



UNIVERSITY OF RUHUNA

FACULTY OF MANAGEMENT AND FINANCE

Bachelor of Business Administration Degree Programme

3000 Level First Semester End Examination (November / December 2021)

Academic Year 2020/2021

BBA 31133 – 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 the same functions as other managers, such as plan, schedule, coordinate, implement, motivate, and control. However, they have unique tasks and responsibilities to be performed in this function".

Discuss this, stressing the roles and responsibilities of project managers.

(07 Marks)

(B) "One of the primary jobs of a project manager is to manage the trade-offs among time, cost, and performance".

Evaluate this statement concentrating on advantages and limits of establishing 'project priority matrix'.

(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 suitability of using NPV method over the payback period method in evaluating projects. (03 Marks)
- (D) Outline important criteria for selecting projects (02 Marks)
- (Total Marks 14)**

(05)

- (A) "Managing a project is a multi-dimensional process. Senior management is often involved in selecting projects but seldom involved in implementing them. Implementing the project is a challenge. **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) It requires paying attention to several key areas in implementing strategies through projects. Project implementation requires actions and completing tasks.

Outline five key areas to be considered in project implementation.

(06 Marks)

**(Total Marks 14)**

(06)

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

Activity	Description	Predecessor	Time (days)
A	Identify topic	None	2
B	Research topic	A	20
C	Draft paper	B	30
D	Edit paper	C	10
E	Create graphics	C	5
F	References	C	11
G	Proof paper	D, E, F	5
H	Submit paper	G	15

(05 Marks)

- (B) What activity (ies) is a burst activity? (01 Mark)

- (C) What activity (ies) is a merge activity? (01 Mark)

- (D) Complete the forward and backward pass, and compute activity slack. (03 Marks)

- (E) Identify the critical path. (02 Marks)

- (F) How many days will the project take? (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)**

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