



3000 002

UNIVERSITY OF RUHUNA
FACULTY OF MANAGEMENT AND FINANCE
Bachelor of Business Administration Degree Programme

3000 Level First Semester End Examination (Repeat/old syllabus)

November / December 2021

BBA 3102 – Project Management

Time: Three hours (03)

Total Marks: 70

Instructions: Answer only five (5) questions from seven (7) questions
Non-programmable Calculators are permitted
Make appropriate assumptions where necessary

(01)

(A) Define the term 'Project' with examples.

(01 Mark)

(B) "The major goal of a project is to satisfy a customer's need. Apart from this fundamental similarity, the characteristics of a project help distinguish a project from routine operations".

In view of the above statement, outline major characteristics of a project with suitable examples.

(07 Marks)

(C) "Project life cycle deliberates as an alternative way of demonstrating the unique nature of project work".

Briefly explain the four main stages of the project life cycle.

(06 Marks)

(Total Marks 14)

(02)

- (A) What do you mean by project scope? (03 Marks)
- (B) Briefly explain with examples the major components of a project scope statement (also included in a project scope checklist). (07 Marks)
- (C) Describe the importance of defining the project scope in project management. (04 Marks)

(Total Marks 14)

(03)

- (A) "Usually, project managers perform unique tasks and responsibilities, in addition to routine management functions".
Discuss this, focusing on the roles and responsibilities of project managers. (07 Marks)
- (B) "Projects have become more complex; however, working on projects can be an extremely rewarding experience"
Present your views on this statement. (03 Marks)
- (C) "Many projects suffer from scope creep".
Discuss this with possible reasons for and consequences of scope creep.
Present your recommendations to reduce scope creep. (04 Marks)

(Total Marks 14)

(04)

Assume that you have been assigned to work with a project selection team of Mega Company. Your team is considering three different projects namely Project A, B and C. Based on past experience, the Company expects at least a rate of return of 10 percent.

The following information is provided relating to the above three projects and you are advised to consider only the financial information for project evaluation.

Project: A

| Year | Investment (Rs.) | Revenue Stream(Rs.) |
|------|------------------|---------------------|
| 0 | 600,000 | 0 |
| 1 | | 60,000 |
| 2 | | 300,000 |
| 3 | | 350,000 |

Project: B

| Year | Investment(Rs.) | Revenue Stream (Rs.) |
|------|-----------------|----------------------|
| | 300,000 | 0 |
| 1 | | 80,000 |
| 2 | | 80,000 |
| 3 | | 80,000 |
| 4 | | 60,000 |

Project: C

| Year | Investment(Rs.) | Revenue Stream(Rs.) |
|------|-----------------|---------------------|
| 0 | 60,000 | 0 |
| 1 | | 10,000 |
| 2 | | 20,000 |
| 3 | | 40,000 |
| 4 | | 40,000 |
| 5 | | 60,000 |

You are required to:

- (A) Prioritize the projects considered using Net Present Value (NPV) and Payback period.
(07 Marks)
- (B) Advise the Company to select the most suitable project.
(02 Marks)
- (C) Assess the appropriateness of using NPV method than the payback period method in evaluating projects.
(03 Marks)
- (D) Outline important criteria for selecting projects
(02 Marks)
- (Total Marks 14)**

(05)

- (A) "Good project managers balance their attention to both the technical and socio-cultural aspects of project management. To be successful, a project manager must be a master of both these aspects of project management".

Critically evaluate this statement focusing on factors to be considered under technical and socio-cultural aspects of project management.

(08 Marks)

- (B) Briefly explain the three basic classifications of projects with examples.

(06 Marks)

(Total Marks 14)

(06)

- (A) Draw a 'Project Network' from the following information

| Activity | Predecessor | Duration (days) | ES | EF | LS | LF | Slack |
|----------|-------------|-----------------|----|----|----|----|-------|
| H | | 5 | | | | | |
| I | H | 10 | | | | | |
| J | H | 7 | | | | | |
| K | I, J | 4 | | | | | |
| L | I | 6 | | | | | |
| M | K, L | 7 | | | | | |

ES – early start, EF – early finish, LS – late start, LF – late finish

(05 Marks)

- (B) Calculate ES, EF LS, LF, and total Slack for each activity.

(05 Marks)

- (C) Find the Critical path.

(02 Marks)

- (D) Determine total project duration.

(02 Marks)

(Total Marks 14)

(07)

(A) Briefly explain the following three different project management structures.

- i. Functional organization
- ii. Dedicated project teams
- iii. Matrix structure

(03 Marks)

(B) List out advantages and disadvantages of the above project management structures.

(05 Marks)

(C) How Work Breakdown Structure (WBS) helps the project manager.

(02 Marks)

(D) Differentiate top-down estimating and bottom-up estimating

(02 Marks)

(E) What are the factors influencing the quality of estimates.

(02 Marks)

(Total Marks 14)