



Welcome to our APM PMQ exam tips webinar

A little bit about us

Training ByteSize

- Family owned and run with a personal and supportive ethos that underpins our services
- We offer a range of project, programme and IT service management course with an average pass rate of 99%
- 5 ways to study: online, classroom, virtual classroom, onsite, or a blended combination
- 5 star reviews
- Blue chip clients

Terry Kent

- Experienced project and programme management professional
- Spent 37 years leading projects for BT
- Project management trainer since 2014 specialising in APM, PRINCE2 and Project Planning and Controls
- Call on in-depth experience to bring life to training courses



Let's begin!



Exam Format

- 3 hours duration (unless extra time has been awarded by APM)
- Closed book written / online exam that covers the full syllabus
- Delegates to choose 10 from a choice of 16 questions
- Maximum 50 marks per question
- Some questions may have a number of parts (marks per part shown)
- Delegates must do all parts of 10 questions (you can't mix and match!)
- Allow 15 minutes per question
- Pass mark is 55% therefore you need 275+ / 500 to pass

Exam hints and tips






- Make sure you do 10 questions
- Try to choose your best 10
- You can do in any order, so best to do your easiest first
- This should get off to a good start, which will help you relax
- Determine (calculation) questions will be question 16, if included
- Ensure you manage your time well, remember approx. 15 minutes per question.
So, 10 marks = 3 minutes!
- If you spend 20 minutes per question you will run out of time!
- Remember the pass mark is 55%, not 100%

Exam hints and tips (continued)

- Read the questions carefully, don't assume it's the same question as you may have seen while practicing
- Remember the marking scheme (see next slide)
- Make sure you include the obvious points
- The examiner can only mark what you write, not what you are thinking!
- If question is asking for “Benefits”, make sure you give benefits, don't just describe or explain the steps or process
- Mock / sample paper to be done for practice

Marking Scheme

- List & Describe 5 normally easier to pick up marks, must be different points and each must add value

-  2 marks
-  2 marks
-  2 marks
-  2 marks
-  2 marks

4 x 2 marks

4 x 2 marks

4 x 2 marks

4 x 2 marks

4 x 2 marks

- State one good sentence

5 marks

- Explain 5 needs more info in each point, each must be different point and each must add value

5 x 2 marks

5 x 2 marks

5 x 2 marks

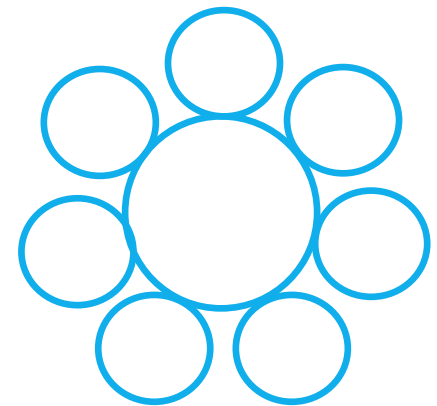
5 x 2 marks

5 x 2 marks

- Determine is a calculation

To expand answers or if you get stuck

- Kipling's Questions: What? Why? How? When? and Who?
- Ask Why? Why? Why?
- Daisy Diagram – by linking to other related topics it helps you expand your answers, but return to central topic in the question
- Consider the question from a different perspective, i.e. a different role or phase





