

# Construction Management Practice Exam (Sample)

## Study Guide



**Everything you need from our exam experts!**

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# Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

**Remember:** successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

# How to Use This Guide

**This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:**

## **1. Start with a Diagnostic Review**

**Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.**

## **2. Study in Short, Focused Sessions**

**Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.**

## **3. Learn from the Explanations**

**After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.**

## **4. Track Your Progress**

**Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.**

## **5. Simulate the Real Exam**

**Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.**

## **6. Repeat and Review**

**Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.**

**There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!**

## Questions

- 1. An increase in indirect costs in a project can be directly attributed to an increase in which of the following?**
  - A. Quality**
  - B. Direct costs**
  - C. Duration**
  - D. All of the above**
- 2. What is the title of the document that gives authorization to commence construction?**
  - A. Notice of award**
  - B. Notice to proceed**
  - C. Notice to agreement**
  - D. Notice of intent**
- 3. The term 'fast track' in construction means what?**
  - A. Cost plus fixed fee**
  - B. Guaranteed maximum price**
  - C. Design/build**
  - D. Construction starts before the design is complete**
- 4. What type of practices could be detrimental to the efficiency of a bidding process?**
  - A. Transparent communication**
  - B. Bid shopping**
  - C. Thorough project planning**
  - D. Open competitive bidding**
- 5. Construction management is superior to the design/bid/build approach in addressing which concern?**
  - A. A. Increased government regulations**
  - B. B. Larger projects**
  - C. C. Increased organizational size and complexity**
  - D. D. All of the above**

- 6. Which of the following activities would typically not occur during the preconstruction phase?**
- A. Conducting site assessments**
  - B. Participating in bidding processes**
  - C. Finalizing design plans**
  - D. Implementing project management software**
- 7. Both public and private sector owners first hire architects, who are responsible for hiring appropriate engineers. Is this statement true or false?**
- A. True**
  - B. False**
- 8. During which project stage is the actual cost of construction usually determined?**
- A. Feasibility analysis**
  - B. Procurement**
  - C. Design**
  - D. Construction**
- 9. Which is a key component of a feasibility study?**
- A. Cost estimation**
  - B. Constructability evaluation**
  - C. Risk management planning**
  - D. Stakeholder analysis**
- 10. Through their respective trade associations, material suppliers often provide standards for project specifications. Is this statement true or false?**
- A. True**
  - B. False**



## **Answers**

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1. C
2. B
3. D
4. B
5. D
6. D
7. B
8. B
9. A
10. A

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## **Explanations**

**1. An increase in indirect costs in a project can be directly attributed to an increase in which of the following?**

- A. Quality**
- B. Direct costs**
- C. Duration**
- D. All of the above**

An increase in indirect costs in a project is commonly associated with an increase in duration. Indirect costs, such as overhead, administrative expenses, and financing costs, often accumulate over time. If a project takes longer to complete than initially planned, these costs will increase as the project extends beyond its scheduled duration. While quality and direct costs can also influence project expenses, they do not have a direct correlation to the overall increase in indirect costs in the same way duration does. Quality improvements may raise both direct and indirect costs but are not a primary driver of the increase in indirect costs like duration is. On the other hand, while direct costs could impact the overall budget, they typically refer to expenses that can be directly allocated to a specific task or activity within the project rather than the accumulated costs incurred over a prolonged project timeline. In this context, focusing on the duration of the project highlights how a delay can significantly increase indirect costs, making it the most accurate factor in this situation.

**2. What is the title of the document that gives authorization to commence construction?**

- A. Notice of award**
- B. Notice to proceed**
- C. Notice to agreement**
- D. Notice of intent**

The document that authorizes the commencement of construction is known as the Notice to Proceed. This official notification is typically issued by the owner or the project authority to the contractor once all pre-construction requirements have been satisfied, including securing necessary permits, finalizing contracts, and ensuring funding is in place. The Notice to Proceed signifies that the contractor can officially start the work on the project according to the terms outlined in the contract. This document is crucial because it not only marks the beginning of the construction phase but also establishes the timeline and project schedule, helping to avoid disputes regarding when the work should begin. It serves as a formal acknowledgment that all parties are ready to proceed according to the agreed-upon terms.

