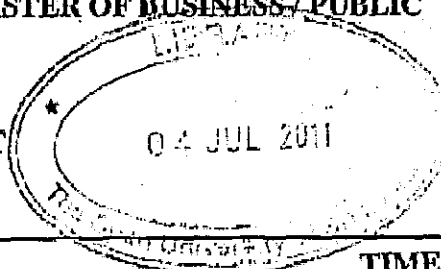


THE OPEN UNIVERSITY OF SRI LANKA  
 COMMONWEALTH EXECUTIVE MASTER OF BUSINESS / PUBLIC  
 ADMINISTRATION  
 FINAL EXAMINATION – 2010  
 MCP 2602- PROJECT MANAGEMENT  
 DURATION: THREE (3) HOURS



DATE : 2010.12.08

TIME: 9.30am – 12.30pm

**IMPORTANT INSTRUCTIONS**

- Answer Question 1 (compulsory) and any Four questions from others.
- Total Five (05) questions

**Question 1**

Answer any Four parts from the following.

- a) 'Project management is a coordinated effort towards managing interrelated processes of a project'. Briefly describe each of the processes in project management and show diagrammatically how the level of process interaction could vary during the entire project life cycle with the time. (7 Marks)
- b) "Identifying all the potential stakeholders who might have an impact on the project and determine their relative ability to influence the project is very crucial for the success of it". Explain 'Project Stakeholders'. Identify the key stakeholders of a typical project and explain how they exert influence over the objectives and outcomes of such projects. (7 Marks)
- c) 'Project Human Resource Management includes the processes that organize and manage the project team'. Explain the processes involved in Project Human Resource Management. (7 Marks)
- d) "It is possible to shorten the critical path of a project and save money." Do you agree / disagree with this statement. Explain with a suitable example. (7 Marks)
- e) Describe the processes of Project Cost Management. (7 Marks)

**Question 2**

- a) In the project context, the term scope can refer to both Product and Project. How would you differentiate these terms? Explain with suitable examples. (6 Marks)
- b) What are the processes involved in Project Scope Management? Explain one of them. (6 Marks)
- c) Describe the essential components of a detailed Project Scope Statement with suitable examples. (6 Marks)

**Question 3**

- a) *“WBS is a foundation document in project management because it provides the basis for planning and managing project schedules, costs, and changes.”* Discuss. (6 Marks)
- b) Explain why Project Integration Management is often viewed as the most important project management knowledge area. Briefly describe the essential elements of a good project plan. (6 Marks)
- c) Describe different types of quality costs. Explain with suitable examples how the implementation of a quality management system would reduce the total cost of quality in a project. (6 Marks)

**Question 4**

- a) Performance measurement techniques help to assess the magnitude of any variances that will invariably occur. What are the key formulae that are used in the variance analysis in project management? Illustrate them graphically. (8 Marks)
- b) A construction company has undertaken a pipe-laying contract, and the project manager of the contract decides to evaluate the project performance at the end of the first two months. The cost data collected for the above period are given below.

Description	Rs. (in Thousands)
Actual Cost to date	550
Budgeted cost for the work scheduled for the first 2 months	350
Cumulated earned value to date	400
Revised cost for the project at completion (EAC)	9,000
Total Original budget for the project	7,000

- i) Find the cost and schedule variances at the end of the above two month period.
- ii) Given the current information, will the project finish on schedule and within the budget? Justify your answer. (10 Marks)

**Question 5**

- a) Briefly explain the processes in Project Time Management. (4 Marks)
- b) Discuss any three techniques of Activity Duration Estimating familiar to you. (4 Marks)
- c) Explain the schedule compression techniques used in project management with the types of activities suitable for each of them? (5 Marks)
- d) During the process of activity sequencing, it is necessary to determine the dependencies among them. What are the types of dependences considered during activity sequencing? (5 Marks)

**Question 6**

- a) Projects are usually chartered and authorized external to the project organization by an enterprise, a government agency, a company or a portfolio organization. As an expert of project management identify at least five (05) reasons which stimulate for such project charter. (6 Marks)
- b) Using data given in the table below:
- Construct the Network Diagram
  - Calculate the Earliest Time in Forward Pass
  - Calculate the Latest Time in Backward Pass
  - Find the Critical Path

Activity	Dependency	Duration
A	-	4
B	-	3
C	A	2
D	A	5
E	B	2
F	C	3
G	D	2
H	E	1
I	F, G, H	3

(12 Marks)

**Question 7**

- a) 'Projects are exposed to various types of risks and hence the responsibility of Project Manager is to carefully handle the risks that the project is likely to be exposed to.' State the different types of risks a project may be exposed to and explain them. (6 Marks)
- b) Taking a project familiar to you, explain how you would prepare a communication plan for effective communication in a project. (6 Marks)
- c) Procurement of necessary materials and services on scheduled time is essential for the success of a project. What are the factors that you would consider when selecting procurement system for a project? Explain. (6 Marks)

(All Rights Reserved)