take corrective action.
62. The use of which of the following is mandatory in a PRINCE2 project?
- a) Exception Plans
  - b) Product Checklists
  - c) Team Managers
  - d) Stages
63. The Project Board has four responsibilities towards the management of risk. Which of the following options is the FALSE one?
- a) Identifying, recording and regularly reviewing risks
  - b) Making decisions on recommended reactions to risk
  - c) Notifying the Project Manager of any external risk exposure to the project
  - d) Striking a balance between levels of risk and potential benefits
64. What function creates, maintains and monitors the use of a quality system?
- a) Project Support
  - b) Quality Assurance
  - c) Quality Control
  - d) Quality Planning
65. Which is NOT a purpose of configuration management?
- a) Create products
  - b) Identify products
  - c) Protect products
  - d) Track products

66. Which step is NOT part of the sub-process *Accepting a Work Package*?
- a) Agree tolerance margins for the Work Package.
  - b) Monitor and control the risks associated with the Work Package.
  - c) Produce a Team Plan which shows that the Work Package can be completed within the constraints.
  - d) Understand the reporting requirements.
67. Which process provides the information needed for the Project Board to assess the continuing viability of the project?
- a) *Controlling a Stage*
  - b) *Managing Stage Boundaries*
  - c) *Planning*
  - d) *Starting up a Project*
68. Which of the following is NOT part of the Communication Plan?
- a) The format in which the information should be presented
  - b) What information they need
  - c) Who needs the information
  - d) Why they need the information
69. In which process are decisions made on Exception Reports?
- a) *Closing a Project*
  - b) *Directing a Project*
  - c) *Managing Product Delivery*
  - d) *Managing Stage Boundaries*
70. Which process checks for changes to the project management team?
- a) *Closing a Project*
  - b) *Directing a Project*
  - c) *Managing Stage Boundaries*
  - d) *Starting up a Project*

71. From the PRINCE2 management products listed, which one is produced during *Starting Up a Project*?

- a) Project Approach
- b) Project Initiation Document
- c) Project Plan
- d) Project Quality Plan

72. Quality responsibilities, both within and external to the project, are defined in which process?

- a) *Directing a Project*
- b) *Initiating a Project*
- c) *Managing Stage Boundaries*
- d) *Starting up a Project*

73. Which of the following does NOT occur in the process *Managing Product Delivery*?

- a) Acceptance for completed products is obtained.
- b) Completed products are handed over.
- c) The Issue Log is updated by the Team Manager.
- d) The Project Manager is advised of Work Package completion.

74. In which sub-process is an Exception Report produced?

- a) *Escalating Project Issues*
- b) *Reporting Highlights*
- c) *Reviewing Stage Status*
- d) *Taking Corrective Action*

75. Which of the following are functions of the process *Starting up a Project*?

- 1) Setting up the project management team.
  - 2) Developing the Project Mandate into the Project Brief
  - 3) Confirming the Project Approach.
  - 4) Creating the Issue Log
- a) 1,2,3 and 4
  - b) 1,2 and 3
  - c) 1 and 3
  - d) 1,3 and 4