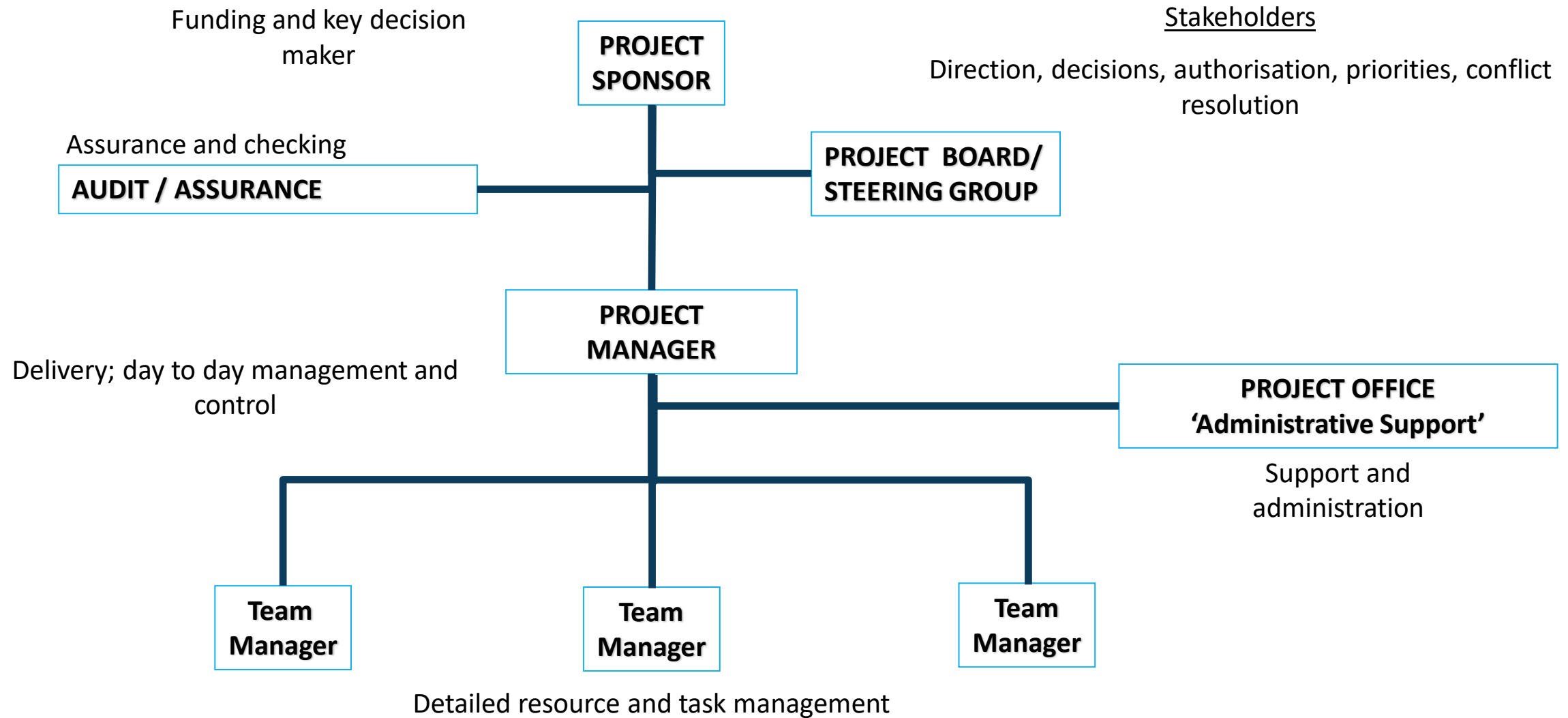
Q & A Session

Revision topics requested by some attendees

- Project office
- Requirements management
- Configuration management
- Investment appraisal
- Scheduling and Resource smoothing
- Budgeting control

But, this is not intended to be a training session, so here are just some quick reminders of these topics covered by the full training.

Project Roles



Requirements Management

“The process of capturing, assessing and justifying stakeholders’ wants and needs”

It’s about what, not how!

