

## SHEKHAWATI INSTITUTE OF TECHNOLOGY DEPARTMENT OF MANAGEMENT STUDIES SIKAR, RAJASTHAN 1<sup>st</sup> Mid – Term Examination 2017-18 (MBA 4<sup>th</sup> Sem.) Subject Code & Name – M-402: PROJECT MANAGEMENT

Max. Marks – 30 Time – 01.30 hrs

**Model Question – Answer Paper** 

## Section A

1. Discuss the importance of project management?

Answer: Project management is important because it ensures proper expectation are set around what can be delivered, by when, and how much. Effective project managers should be able to negotiate reasonable and achievable deadlines and milestones across stakeholders, teams, and management.

2. Explain the Project life cycle.

Answer: The project management life cycle has four phases: Initiation, planning, execution and closure. Each project life cycle phase is described below, along with the task needed to complete it. You can click the links provided, to view more detailed information on the project management life cycle.

3. What do you mean by project appraisal? Explain its types.

Answer: Project appraisal the process of assessing, in a structured way, the case for proceeding with a project or proposal, or the project's viability. It often involves comparing various options, using economic appraisal or some other decision analysis technique.

Types of project appraisal – Payback, Net present Value, Internal rate of return, cost benefit analysis etc.

- 4. What do you mean by network techniques?
  - Answer: Among basic network analysis methods include:
    - a) Method CPM (Critical path method)
    - b) CCM (Critical Chain Method)
    - c) PERT Method

- d) GERT Method
- e) MPM Method

## Section B

- 5. A Project consist of a activity whose precedence relationship and their estimates are shown in the following table
  - a) Draw the project network.
  - b) Find the expected duration and variance of each activity
  - c) Find the critical path and corresponding project completion time

Activity	Optimistic time	Most likely	Pessimistic
		Time	Time
1-2	3	6	15
1-6	2	5	14
2-3	6	12	30
2-4	2	5	8
3-5	5	11	17
4-5	3	6	15
6-7	3	9	27
5-8	1	4	25
7-8	4	19	22

Answer:

a)



Activity	Optimistic	Most	Pessimistic	Variance	Те
	time (to)	likely	Time (tp)	= ( <b>tp</b> -	=( <b>tp</b> +
		Time		$to/6)^2$	<b>to</b> +
					4tm)/6
1-2	3	6	15	144/36	6
1-6	2	5	14	144/36	6
2-3	6	12	30	576/36	14
2-4	2	5	8	36/36	5
3-5	5	11	17	144/36	11
4-5	3	6	15	144/36	9
6-7	3	9	27	625/36	11
5-8	1	4	25	576/36	8
7-8	4	19	22	324/36	17

c) Available Paths

So critical path is

1-6-7-8	34 Day	
1-2-3-5-8	<b>39 Days</b>	
1-2-4-5-8	28 Days	

1-2-3-5-8