### 3. The term 'fast track' in construction means what?

- A. Cost plus fixed fee
- B. Guaranteed maximum price
- C. Design/build
- D. Construction starts before the design is complete**

The term 'fast track' in construction refers to a project delivery method where construction begins before the entire design is complete. This approach allows various portions of the project to move forward simultaneously, effectively shortening the overall project timeline. By overlapping the design and construction phases, a fast track project can respond more quickly to market demands and potentially reduce the time to project completion. This method often requires thorough coordination and collaboration among the design and construction teams to ensure that the initial phases of construction align with the evolving design. 'Fast track' projects aim to expedite delivery, making this strategy particularly advantageous in scenarios where time is a critical factor. Other project delivery methods, such as design/build or cost-plus contracts, do not inherently focus on this overlapping of phases, which is the distinguishing feature of fast tracking.

### 4. What type of practices could be detrimental to the efficiency of a bidding process?

- A. Transparent communication
- B. Bid shopping**
- C. Thorough project planning
- D. Open competitive bidding

Bid shopping is considered detrimental to the efficiency of the bidding process primarily because it compromises the integrity and competitiveness of the procurement system. This practice occurs when a contractor reveals the bids submitted by subcontractors to other subcontractors in order to negotiate lower prices. This not only undermines trust among bidders but can also lead to lower-quality work, as subcontractors may cut corners to offer more competitive pricing. Additionally, bid shopping can create an atmosphere of distrust among contractors and subcontractors, which can discourage participation in future bidding processes. Subcontractors may feel less inclined to submit bids if they believe their original offers will be used against them, ultimately leading to fewer bids and less competition. This may drive up costs and create inefficiencies as the project progresses, as the reliance on lower bids could come at the expense of quality and reliability. In contrast, practices like transparent communication, thorough project planning, and open competitive bidding enhance the bidding process by fostering a fair, efficient, and trust-based environment, ultimately leading to more favorable outcomes for all parties involved.

**5. Construction management is superior to the design/bid/build approach in addressing which concern?**

- A. A. Increased government regulations**
- B. B. Larger projects**
- C. C. Increased organizational size and complexity**
- D. D. All of the above**

Construction management is superior to the design/bid/build approach in addressing increased government regulations, larger projects, and increased organizational size and complexity due to its integrated and collaborative approach. In the context of increased government regulations, construction management allows for better compliance by involving project managers early in the design phase. This collaboration helps ensure that all regulatory requirements are met from the onset, rather than trying to address them later in the build process, which can lead to costly delays and changes in the design. When dealing with larger projects, construction management provides a more efficient structure for coordination, communication, and resource allocation. This method allows project managers to implement strategies that are tailored to the specific needs and challenges of large-scale construction, enhancing overall project efficiency and effectiveness. As for increased organizational size and complexity, construction management supports a more cohesive team environment by facilitating extensive communication and collaboration among various stakeholders. This approach is essential in navigating the complexities and interdependencies that often arise in larger, more intricate projects. By effectively managing these concerns through early involvement, strategic coordination, and continuous communication, construction management stands out as an advantageous methodology compared to the traditional design/bid/build approach.

**6. Which of the following activities would typically not occur during the preconstruction phase?**

- A. Conducting site assessments**
- B. Participating in bidding processes**
- C. Finalizing design plans**
- D. Implementing project management software**

During the preconstruction phase, the primary focus is on planning and preparation for the actual construction work. This includes a series of essential activities aimed at ensuring that the project is well-conceived and that all necessary groundwork is laid before construction begins. Implementing project management software is generally not considered a typical activity of the preconstruction phase in comparison to other options. While project management software can be introduced and utilized throughout the construction process for tracking progress and managing resources, its implementation may often occur after the project has officially kicked off or during the construction phase where active management is necessary. On the other hand, conducting site assessments is a critical early step in the preconstruction phase, as it helps identify any potential issues related to the site that need to be addressed before moving forward. Participating in bidding processes is fundamental to securing the right contracts and resources for the project. Finalizing design plans is also a key part of preconstruction, ensuring that all stakeholders agree on the specifics before construction starts. Thus, the implementation of project management software, while important, is not inherently tied to the preconstruction activities that focus more on planning, assessments, and design approvals.