Gather - Analyse - Justify - Baseline

Requirements Management

From ALL stakeholders

Gather

ALL requirements

Analyse

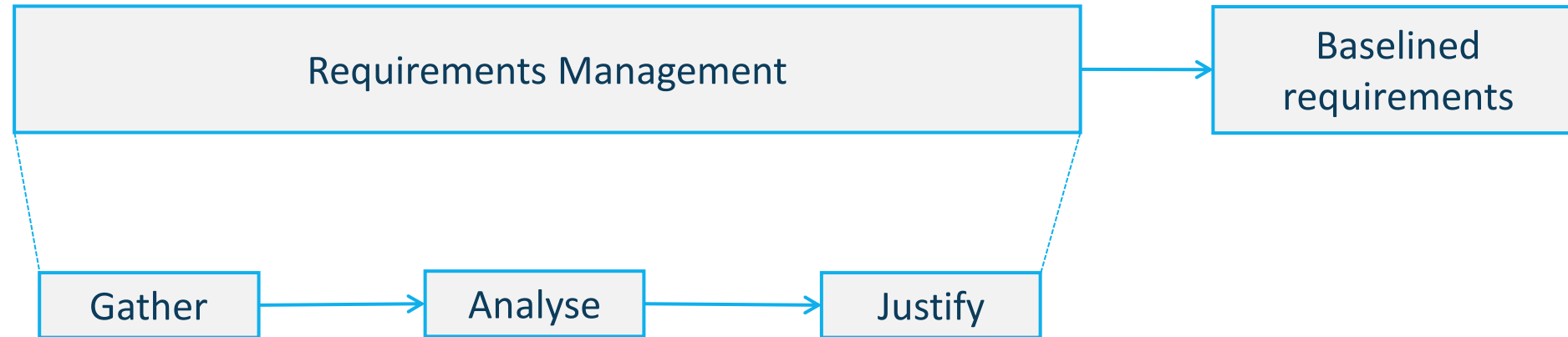
Justify

Baseline

[illegible]

Agreed list of baselined requirements

Requirements Management



A well specified requirement should be ...

- uniquely identifiable
 - current
 - consistent
 - understandable
 - verifiable
 - traceable
 - prioritised
- a single core requirement
 - up to date and relevant
 - does not contradict another
 - concise and unambiguous
 - via inspection, demonstration, analysis or test
 - from need through plans to delivery
 - in terms of relative importance.

Requirements Management

Requirements should be prioritised, for example by using **MoSCoW**...

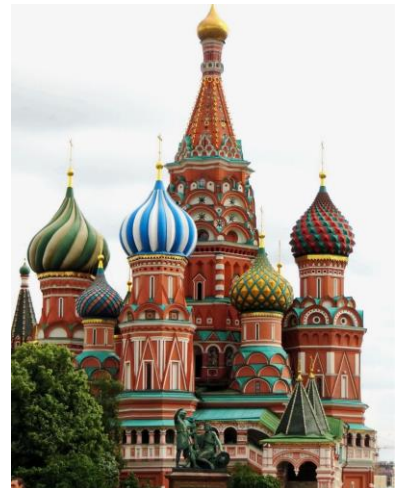
Must haves – without these being satisfied, the business case will not be achieved

Should haves – without these being satisfied, the business case will be weakened

Could haves – include if constraints allow – may generate additional benefits

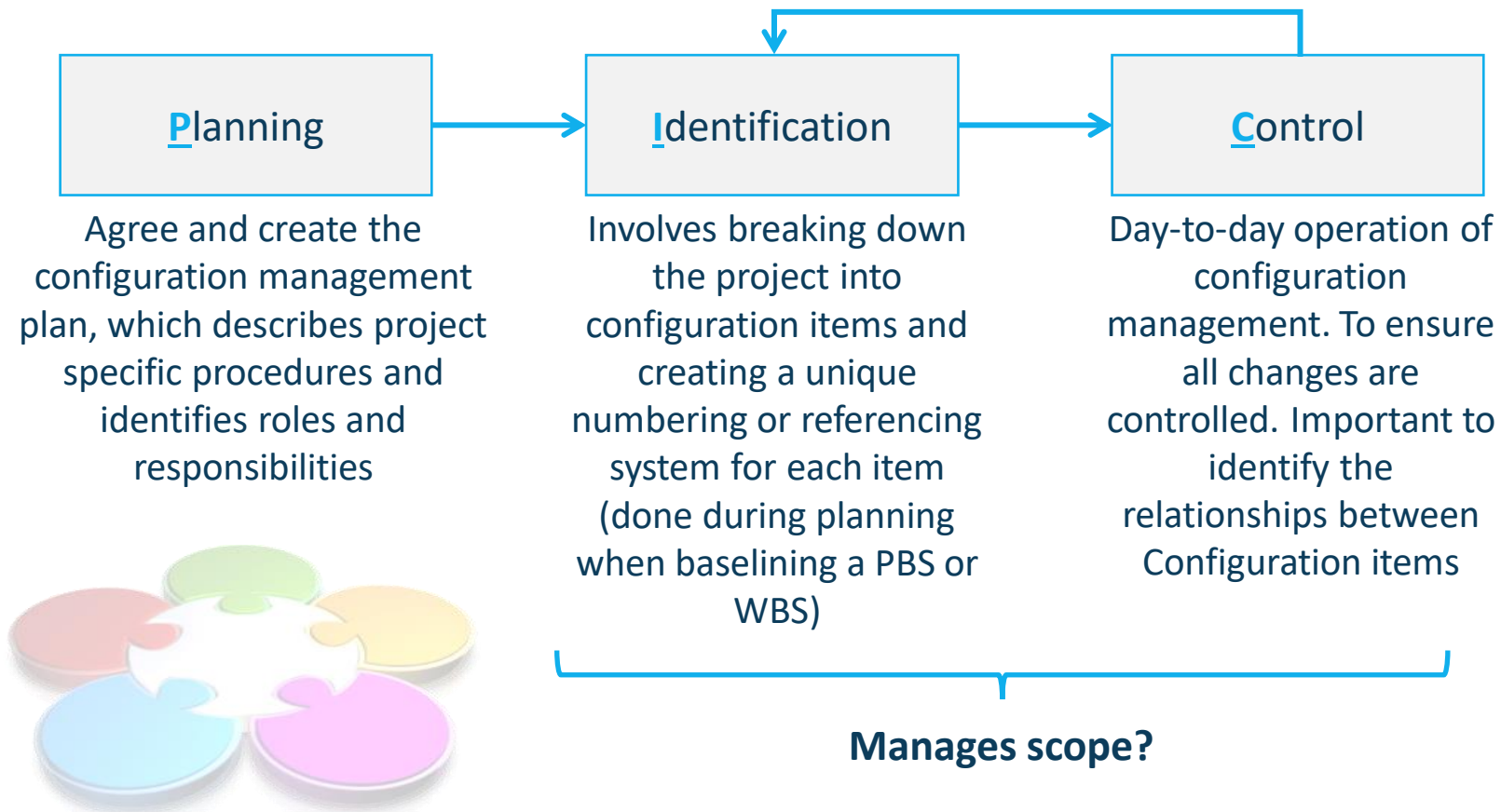
Won't haves – not to be included in project scope (for the time being)

