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SCHOOL OF ACCOUNTING AND BUSINESS
BSc. (APPLIED ACCOUNTING) GENERAL / SPECIAL DEGREE
PROGRAMME

END SEMESTER EXAMINATION – JANUARY 2016

MGT 30725 Project Management

Date : 16th January 2016
Time : 9.00 a.m. – 11.30 a.m.
Duration : Two and a half (02 ½) hours

Instructions to Candidates:

- This paper consists of three sections (A, B and C).
- Section A – Answer **ALL** questions in the sheet provided.
Section B – Answer only **Two (02)** questions, selecting **Question No. 01** and **one (01)** from the rest of the questions.
Section C – Answer any **Two (02)** questions out of the Three (03) questions
- The total marks for the paper is 100.
- The marks for each question are shown in brackets.
- Answers should be written neatly and legibly.

Section A

Answer ALL questions

1. The document that provides the authority for project manager to go-ahead with the project and to formalise Project Initiation is called:
 - a. Agreement
 - b. Project Management Plan
 - c. Business Case
 - d. Project Charter

2. Responses to Positive project risks or Opportunities involve;
 - a. Exploitation, Acceptance and Mitigation.
 - b. Exploitation, Sharing and Mitigation
 - c. Exploitation, Enhancement and Sharing
 - d. Exploitation, Mitigation and Enhancement

3. You are managing a project team of 8 people and planning to add one more person to the team. How many channels of communications will you have after the new member join the team?
 - a. 36
 - b. 45
 - c. 48
 - d. 28

4. A project has a 50% chance of LKR 100,000 saving due to a positive risk and a 40% of a LKR 100,000 loss due to a negative risk. What is the expected monetary value (EMV) of the risk?
 - a. 50,000 profit
 - b. 40,000 loss
 - c. 10,000 profit
 - d. 10,000 loss

5. You are in the process of creating Project Stakeholder matrix. What would be the most appropriate strategy you choose to manage Project Sponsor with high power and high interest?
 - a. Keep satisfied
 - b. Manage closely
 - c. Keep informed
 - d. Monitor

6. Which tool is the most effective when a project manager wants to find out why client is always unhappy;
 - a. Control chart
 - b. Cause and Effect Analysis
 - c. Histogram
 - d. Bar chart

7. Which form of the following contract will be most risky to the seller?
 - a. Fixed Price
 - b. Cost re-imbursable
 - c. Time and Material
 - d. Fixed Price + economic price adjustment

8. Which form of the following contract will be most risky to the buyer?
 - a. Fixed Price
 - b. Cost re-imbursable
 - c. Time and Material
 - d. Fixed Price + economic price adjustment

9. Your team members are discussing how long an activity takes to complete as they have different opinions. Team members think that most likely it takes 12 days to complete, however some members believe because of the possible risks that might occur, it could even take 18 days to complete. Among them there are some team members who look at things with an optimistic eye and say, it can be done in 10 days. Using three point estimate (beta distribution) how long that activity will take?
- 10 days
 - 12.6 days
 - 10.2 days
 - 12 days
10. Which one of the following knowledge area connect all the other Project Management knowledge areas together for proper coordination and management, and look at the project from a holistic approach?
- Project Time Management
 - Project Quality Management
 - Project Integration Management
 - Project Cost Management
11. All of the following processes are in Project Planning stage, except;
- Identify stakeholders
 - Plan risk responses
 - Create Work Breakdown Structure
 - Plan procurement
12. Your project has a PV of LKR 2,000,000 Actual Cost of LKR 3,000,000 and Earned Value of LKR 2,500,000. What is your cost variance?
- LKR 1,000,000
 - LKR – 1,000,000
 - LKR 500,000
 - LKR – 500,000

13. Your project has a PV of LKR 2,000,000 Actual Cost of LKR 3,000,000 and Earned Value of LKR 2,500,000. What is your schedule variance?
- a. LKR 1,000,000
 - b. LKR – 1,000,000
 - c. LKR 500,000
 - d. LKR – 500,000
14. What do you understand by Cost Performance Index (CPI)?
- a. An indicator to measure project cost trends
 - b. Result of Earned Value/Actual Cost (EV/AC)
 - c. An indicator which can be used to forecast estimate cost at completion
 - d. All of the above
15. Which one of the following is the best approach to resolve conflict?
- a. Confrontation
 - b. Collaboration
 - c. Compromising
 - d. Smoothing
16. The document which provides the reasons, why a specific project has been chosen, is known as:
- a. Project Management Plan
 - b. Scope Statement
 - c. Business Case
 - d. Project Charter
17. If an activity has a 2 day float/slack. That means,
- a. Activity can start 2 days later than it has been planned to start
 - b. Activity can start 2 days earlier than it has been planned to start
 - c. If the activity is delayed for 2 days project will delay by 2 days.
 - d. Activity must start on the day it has been planned to start.

Make use of the information given below, when answering question No. 18, 19.and 20.

- a. Project Initiating
- b. Project Execution
- c. Project Monitoring and Control
- d. Project Closure

18. Managing project team performance, comparing actual performance against the planned, and sending out project status reports are some of the key activities performed during:

19. Documenting the lessons learned, project evaluation and audit, documenting the final report and releasing the project team are some of the key activities performed during:

20. Implementing changes, reviewing risks, performing quality control are some of the key activities performed during:

(Total 20 Marks)

Section B

Answer **Two (02)** out of 03 questions.

Question No. 01 (compulsory)

Using the data provided in the following table:

1. Draw a project schedule network diagram

(06 Marks)

2. Identify the critical path and the project duration

(06 Marks)

3. Calculate the Float in activity P, C and M.

(08 Marks)

Activity	Duration	Predecessor
A	4	-
H	7	A
K	9	A
C	9	H
M	8	H,K
P	2	K
Z	4	C,M,P

(Total 20 Marks)

Question No.02

At the Project Status meeting your project sponsor questions you why actual cost of your project is much higher than the planned cost. You have been managing project costs aggressively using project cost management techniques and want to convince the Sponsor, there is no cost over-run.

1. How would you explain this scenario to the sponsor?

(10 Marks)

2. Assume that sponsor also want to know whether your project is running behind schedule or ahead of schedule. How would you measure the project Schedule Variance?

(10 Marks)

(Total 20 Marks)

Question No. 03

1. Your project risk register shows the following risks as high risks in your projects. What Risk Response Strategies you would suggest for these project risks.

- a. Your team members might not have the required competency

(02 Marks)

- b. There might be frequent power failure disturbing your project progress

(02 Marks)

- c. Weather can make an adverse impact on your project

(02 Marks)

- d. You are not capable of doing some activities, so you may outsource it to a third party.

(02 Marks)

2. Explain the process you use in your projects to manage project risks.

(12 Marks)

(Total 20 Marks)

Section C

Answer **Two (02)** out of Three (03) questions.

Question No. 04

Communication, conflict management and negotiation are three key interpersonal skills a project manager should possess? Discuss their application in the context of project managements.

(Total 20 Marks)

Question No. 05

Many project organisations blame the Project Manager when things go wrong due to the absence of formal project initiation process. As a project manager what are the key processes you would follow at the project initiation? Explain with the help of a practical example.

(Total 20 Marks)

Question No. 06

Project Scope provides the basis for all other planning aspects in a project. Discuss the process you would use to plan and manage project scope.

(Total 20 Marks)