**7. Both public and private sector owners first hire architects, who are responsible for hiring appropriate engineers. Is this statement true or false?**

**A. True**

**B. False**

The statement is considered false. While architects often play a crucial role in the design process and may recommend engineers to owners, it is not universally true that owners first hire architects. In some projects, owners may directly hire engineers based on specific needs or requirements before any architectural design work begins. Additionally, in certain scenarios, especially in the public sector, project owners may hire a construction manager or an integrated project delivery team that includes both architects and engineers from the outset to streamline collaboration and decision-making. This illustrates the variability in project management approaches and the relationships between different stakeholders in the construction process.

**8. During which project stage is the actual cost of construction usually determined?**

**A. Feasibility analysis**

**B. Procurement**

**C. Design**

**D. Construction**

The actual cost of construction is typically determined during the procurement stage of a project. This phase involves the activities related to purchasing or acquiring the necessary materials, equipment, and services required for the project. During procurement, contractors and suppliers submit bids, and the project team assesses these proposals based on cost, quality, and schedule considerations. This process ultimately leads to the selection of contractors and subcontractors, at which point the actual costs become clearer based on the agreed-upon prices for materials and labor. In contrast, feasibility analysis primarily focuses on assessing whether a project is viable from a financial, technical, and operational perspective, without establishing exact construction costs. The design phase, while it may provide estimates based on detailed drawings and specifications, does not finalize the costs until procurement is completed. The construction stage is when the project is executed, but the costs are already determined during procurement based on contractual agreements and negotiations that have taken place beforehand.

**9. Which is a key component of a feasibility study?**

- A. Cost estimation**
- B. Constructability evaluation**
- C. Risk management planning**
- D. Stakeholder analysis**

A feasibility study is essential for assessing whether a proposed project can be successfully completed. A key component of this study is cost estimation, as it provides a detailed analysis of the financial requirements necessary to execute the project. Accurate cost estimates help stakeholders determine if the project is financially viable, which is crucial for decision-making and securing funding. Cost estimation involves evaluating various expenses associated with the project, including materials, labor, overhead, and any other related costs. By establishing a comprehensive understanding of the financial implications, stakeholders can weigh the potential benefits against the costs, thus making informed decisions about whether to proceed with the project. While other components like constructability evaluation, risk management planning, and stakeholder analysis play important roles in the overall success of a project, they serve to support the feasibility study rather than being its primary focus. Cost estimation directly addresses the financial aspect that is often the most critical in determining the feasibility of a project.

**10. Through their respective trade associations, material suppliers often provide standards for project specifications. Is this statement true or false?**

- A. True**
- B. False**

The statement is true because material suppliers, through their trade associations, frequently establish and disseminate standards that can be utilized as project specifications. These standards are crucial as they provide guidelines on the quality, performance, and characteristics of materials, ensuring that construction practices comply with industry norms and safety regulations. Such standards help architects, engineers, and contractors to make informed decisions about material selection and usage, facilitating consistent and reliable outcomes in construction projects. By having these specifications, construction professionals can ensure that the materials used will meet the anticipated performance criteria and regulatory requirements, ultimately contributing to a project's success.



## Next Steps

**Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.**

**As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.**

**If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at [hello@examzify.com](mailto:hello@examzify.com).**

**Or visit your dedicated course page for more study tools and resources:**

**<https://constructionmanagement.examzify.com>**

**We wish you the very best on your exam journey. You've got this!**