Why is Requirements Management important?



Configuration Management (P.I.C.S.V)

Essential activities to verify the configuration of an output – (version control)



Status accounting

Provides records and reports for a deliverables and it's configuration information. Enables traceability throughout their development

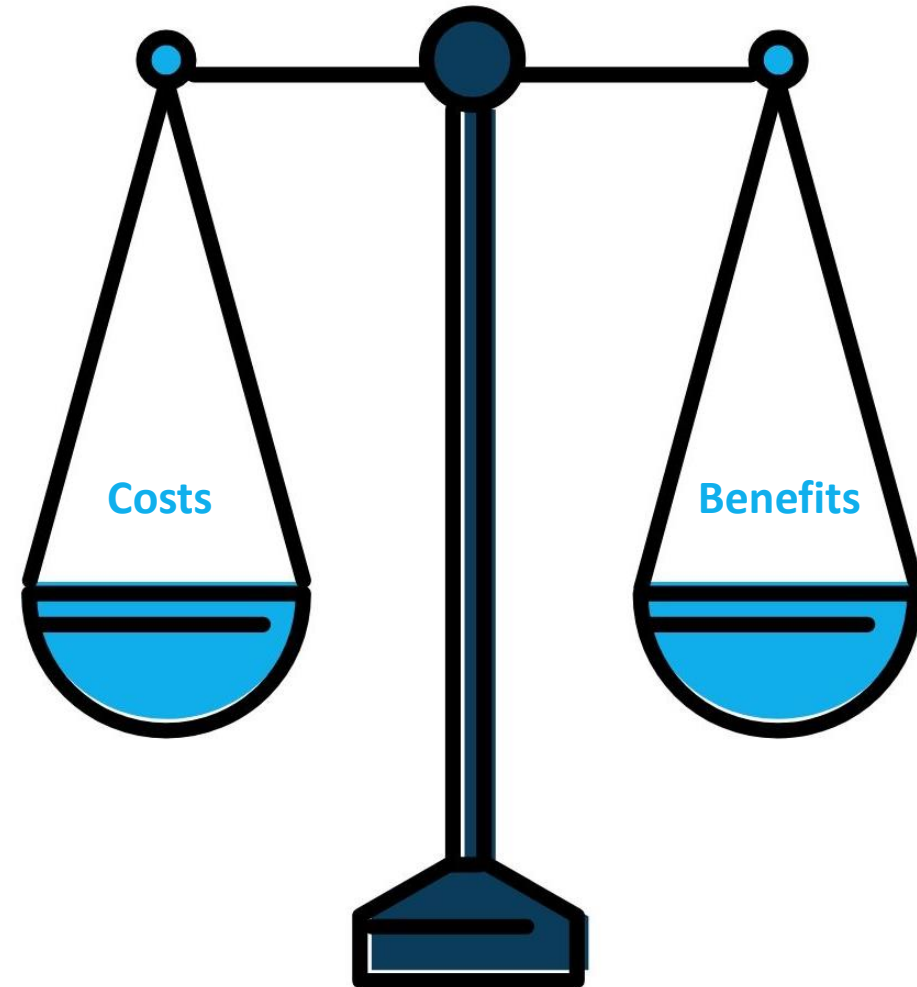
Verification audit

Used to determine whether a deliverable conforms to its requirements and configuration information. Typically undertaken at the end of a phase; when deliverable is finished or when transitioning into use

Investment Appraisal Techniques

“Investment appraisal is a collection of techniques used to identify the attractiveness of an investment”

1. Payback
2. NPV / DCF
3. IRR



Some payback advantages and disadvantages

Some advantages...

- ✓ simple and easy to use
- ✓ saves complex calculations for obviously non financially viable projects
- ✓ quickly prioritises projects with earlier financial payback
- ✓ acts as the basis of more complex calculations

Some disadvantages...

- x does not consider the time value of money
- x does not look at the whole project or post-project performance
- x is not appropriate for long term projects
