

THE OPEN UNIVERSITY OF SRI LANKA
COMMONWEALTH EXECUTIVE MASTER OF BUSINESS/PUBLIC
ADMINISTRATION
FINAL EXAMINATION –2008
MCP 2602 – PROJECT MANAGEMENT
DURATION : THREE (03) HOURS



061

Date : 15th March 2009

Time : 9.30 a.m – 12.30 p.m

Answer Questions 1 and any four questions from others. (Total Five questions)
Use of a non-programmable calculator is allowed.

Question 1

ANSWER ANY **FOUR** FROM THE FOLLOWING.

- a) The subject of Project Management is categorized into nine very important Knowledge Areas. Name and briefly explain any Seven of them. (7 Marks)
- b) Describe, how the output of a project management processes in one phase becomes an input for the process in the next phase of the project. Use a suitable example to illustrate your answer. (7 Marks)
- c) When the expected completion time of the project is exceeded the desired time, the project duration could be reduced using compression techniques. What are the duration compression techniques generally used in projects? Describe how it is done and possible consequences of applying such techniques. (7 Marks)
- d) Performance Measurement in a project is very important in order to find out the actual picture of the project while it is in progress. Show diagrammatically how this is done in the project and what are the important formula which are used to measure the performance of a project. (7 Marks)
- e) Project Manager plays a key role for the success of any project. As such what are the most desirable traits and skills a project manager should possess? Explain. (7 Marks)

Question 2

- i) Organizations generally divide a project into various project phases in order to help management have better control over it.
- a) Describe how the cost and the level of effort vary during the project life cycle.
- b) Show how the level of activities changes over a time period for each project management processes. (8 Marks)

- ii) “Make it **fast**, make it **good** and make it **cheap**” is what senior managers always ask of the project managers. But the project managers always wanted a trade-off between these project parameters. Why do you think the top management and project managers take such stands when implementing a project? Illustrate your answer. (10 Marks)

Question 3

- i) Today's project managers need to be aware of the cultural, organizational, political and socioeconomic influences on projects. Understanding these influences involves identifying the project stakeholders and examining their ability to influence the project's success.
- a) What you have understood as “Project Stakeholders”?
 - b) Briefly explain any 3 very crucial stakeholders of a project and how they influence a project. (8 Marks)
- ii) Choosing an appropriate organizational structure facilitates effective implementation of a project. What factors you will consider when choosing an organizational structure? Discuss suitable project management organizational structures with their merits and demerits. (10 Marks)

Question 4

Work Breakdown Structure (WBS) is a foundation document in project management because it provides the basis for planning and managing project schedules, costs, and changes.

- i) Briefly describe in your own words what you have understood as WBS and what are the approaches used in developing WBS? (6 Marks)
- ii) What are the important factors which have to be considered during the process of developing a good WBS? (6 Marks)
- iii) Produce a WBS of no more than three levels for a dream project you wish to implement. (6 Marks)

Question 5

Timely procurement of goods and (or) services is vital for the success of any project.

- i) Briefly describe the project procurement management processes and show the key outputs in each stage. (6 Marks)
- ii) What are the important factors which may influence the selection of a contract method? (6 Marks)
- iii) During the selection of contract method for procurement, what are the important factors which influence the contract method? Discuss with suitable examples. (6 Marks)

Question 6

The activity details of an IT project are given in the Table below.

Activity	Description	Preceding Activity	Duration (Weeks)
A	Review Order	-	2
B	Order standard parts	A	15
C	Produce standard parts	A	10
D	Design custom parts	A	13
E	Software development	A	18
F	Manufacture custom hardware	C, D	15
G	Assemble	B, F	10
H	Testing	E, G	5

- i) Draw the project network diagram for this project using the Activity-on-Node (Precedence Diagram) method. (4 Marks)
- ii) Compute the following: Early, Late and Slack times and determine the estimated project duration and thereby identify the Critical Path. Explain the slack times. (8 Marks)
- iii) The client of the above project requests the project manager to check the possibility of reducing the project duration by 5 weeks. Briefly explain a suitable method you would use for this purpose and how would you do this? (6 Marks)

Question 7

- i) Projects are exposed to various types of risks and this phenomenon is inherent in every activity of a project. Hence the responsibility of a Project Manager is to carefully handle the risks that the project is likely to be exposed to.
 - a) What are the three conditions under which Project managers take decisions? Discuss.
 - b) Risk Conditions could be associated with each and every knowledge area of project management. Describe at least five of them. (10 Marks)
- ii) Sending the right information to the right person at the right time in a cost effective manner requires effective management of project communications. As a Project Manager, show how would you ensure that effective exchange of information is made in a project? (8 Marks)

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