

**VPM's**  
**DR VN BRIMS, Thane**  
**Programme: PGDM (2014-16)**  
**Sixth Trimester Examination April 2016**

<b>Subject</b>	<b>Project Management (Common Subject for All Specializations)</b>		
<b>Roll No.</b>		<b>Marks</b>	<b>60 Marks</b>
<b>Total No. of Questions</b>	<b>7</b>	<b>Duration</b>	<b>3 Hours</b>
<b>Total No. of printed pages</b>	<b>2</b>	<b>Date</b>	<b>20.04.2016</b>

**Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions.  
Q1) 20 Marks (Compulsory)**

Bharathi Heat Exchangers Ltd. is into building quality industrial boilers since 1974. By 1990, it was the second largest boiler manufacturer in India. The company had 750 employees on rolls.

During the 1980s, the company's profits increased significantly. The success of the company was attributed to its single product line (boilers) with standardized design. During this time, the company concentrated on improving its existing model rather than developing new models or new products. By the late 1980s, the company gained expertise in manufacturing boilers. The company was able to build and deliver advanced boilers to its clients within their budget and on time. Overwhelmed by their own expertise in building boilers, the company was extremely complacent and felt that this successful trend would continue. But the company's financial statements in 1991 showed decreasing profits due to the sharp decline in orders for boilers. Problems began when the company's clients began demanding boilers as per their specifications. Although the company had the technical expertise to build boilers according to customer specifications, it incurred losses due to cost and schedule overruns. These losses were mainly due to the management's inability to plan and estimate the costs of manufacturing boilers according to the new designs given by the clients.

This made the company search for alternate ways of managing its projects. At a quarterly review meeting, the company's CEO, Rajeev Dutta, said, "We can no longer manage the activities in the company using traditional management practices. It is high time we consider every client's order as a separate project." He also commented that, "Managers should understand that managing projects require a completely new set of tools and skills. The need of the hour is project management." But, the senior managers who were with the company from its inception felt otherwise. Ashok Singhal (Singhal), one of the senior managers, felt that there was no difference between a project and a process. He said that the functional approach used to manage processes, which had proved effective for 20 years, would be good enough to handle the new projects also.

a) Ashok Singhal (Singhal), one of the senior managers, felt that there was no difference between a project and a process. Please comment on the same (10 M)

b) The company's CEO, Rajeev Dutta, said "It is high time we consider every client's order as a separate project." Evaluate the decision of Mr Rajeev Dutta on the same. (10 M)

**Attempt Any FOUR from the Remaining SIX Questions**

**Q2) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) Explain the characteristics of project management.
- b) Write a note on project life cycle.
- c) Explain project plan development approach.

**Q3) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) What is contract? Explain the types of contracts.
- b) Write a note on "Project Selection Criteria"
- c) Explain the 'Contract Cycle' in project management.

**Q4) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) What is tender? Explain the types of tenders.
- b) Explain the concepts of EMD and LOI in project management.
- c) Write a note on 'HR Planning in Project Management'

**Q5) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) Explain the significance of Gantt Charts and Pivot tables in project management.
- b) Write a note on Project Feasibility Study.
- c) Explain the sources of Risks in project management.

**Q6) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) Explain the necessity of project consultants in details.
- b) Write a note on ' WBS' (Work Breakdown Structure)
- c) A Set of interconnected activities and their precedence relationships representing a project. Construct the Network through AOA. Find out Critical path.

Activity	Predecessor	Successor	
A	None	B	2
B	A	C,D	3
C	B	E	5
D	B	F	2
E	C	G	3
F	D	G	4
G	E,F	None	5

**Q7) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) Explain the types of project dependencies.
- b) Explain the role of project manager in detail.
- c) Write a note on Project Time Management Process.