- x is not really appropriate for detailed business case submission

The NPV Investment Appraisal technique

...uses Discounted Cash Flow (DCF) to work out the profit (or loss), taking account of future changes in the value of money...

Year	0	1	2	3	4	5
Costs	(100)	(20)	(20)	(20)	(40)	(30)
Benefits	0	40	80	100	100	100
Net cashflow	(100)	20	60	80	60	70
<i>Discount factor (at 6% discount rate)</i>	<i>1.00</i>	<i>0.94</i>	<i>0.89</i>	<i>0.84</i>	<i>0.79</i>	<i>0.75</i>
Discounted <i>cashflow</i>	(100)	19	53	67	48	52
Cumulative DCF	(100)	(81)	(28)	39	87	139 = NPV
Undiscounted ...						
<i>Net cashflow</i>	<i>(100)</i>	<i>20</i>	<i>60</i>	<i>80</i>	<i>60</i>	<i>70</i>
<i>Cumulative CF</i>	<i>(100)</i>	<i>(80)</i>	<i>(20)</i>	<i>60</i>	<i>120</i>	<i>190</i>

The IRR Investment Appraisal Technique

...Reduces the NPV of the project's investment to £0 - the rate of discounting required equates to the 'interest' returned...

Just like the interest rate returned on a deposit in a savings account

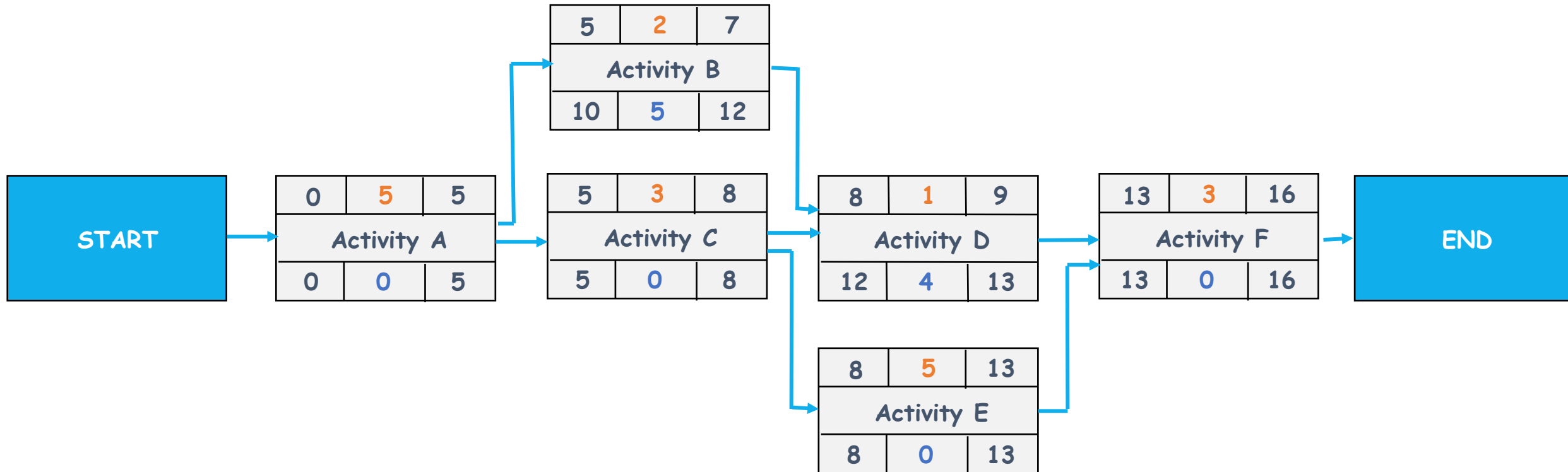
- ✓ gives a 'feel' for the returned profit compared to the investment
- ✓ easier comparison of alternative options
- ✓ which is the best savings account to invest in or ...
- ✓ which is the 'best' project to invest in



