

**Avinashilingam Institute for Home Science and Higher Education for Women  
Coimbatore – 641 043**

**Master Degree Examination – November 2017  
III-Semester**

Class : II PG  
Major : M.B.A. / M.B.A. – IT Organisation Administration

Max. Marks: 60  
Time: 3 hours

**Functional Specialisation II Paper – II  
16MBAC22P – Project Management**

**Part A**

10 × ½ = 5

**Choose the correct answer**

1. Project definition does not include
  - a. Business Read
  - b. Project purpose and description
  - c. A summary milestone and budget
  - d. Network diagram.
2. Development of project management plan is
  - a. An iterative process
  - b. Progressive elaboration process
  - c. A rolling wave technique
  - d. All of the above.
3. Core functions for the project management integration are
  - a. Communication and procurement
  - b. Scope and quality
  - c. Risk and human resource
  - d. All of the above.
4. Monitoring and control ensures
  - a. Project management plan is approved
  - b. Documentation management is in pl
  - c. Project is carried out as per schedule and in estimated budget and resources as planned
  - d. None of the above.
5. Requirements for equipment, software and other resources for integration platform are gathered during
  - a. Organization phase
  - b. Implementation phase
  - c. Planning phase
  - d. Testing phase.
6. Project cost estimation
  - a. Designing the product components
  - b. Avoiding any overlap or conflict in product component integration
  - c. Developing a complex product component
  - d. Acquiring an integration platform.
7. It is useful to conduct project risk assessment according to the project's
  - a. Charter
  - b. Statement of work
  - c. Network
  - d. Work Breakdown structure.
8. The technique most commonly used to determine the profitability of a project includes \_\_\_\_\_ methods.
  - a. Net Present Value
  - b. Return on investment
  - c. Discounted cash flow
  - d. All of the above.
9. Which of the following scheduling methods uses more of the risk management concepts:
  - a. ADM
  - b. PDM
  - c. CPM
  - d. PERT
10. Time Management is the allocation of time in a project's life cycle through the \_\_\_\_\_ process of
  - a. Planning
  - b. Estimating
  - c. Scheduling
  - d. All of the above

**Part B**

5 × 4 = 20

**Answer the following**

**Answer should not exceed 200 words or one page**

- 11.a. What are the various stages of life cycle approach?  
(OR)
- 11.b. How are projects initiated? Describe its elements.
- 12.a. What aspects are considered in technical analysis?  
(OR)
- 12.b. Explain the difference between ES, EF, LS and LF.
- 13.a. Define cost escalation. What are major sources of cost escalation?  
(OR)
- 13.b. Define Precedence Diagramming Method (PDM). Give Examples.
- 14.a. Write a brief note on time scaled networks.  
(OR)
- 14.b. What are the criticisms of PERT?
- 15.a. What are pros and cons of accounting rate of return?  
(OR)
- 15.b. Describe your understanding of "quality".

**Part C**

5 × 7 = 35

**Answer the following (Q20 is Compulsory)**

**Answer should not exceed 600 words or three pages**

- 16.a. Discuss the five forces that shape the profit potential of an industry.  
(OR)
- 16.b. Briefly compare and contrast the following forms of project management: pure, project, matrix, program, new venture and product. Give at least one illustration of an organization where each is used.
- 17.a. Describe the process of using the WBS to develop cost estimates. How are these estimates aggregated into total project cost estimates?  
(OR)
- 17.b. What is a control account and what kinds of information does it contain? How does a control account fit into the structure of the PCAS?
- 18.a. Describe the different kinds of contracts. What are the relative advantages and disadvantages of each to the user and the contractor?  
(OR)
- 18.b. Has variability in an time estimate ever caused you to be late for an appointment? Describe.
- 19.a. Describe the processes of project quality management.  
(OR)
- 19.b. Explain the processes and techniques for quality control.
20. Compulsory Question:

A Limited Company is considering investing in a project requiring a capital outlay of Rs.2,00,000. Forecast for annual income after depreciation but before tax is as follows:

Year	1	2	3	4	5
Annual income after depreciation	1,00,000	1,00,000	80,000	80,000	40,000

Depreciation may be taken as 20% on original cost and taxation at 50% of net income.

You are required to evaluate the project according to each of the following methods.

- (a) Pay – back Method (b) Rate of return on original investment (c) Rate of return on average investment (d) Discounted cash flow method taking cost of capital at 10%.

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