

Product Development Professional (NPDP) Certification Exam

1. Kano analysis can help you weed out requirements for different customers to determine which have the lowest priority.

A. True

B. False

Answer(s): B

2. _____ is the strategy defined by Miles and Snow for those companies that rapidly follow Prospector companies.

A. Responder

B. Defender

C. Analyzer

D. Reactor

Answer(s): C

3. Which of the following is the best answer regarding the use of financial analysis to evaluate new products?

A. Financial analysis is easy and straightforward for new products - just generate a forecast and calculate an ROI

B. Forecasts and financial analysis should be viewed as a living thing - it evolves and is revised as we learn more about the new product/concept

C. The same type of forecasts and financial analyses should be used for all project types: new to the world, new to the company, product improvements, platforms, etc. because this consistency results in more accurate analysis

D. You can and should generate a sales history for forecasting and financial analysis for a new product

Answer(s): B

4. What quantitative market research tool should be used to identify a gap in the products offered to a market?

A. Secondary research

B. Lead users

C. Any appropriate multivariate technique

D. On-line forums

Answer(s): C

5. A weakness of NPV method for assessing projects in portfolio management is that:

A. Projects cannot be rank ordered

B. NPV doesn't allow for resource allocation

C. Tools for calculating NPV are not readily available

D. It is difficult to determine accurate cash flow data for projects, especially early in the development process

Answer(s): D

6. Which of these considerations affect the product and platform roadmap?

A. I, II, III

B. I, III, IV

C. II, III, IV

D. I, II, III, IV

Answer(s): D

7. A product innovation charter includes which of the following for a new product concept:

A. I and II

B. I and III

C. II and III

D. I, II and III

Answer(s): A

8. A company has decided to embark on a high-risk project that is focused on the development of a product outside the traditional boundaries of company operation. What type of team structure would be most suitable for this type of project?

A. Autonomous

B. Lightweight

C. Functional

D. Agile

Answer(s): A

9. Disadvantages of concept testing include which of the following?

A. I, II, III, IV

B. I, II, III

C. C. I, II, IV

D. D. II, III, IV

Answer(s): D

10. Secondary research is defined as research executed and published by a market research firm.

A. True

B. False

Answer(s): B

11. Mission statements helps organizations to _____.

A. Focus people and resources

B. Initiate ideas

C. Plan to product launch

D. Borrow capital at a low rate

Answer(s): A

12. Allocating resources across a set of projects to optimize performance is knowne as:

A. Value maximization

B. Profit seeking

C. Rationalization

D. Pruning

Answer(s): A

13. What type of assesment helps a team achieve increased communication during the work of the project?

A. Personality assesment, like the Myers-Briggs Type Indicator

B. Work style assesment, like DiSC

C. Functional resource assesment as used in creating the project budget

D. Project portfolio management assesment

Answer(s): A

14. According to the PDMA Measurement Success Project, the most appropriate set of measures for assessing program-level success depends on the firm's project strategy.

A. True

B. False

Answer(s): B

15. Reaserach that involves collectiong information specifally tailored to your need (such as focus groups or surveys) is known as ____:

A. Primary research

B. Secondary research

C. Qualitative research

D. Quantitative research

Answer(s): A

16. According to a study by Wheelwright & Clark, what is the optimal number of development projects for an engineer?

A. 1

B. 2

C. 3

D. 4

Answer(s): B

17. What type of team structure should be chosen when the challenge is to break entirely from the past, enter a new market, or do something radically different technically or commercially?

A. Functional

B. Lightweight

C. Tiger

D. Heavyweight

Answer(s): C

18. Which pair of variables is NOT common in visual bubble chart displays of the balance of a portfolio?

A. Risk versus reward

B. Net present value versus return on investment

C. Cost versus benefit

D. Ease versus attractiveness

Answer(s): B

19. Lean manufacturing is aimed at the elimination of waste in every area of production below except

A. Customer relations

B. Supplier networks and factory management

C. Packaging design

D. Product design

Answer(s): C

20. I. Use a staged and gated NPD system

A. I, II, III

B. I, III, IV

C. II, III, IV

D. I, II, IV

Answer(s): D