Definition: *"the discount rate which returns a NPV of £0 at a point in time"*

In simple terms – the interest which must be 'removed' to get to the break even point is the same as the amount of interest included in the NPV...

Precedence Networks

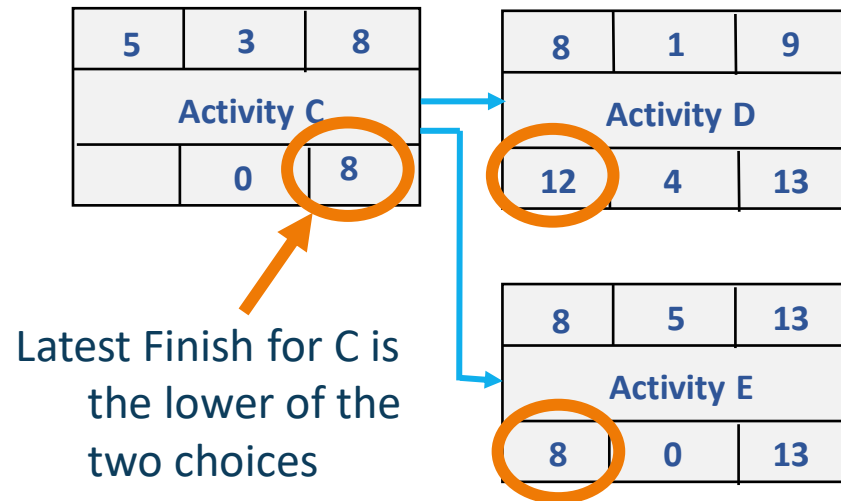
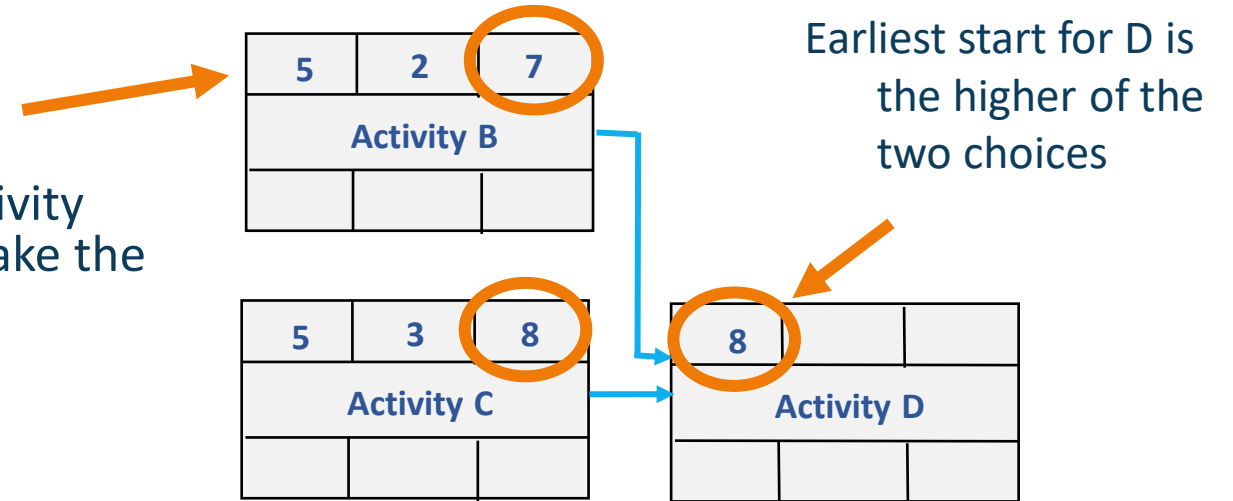


