

THE OPEN UNIVERSITY OF SRI LANKA  
DEPARTMENT OF MATHEMATICS AND COMPUTER SCIENCE  
B.Sc. DEGREE PROGRAMME 2011/2012  
**CLOSED BOOK TEST – 2**  
**CPU3146: IT PROJECT MANAGEMENT**  
DURATION: ONE AND HALF HOURS ONLY (1.5 HRS)



Date: 18<sup>th</sup> October, 2011

Time: 4.00 pm – 5.30 pm

Answer ALL Questions.

**Q1).**

I.

- Financial considerations are often an important aspect of the project selection process. Briefly describe three (03) primary methods for determining the projected financial value of projects.
- Following table depicts the values of cost and profit related to a project. Do you think that selecting this project will be profitable? Construct your answer based on the methods you have given in the answer of Q1) I. a. part. (Discount rate is 8%)

	Year 1	Year 2	Year 3	Year 4	Total
Cost	140,000	40,000	40,000	40,000	
Discount Factor	1	0.93	0.86	0.79	
<b>Discounted Costs</b>	<b>140,000</b>	<b>37,200</b>	<b>34,400</b>	<b>31,600</b>	<b>243,200</b>
Benefits	0	200,000	200,000	200,000	
Discount Factor	1	0.93	0.86	0.79	
<b>Discounted Benefits</b>	<b>0</b>	<b>186,000</b>	<b>172,000</b>	<b>158,000</b>	<b>516,000</b>

- Discuss the importance of following a *well-integrated change control process* on information technology projects.

**Q2).**

I.

- "One of the most important aspects of project management is defining the scope of a project". Comment on the statement.
- Describe different ways to develop a WBS (Work Breakdown Structure) and explain why it is often so difficult to do.

- II. Calculating the Critical Path is a technique used in the *develop schedule* process in project time management. Briefly describe how it helps the project manager to manage a project.

Q3).

I.

- a. Why IT projects always tend to overrun the estimated budget?
- b. Explain how *earned value management* can be used to measure the project performance.

- II. Briefly describe the main processes in *project quality management*?

\*\*\*All Rights Reserved\*\*\*