

**DEPARTMENT OF MANAGEMENT
SCHOOL OF MANAGEMENT & BUSINESS STUDIES
JAMIA HAMDARD**

Odd Semester Examination (Online) January 2021

MBA [III Semester]

Subject Name: PROJECT MANAGEMENT

MM: 75

Subject Code: MBA-GE-OM-03

Time: 03Hours

Email Id of the Examiner: mspkhan100@gmail.com

Email Id of the Assistant Superintendent of Exams: assistant.superintendent.exams@gmail.com

Email Id of Dean: deanmanagement@jamiyahamdard.ac.in

Note:

- Students have to submit the **Scannedhand written solution** to the Examiner, Assistant Superintendent of Examination and Dean on the email ids as mentioned above.
- Students shall use **ruled white paper & blue ink** to write the solution. Each page must have a **serial number and the signature** of the student.
- An additional $\frac{1}{2}$ an hour will be given to the examinees to scan the answer sheets, convert it into single PDF and upload it on the id's given on the question papers.
- If any two copies are found to be similar then both the copies shall be cancelled. Such students will be considered/ tried for unfair means.
- The attached PDF shall be named as follows –
Full Name-Enrollment Number-Course-Semester-Subject Abbreviation(Example: Rabia Shaheen-2017-334-032-MBA-III-QTM)and students shall also mention the same in subject line of the email & his/her answer copy also.
- Answer All Questions, each carry equal marks.

- Q1** Define project and project management with the help of a suitable hypothetical example symbolizing a real life situation.
- Q2** "Project management organizational structures tell us how reporting relationships work in a particular organization. There are three basic types of organizational structure we find in management literature". Validate this statement. Which organizational structure will you choose for your hypothetical project and why the selected one is preferable to you?
- Q3** What is a Detailed Project Report? How does it differ from Feasibility Study Report?

- Q4** XYZ Company is evaluating an investment project. There is uncertainty associated with two aspects of this project: annual cash flow and life of the project. The NPV (Net Present Value) Model for the project is:

$$NPV = \sum [CF_t / (1+i)^t] - I$$

In the NPV model embedded in the equation above, i , the risk-free interest rate, and I , the initial investment, are parameters ($i = 10$ percent and $I = \text{Rs } 15,000$) whereas CF_t and n are stochastic exogenous variables with the following distributions.

Annual Cash Flow		Project Life	
Value (Rs)	Probability	Value (Years)	Probability
2,000	0.01	3	0.05
2,500	0.04	4	0.10
3,000	0.10	5	0.30
3,500	0.20	6	0.25
4,000	0.30	7	0.15
4,500	0.20	8	0.10
5,000	0.15	9	0.03
		10	0.02

Suppose the table of random numbers is as follows:

Random Numbers				
12217	59296	98036	53479	81115
91964	26240	58116	97344	70328
71118	84892	74523	66023	38277
431122	83086	03172	99776	75723
38416	42436	92153	30176	48979
99937	13213	14988	81874	83339
95053	55532	71863	19839	90630
52769	18801	53869	09337	33435
41330	21093	40823	31151	58295
81699	17106	03037	67619	52515

- Using the random number table, obtain ten simulated values of NPV.
- Being a statistician and project expert use your judgment to develop probability distribution of the basic variable, and
- Use the developed probability distribution to calculate mean and standard deviation from the simulated values.

Q5: Consider the following project (times given in days):

Activity	t_o	t_m	t_p	Predecessors
a	1	4	13	---
b	2	2	2	---
c	2	5	8	a
d	3	4	5	a
e	4	6	8	c, b
f	0	0	12	c, b
g	3	6	15	d, e

Find:

- Identify critical path and expected completion time for this project.
- What shall be the completion time corresponding to 80% probability?