

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

**END SEMESTER EXAMINATION – JANUARY 2017**

**MGT 30725 Project Management**

Date : 29th January 2017  
Time : 9.00 a.m. - 11.30 a.m.  
Duration : Two and a half (02 ½) hours

**Instructions to Candidates:**

- This is **NOT** an open book exam
- This paper consists of two sections (A and B).
- Section A – Answer **ALL** questions in the sheet provided.  
Section B – Answer any **Four (04)** questions out of the Five (05) questions
- The total marks for the paper is 100.
- The marks for each question are shown in brackets.
- Non programmable calculators are allowed.
- Answers should be written neatly and legibly.

## PART – A

Answer **all** questions. Each question carries one (1) mark.

Write your answer in the answer sheet attached.

Choose **only ONE** answer per question. Cross the answer with a “X” sign.

Marking two or more answers will reject that answer and will award zero (0) marks for that question.

1. During a project meeting, one of the team members suggests a nice feature that the customer may like. The project manager says “NO” to this new feature. Further he says the project should concentrate only on what is required for the project to get it completed, and nothing else. This is an example of .....
  - A. Scope\_management
  - B. Change management
  - C. Project management
  - D. Quality management
  
2. Your customer wants your project to be completed 10 days earlier than planned. You believe that you can meet the target by overlapping the project activities. What is the approach that you plan to use?
  - A. Concurrent engineering
  - B. Crashing
  - C. Resource leveling
  - D. Fast tracking
  
3. What does a Cost performance index (CPI) of 0.73 mean?
  - A. The project would cost 73% more than originally planned
  - B. The project would cost 27% more than originally planned
  - C. The project would cost 73% less than originally planned
  - D. The project is only getting \$0.73 for every \$1 spent

4. As a project manager, which would you give the highest priority: quality, cost or schedule?
  - A. It would be depend upon the prevailing circumstances of the project
  - B. Quality is most important. Cost and schedule comes later
  - C. Cost is most important. Everything else comes later
  - D. Completing the project on schedule is most important
  
5. What is the most important thing that a project manager should ensure during the Validate scope process?
  - A. Accuracy
  - B. Timelines
  - C. Acceptance
  - D. Completeness
  
6. The power/interest grid is a tool that helps to:
  - A. Assign more authority to the interested stakeholders
  - B. Assess the correct type and level of engagement desired with different stakeholders.
  - C. Identify as many stakeholders as possible
  - D. Identify ways to make the project more interesting
  
7. You are a project manager with a financial firm that has multinational dealings. You feel if a financial crisis to take place in one of the client countries, your projects will be adversely affected. So you want to hedge your risk. Although the probability of occurring such an event is low, you are advised to play it safe. In terms of risk attitude, your organization could best describe as?
  - A. Risk Seeker
  - B. Risk Averse
  - C. Risk Neutral
  - D. Risk Mitigator

8. You are managing a project with project teams in different geographical locations. There are approximately 25 team members plus a team lead at 3 different locations. Additionally there are 3 members from supporting group that are working part-time on the project. How many communication channels are possible in your project?
- A. 496
  - B. 992
  - C. 424
  - D. 32
9. A project manager is encountering a numerous problems with his project. He wants to identity the root causes of these problems so he could pay more attention to those causes. Which of the following tool should he use?
- A. Fishbone diagram
  - B. Control chart
  - C. Pareto diagram
  - D. Histogram
10. You as a project manager are in the process of midway review at the end of the first year of a 50K project. The earned value analysis is shows that the PV is \$25K, the EV is \$20K and the AC is 15K. What can be determined from these figures?
- A. The project is behind schedule and over budget
  - B. The project is ahead of schedule and under budget
  - C. The project is ahead of schedule and over budget
  - D. The project is behind schedule and under budget
11. A project team is working on the network diagram of a project and wants to determine the float of an activity. Which of the following is the correct formula to determine the float?
- A. Late Finish - Early Start (LF- ES)
  - B. Late Finish - Early finish (LF-EF) or Late Start – Early Start (LS-ES)
  - C. Late start - Early Finish (LS – EF)
  - D. Early Finish – Late Start (EF – LS)

12. As part of the joint venture, a project manager is working with another company needs to share some confidential information related to intellectual property. He wants to know the person responsible for authorizing the release of this confidential information. To which project document should he refer?
- A. Organizational breakdown structure
  - B. Project Charter
  - C. Communication management plan.
  - D. Stakeholder management plan
13. What action should a project manager first take when an unidentified risk event occurs?
- A. Inform the customer of the possible consequences
  - B. Inform the senior management of the possible consequence
  - C. Redo the risk identification process to get prepared for other 'Known-Unknowns'
  - D. Create a work around
14. What is the best way to manage stakeholders who are extremely supportive and have a high level of interest in the project, but do not have a large influence on the project?
- A. Ignore
  - B. Keep them informed
  - C. Manage closely
  - D. Monitor closely
15. You have been assigned as the project manager of an existing project involving 50 company employees and 10 sub-contractors. You want to know who is assigned to do what. Where should you look for this information?
- A. Responsibility assignment matrix
  - B. Project organization chart
  - C. Pareto chart
  - D. Resource histogram
16. All of the following are parts of the Scope base line EXCEPT the
- A. WBS dictionary
  - B. Approved project scope statement
  - C. Scope management plan
  - D. Work break down structure (WBS)