Critical Path Analysis

Forward Pass

Earliest Finish = Earliest Start + Duration

Where two or more arrows go into one activity (i.e. there is a choice for Earliest Start), take the highest Earliest Finish



Backward Pass

- Latest Start = Latest Finish – Duration
- Where two or more arrows go into one activity (i.e. there is a choice for Latest Finish), take the lowest Latest Start

Total Float = Latest Start – Earliest Start

Resource 'Smoothing' versus 'Levelling'

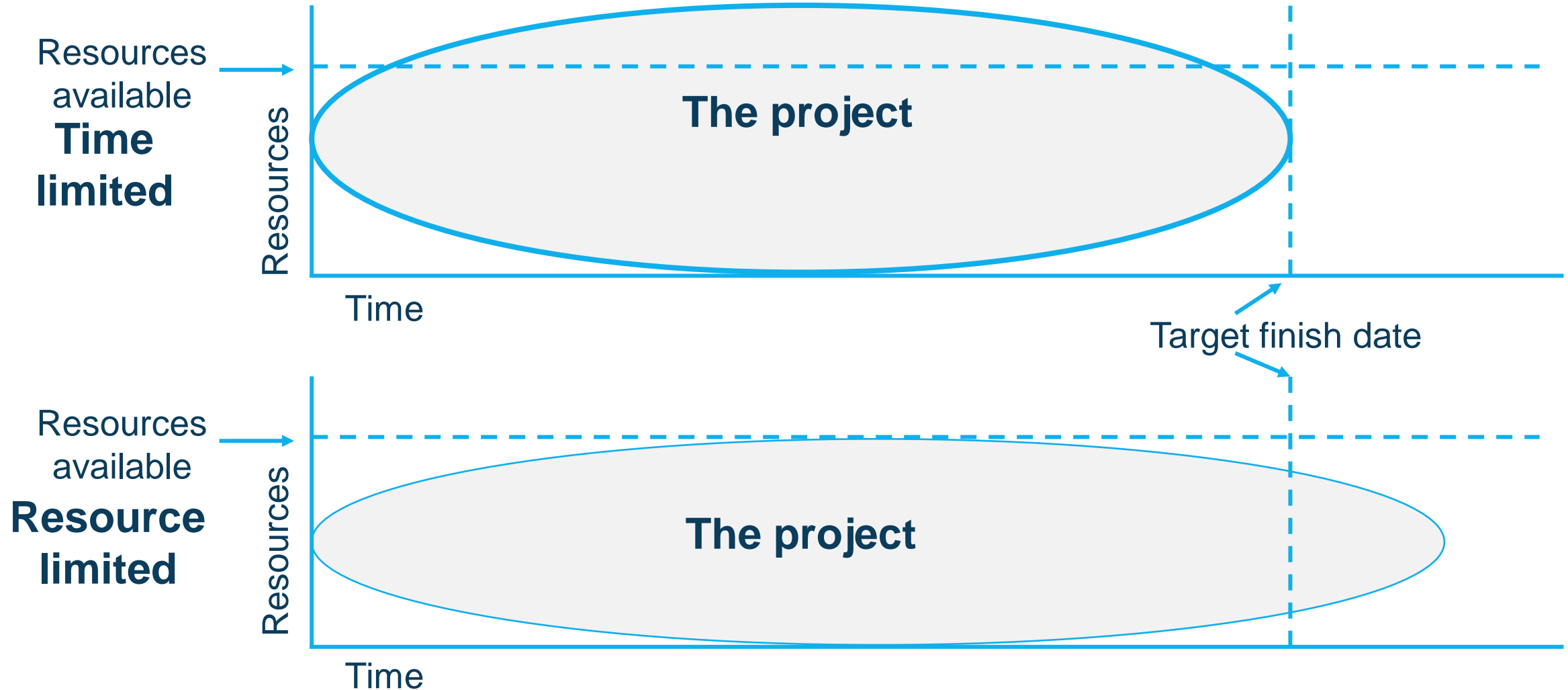
Resource '**Smoothing**'

Time-limited scheduling. Use float and/or vary the number of resources per activity in order to achieve a smooth resource curve. Does not affect project duration.

