**Chapter 02 - The three domains of project organizing**

**Test Bank**

**Type: multiple choice question**

**Title:** Chapter 02 Question 1

01) Overall strategic intent of a project – what is to be delivered to a client is a definition of:

a. Project scope

**Feedback:** Incorrect. Project scope is a detailed outline of all aspects of a project.

A-head reference: 2.1

b. Project direction.

**Feedback:** Incorrect. Project direction is a vision for how project is going to be delivered; it is not a commonly used concept in project management.

A-head reference: 2.1

\*c. Project mission.

**Feedback:** Correct. Project mission is overall strategic intent of a project – what is to be delivered to a client.

A-head reference: 2.1

d. Project lifecycle

**Feedback:** Incorrect. Project lifecycle is the process that takes us from idea to reality - from the first idea that there is a potential for achieving performance improvement to delivering an operating facility that enables us to achieve that benefit.

A-head reference: 2.1

**Type: multiple choice question**

**Title:** Chapter 02 Question 2

02) The domain that is populated by a diverse range of different types of project-based firms. They share business model in which they supply the human and material resources required by owners to deliver the outputs.

a. The delivery domain

**Feedback:** Incorrect. The delivery domain is populated by temporary organizations that draw on the financial resources from the owner domain and the human and material resources from the supplier domain to deliver the outputs to the owner.

A-head reference: 2.2

b. The owner domain

**Feedback:** Incorrect. The owner domain is populated by owner organizations that shape project missions to further their longer-term strategies.

A-head reference: 2.2

c. The commercial interface

**Feedback:** Incorrect. The commercial interfacebetween the owner and its suppliers; its effective management ensures that the owner and supplier organizations are aligned in their incentives for the successful delivery of the outputs.

A-head reference: 2.2

\*d. The supplier domain

**Feedback:** Correct. The supplier domain is populated by a diverse range of different types of project-based firms. They share business model in which they supply the human and material resources required by owners to deliver the outputs.

A-head reference: 2.2

**Type: matching question**

**Title:** Chapter 02 Question 3

03) The three domains of project organizing generate a set of organizational interfaces, and their effective management is crucial for effective project organizing:

**Feedback:** The governance interface between the owner organization and the temporary organization charged with delivering the outputs is about ensuring that the delivery organization remains in line with the project mission.

The commercial interfacebetween the owner and its suppliers; its effective management ensures that the owner and supplier organizations are aligned in their incentives for the successful delivery of the output.

The resource interface between the temporary organization and the supplier organizations ensures that the suppliers are providing the right human and material resources at the right time to meet the requirement of delivery.

A-head reference: 2.2

a. The resource interface = between the owner and its suppliers; its effective management ensures that the owner and supplier organizations are aligned in their incentives for the successful delivery of the outputs

b. The commercial interface = between the owner organization and the temporary organization charged with delivering the outputs is about ensuring that the delivery organization remains in line with the project mission.

c. The governance interface = between the temporary organization and the supplier organizations ensures that the suppliers are providing the right human and material resources at the right time to meet the requirement of delivery.

**Type: multiple choice question**

**Title:** Chapter 02 Question 4

04) The domain that is populated by a diverse range of different types of project-based firms. They share business model in which they supply the human and material resources required by owners to deliver the outputs.

a. The delivery domain

**Feedback:** Incorrect. The delivery domain is populated by temporary organizations that draw on the financial resources from the owner domain and the human and material resources from the supplier domain to deliver the outputs to the owner.

A-head reference: 2.2

b. The owner domain

**Feedback:** Incorrect. The owner domain is populated by owner organizations that shape project missions to further their longer-term strategies.

A-head reference: 2.2

c. The commercial interface

**Feedback:** Incorrect. The commercial interfacebetween the owner and its suppliers; its effective management ensures that the owner and supplier organizations are aligned in their incentives for the successful delivery of the outputs.

A-head reference: 2.2

\*d. The supplier domain

**Feedback:** Correct. The supplier domain is populated by a diverse range of different types of project-based firms. They share business model in which they supply the human and material resources required by owners to deliver the outputs.

A-head reference: 2.2

**Type: multiple choice question**

**Title:** Chapter 02 Question 5

05) How can “dynamic uncertainty” be defined?

a. The condition when there are conflicting interpretations of issues and concerns.

**Feedback:** Incorrect. Dynamic uncertainty is the absence of information required for the decision that need to be taken at a point in time.

A-head reference: 2.3

b. The condition where the information is available, but it is too costly or time-consuming to collect and analyse.

**Feedback:** Incorrect. Dynamic uncertainty is the absence of information required for the decision that need to be taken at a point in time

A-head reference: 2.3

\*c. The absence of information required for the decision that need to be taken at a point in time.

**Feedback:** Correct. Dynamic uncertainty is the absence of information required for the decision that need to be taken at a point in time.

A-head reference: 2.3

d. The condition where the past is not a reliable guide to the future.

**Feedback:** Incorrect. Dynamic uncertainty is the absence of information required for the decision that need to be taken at a point in time.