17. Which of the following is an example for cost of conformance?
- A. Quality training
  - B. Cost of rework
  - C. Warranty cost
  - D. Scrap
18. As a project manager, when you present your initial cost estimate to the project sponsor for approval, you are asked to cut the cost of the project by 10%. What would you do?
- A. Replace the original planned resources with lesser skilled resources at lower rate.
  - B. Cut specific project activities and obtain the sponsor's approval
  - C. Strongly say no to the sponsor and walk away from the project
  - D. Ask all the team members to reduce the cost of their activities by 10%
19. If Earned Value (EV) is \$550, Actual Cost (AC) is \$650, and Planned Value (PV) is \$600, what is the Cost Variance (CV)?
- A. -100\$
  - B. +50\$
  - C. -50\$
  - D. +100\$
20. What does a schedule performance index (SPI) of 0.67 mean?
- A. You are ahead of schedule by 33%
  - B. You are behind schedule by 67%
  - C. You are progressing at only 67% of the rate originally planned
  - D. You are progressing at only 33% of the rate originally planned

**(Total 20 marks)**

## **PART – B**

Answer any four (4) questions out of five (5).

### **Question No. 01**

All of the work you do on a project is made up of processes. There's a pattern to all of the work that gets done on your project. First you plan it, and then you get to work. While you are doing the work, you are always comparing your project to your original plan.

- a. Briefly explain the “Triple Constraints” and how it can impact the success of a project.

(9 marks)

- b. List five reasons for project failures.

(5 marks)

- c. Projects, Programs and Portfolios are three different concepts, even though they may have a relationship. Explain briefly how they differ from each other.

(6 marks)

**(Total 20 marks)**

### **Question No. 02**

Once you have a good idea of what needs to be done in a project, you need to track your scope as the project work is progressing. As each goal is accomplished, you confirm that all of the work has been done and make sure that the people who asked for it are satisfied with the result.

- a. Scope of a project can be stated by “Product Scope” and “Project Scope” Explain the difference and the relationship between the two.

(5 marks)

- b. Write a briefing on “Scope Baseline” highlighting the importance of it.

(5 marks)

- c. “By making simple adjustments to your leadership style, you can improve the working environment and employee motivation” Briefly discuss the Three needs theory by McClelland. (you should discuss the values of the needs by the employee and what you can do as a leader)

(10 marks)

**(Total 20 marks)**

### **Question No. 03**

You are building a 4-sided fence. Sides are not an equal length, so that cost of each side is varies. Costs of four sides are as given bellow (costs vary due to different labor, material cost and different timing).

Side Name	Side cost (Rs.)	Time to complete
1	1800.00	2 Days
2	2400.00	3 Days
3	2100.00	2 Days
4	3800.00	4 Days

You estimate that the total project will take 11 days to complete and your total project budget is Rs.17,100.00 Including Management reserves. Allocated cost for the Management Reserves is Rs.6000.00.

At the end of 7th days, you are asked to prepare an Earned Value calculation in order to determine how the project is progressing. You determine that as of end of 7th day, total costs incurred are Rs.7800.00, and have fully completed side 1, 2, 3 and 32% of side 4.

- a. What is the Earned Value

(2 marks)

- b. What is the Planned Value

(2 marks)

- c. What is the Actual Cost

(1 mark)



- d. Calculate Schedule Variance (2 marks)
- e. Calculate Cost Variance (2 marks)
- f. Calculate Schedule performance Index (2 marks)
- g. Calculate Cost performance index (2 marks)
- h. What is the project Status? Explain your answer. (3 marks)
- i. If you find that the project has deviated from your original plan, find the new project duration and cost/budget. (4 marks)
- (Total 20 marks)**

#### **Question No. 04**

Following are the list of activities identified for an event management project.

Use the data in the table to answer the questions bellow

Activity	Preceding Activity	Duration in Days
A	Start	6
B	Start	5
C	A	8
D	A	7
E	B	9
F	C	11
G	D	12
H	E	14
I	E	12
J	F,G	6
K	H,I	3

L	J	4
M	K	2
N	L,M	5
O	M	6
P	N	9
Q	O	7
End	P,Q	0

- a. Draw Activity on node (AON) and Network Diagram for the above activities of the event management project. (State your assumptions if any. Draw clearly using landscape orientation of the paper. Find values for ES, EF, LS, LF and Float on the diagram.)

(12 marks)

- b. Identify the Critical Path (CP) of the project and the duration of the project. (Do not mark the CP in the diagram but write the CP as the answer to the question).

(4 marks)

- c. If Activity M has been delayed by 2 days and Activity O has been delayed by 1 day, due to HR related issues, what is the new project duration? Explain your answer. What are the significant changes in the schedule?

(4 marks)

**(Total 20 marks)**

### **Question No. 05**

Hairdressing has always been an important part of Erik Lander's life. Back in the mid-seventies his parents opened a small hairdressing business in Corby, Northants. Today, the salon remains very much a family concern.

"My sister Pam and I run it and two of Pam's daughters have recently come to work here" explains Erik, 37.

Running a busy unisex salon with ten employees, however, involves much more than cutting, styling or colouring hair.

There are key safety issues to consider too. Hairdressing products can carry risks of eye or skin irritation for both staff and customers and even something as common as shampooing carries risks for everyone in the salon.

"Water, through the wash basins, is a major area of risk - people might slip on wet floors" explains Erik.

Based on the above answer the questions below:

- a. Create a Risk Register with at least 8 to 10 possible risks for the above case. Make your own assumptions and complete the Risk Register with the indication of values for the following fields:

RiskID, Description of the risk, Probability, Impact, Response (risk mitigation method adapted) and risk owner.

(10 marks)

- b. Independent to the case above, list four (4) strategies to respond to negative risks with a brief explanation of each response. Provide an example for each response strategy as well.

(10 marks)

**(Total 20 marks)**