Resource '**Levelling**'

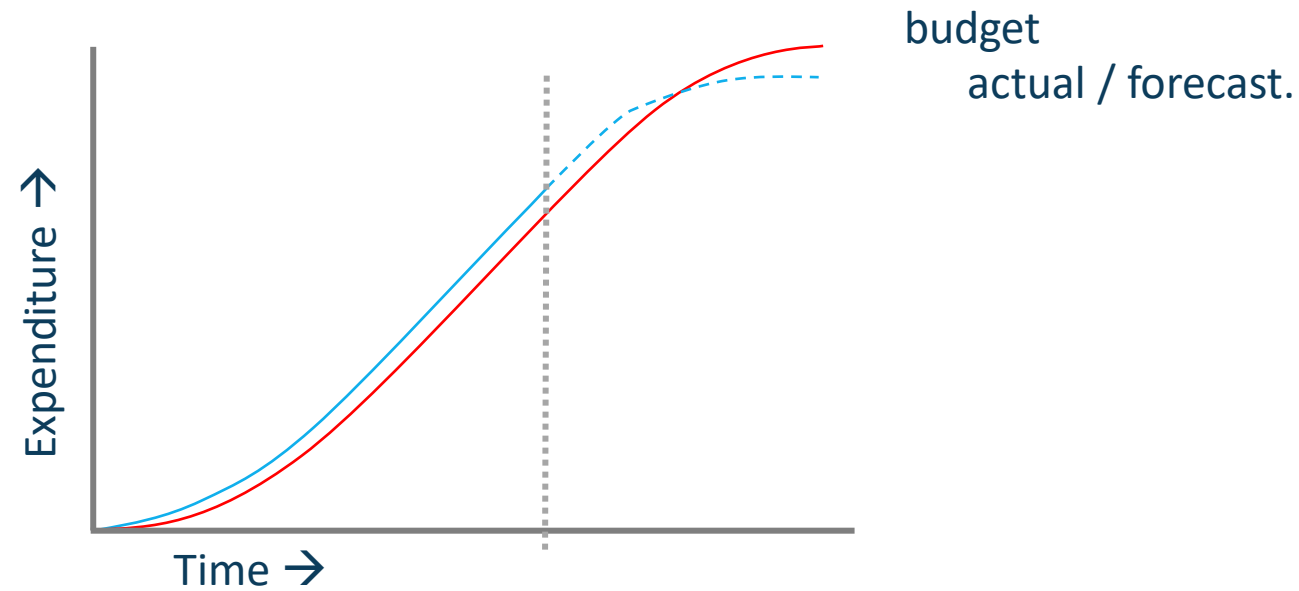
Resource-limited scheduling. Activity durations may be extended or activities delayed to meet resource constraints. Project duration will be affected.

Time-Limited and Resource-Limited Scheduling



Budgeting and cost control

‘Budgeting and cost control comprise the estimation of costs, the setting of an agreed budget, and management of actual and forecast costs against that budget’



Budgeting and cost control

The major components of a budget are:

- The **base cost estimate**, including known costs such as:
 - human resources
 - accommodation
 - consumables
 - expenses
 - capital items ...
- **Contingency**
(for control of identified risks)
- **Management reserve**
(for unforeseen costs e.g. changes or unidentified risks)



Budgeting and cost control

The forecast cost is reported against the budget, and it comprises of:

- **Actual costs**
Payments already made for goods and services already received
- **Accrued costs**
Payments owed for goods and services already received
- **Committed costs**
Contractually binding amounts which **will still need to be spent**, possibly even if the project is cancelled (e.g. future rental of equipment which was committed to in order to obtain preferential pricing)
- The **estimate to complete** - the **controllable** forecast



Questions also you asked

- Will there be any exercises included in the exam?
 - Answer – Yes in the PMQ exam, determine CPA or EVM
- Should I memorise the definitions given in the book?
 - Answer – Don't need to remember, rather to understand
- Should I memorise all the models included in the book?
 - Answer – They will be useful, i.e Tuckman (Team Development), Hersey & Blanchard (Situational Leadership) & Thomas-Kilmann (Conflict Options)
- Is the exam a open or closed book exam?
 - Answer - Closed book



Q & A Session

Any further questions?
Course Topics?
Exam?

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Thank you for listening
Good luck with your exam



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