A-head reference: 2.3

**Type: matching question**

**Title:** Chapter 02 Question 6

06) For a given project:

**Feedback:** For a given project:

A threat is a possible future event that could reduce the ability to achieve the project mission.

An opportunity is a possible future event that could improve the ability to achieve the project mission.

Uncertainty is the difference between the information required by a decision-maker for a decision and the information available to the decision-maker for that decision.

Ambiguity is the condition where the required information is potentially available but cannot be adequately processed by the decision-maker.

A-head reference: 2.4

a. Ambiguity = is a possible future event that could improve the ability to achieve the project mission.

b. Threat = is the condition where the required information is potentially available but cannot be adequately processed by the decision-maker.

c. Uncertainty = is a possible future event that could reduce the ability to achieve the project mission.

d. Opportunity = is the difference between the information required by a decision-maker for a decision and the information available to the decision-maker for that decision.

**Type: matching question**

**Title:** Chapter 02 Question 7

07) The future states of mind can be characterized as:

Feedback:

Known knowns (often called “risk”), is when we can make inferences from historical data using appropriate probabilistic techniques, assuming that there will be no change in the validity of that data in the future.

Known unknowns, is when a possible future threat or opportunity event can be identified but there are no reliable data available from which to make quantitative inferences.

Unknown knowns, is when threats or opportunities have been identified by someone but have not yet been disclosed to the decision maker – whether deliberately or not.

Unknown unknowns, is when threats or opportunities have not been identified, in other words the decision maker is in a state of ignorance.

A-head reference: 2.5

a. Unknown unknowns = is when we can make inferences from historical data using appropriate probabilistic techniques, assuming that there will be no change in the validity of that data in the future .

b. Unknown knowns = is when threats or opportunities have been identified by someone but have not yet been disclosed to the decision maker – whether deliberately or not.

c. Known unknowns = is when a possible future threat or opportunity event can be identified but there are no reliable data available from which to make quantitative inferences.

d. Known knowns = is when threats or opportunities have not been identified, in other words the decision maker is in a state of ignorance.

**Type: true-false**

**Title:** Chapter 02 Question 8

08) High organizational complexity can be generated by relationships internal and external to the three domains.

**\***a. True

**Feedback:** Correct. High organizational complexity can be generated by relationships internal (e.g. unwieldy owner join venture or myriad layers of subcontracted suppliers) and external (e.g. poorly understood stakeholder relationships, the ambiguity of regulatory oversight, rate of change of socio-economic environment) to the three domains.

A-head reference: 2.6

b. False

**Feedback:** Incorrect. It is true that high organizational complexity can be generated by relationships internal and external to the three domains.

A-head reference: 2.6

**Type: matching question**

**Title:** Chapter 02 Question 9

09) The principal four phases of projecting with the first two forming shaping and the second two forming delivery:

Feedback: Appraise addresses the question of whether we have a viable project for investment to produce the desired returns as captured in the project’s value proposition.

Select addresses the question of how the project is going to be delivered in terms of the selection of the elements of the socio-technical system that forms the output of the project.

Define covers the detailed specification of the scope of the project to ensure that all the elements are in place to support effective delivery.

Executeis the phase which typically generates the most attention in project organizing research because it delivers the specified output of the project, but is highly dependent upon the successful management of the prior three phases.

A-head reference: 2.5

a. Select = is the phase which typically generates the most attention in project organizing research because it delivers the specified output of the project, but is highly dependent upon the successful management of the prior three phases.

b. Define = addresses the question of how the project is going to be delivered in terms of the selection of the elements of the socio-technical system that forms the output of the project.

c. Execute = addresses the question of whether we have a viable project for investment to produce the desired returns as captured in the project’s value proposition.

d. Appraise = covers the detailedspecification of the scope of the project to ensure that all the elements are in place to support effective delivery.

**Type: matching question**

**Title:** Chapter 02 Question 10

10) Novelty is our third dimension, in which we can characterize the level of innovation by the temporary organization to provide the required outputs on a scale of incremental, through adoptive, to radical:

Feedback: An incremental innovation is an application of a technology previously used by a member of the project coalition to the project in hand. Typically, a supplier organization will supply their technology to meet the requirements of the owner’s value proposition.

An adoptive innovation is one where a technology already used and proven by other organizations externally is adopted by a member – or usually collaborating members – of the project coalition to meet the owner’s requirements.

A radical innovation is new to the world – an output which offers the potential of radically new outcomes. A radical innovation is not necessarily complex – penicillin was radical but discovered by accident.

A-head reference: 2.5

a. Radical innovation = is new to the world – an output which offers the potential of radically new outcomes..

b. Adoptive innovation = is an application of a technology previously used by a member of the project coalition to the project in hand. Typically, a supplier organization will supply their technology to meet the requirements of the owner’s value proposition.

c. Incremental innovation = is one where a technology already used and proven by other organizations externally is adopted by a member – or usually collaborating members – of the project coalition to meet the owner’s requirements.