



UNIVERSITY OF COLOMBO, SRI LANKA

UNIVERSITY OF COLOMBO SCHOOL OF COMPUTING

DEGREE OF BACHELOR OF INFORMATION TECHNOLOGY (EXTERNAL)

Academic Year 2011/2012 – 2nd Year Examination – Semester 4

IT4204 : IT Project Management
Part 1- Multiple Choice Question Paper

21st July, 2012
(ONE HOUR)

Important Instructions :

- The duration of the paper is **1 (one) hour**.
- The medium of instruction and questions is English.
- The paper has **24 questions** and **7 pages**.
- All questions are of the MCQ (Multiple Choice Questions) type.
- All questions should be answered.
- Each question will have 5 (five) choices with **one or more** correct answers.
- All questions will carry equal marks.
- There will be a penalty for incorrect responses to discourage guessing.
- The mark given for a question will vary from 0 (*All the incorrect choices are marked & no correct choices are marked*) to +1 (*All the correct choices are marked & no incorrect choices are marked*).
- Answers should be marked on the special answer sheet provided.
- Note that questions appear on both sides of the paper.
If a page is not printed, please inform the supervisor immediately.
- Mark the correct choices on the question paper first and then transfer them to the given answer sheet which will be machine marked. **Please completely read and follow the instructions given on the other side of the answer sheet before you shade your correct choices.**
- Non-programmable calculators may be used.

Questions 1 and 2 are based on the following information about a project:

A Tech Limited, though a small company, is the sole agent in Sri Lanka of a reputed brand of computers. Anura is the engineering manager under whom Dilan, the hardware engineer works. Susil is the software manager under whom Mehkala, a software engineer works. Aruni is the accountant while Fahim is an accounts clerk.

A Tech has been awarded the contract to develop the hotel management software for **Kirinda Beach Village**, a hotel in Kirinda, and Susil has been assigned to manage the project. Lal works as the hotel manager while Varuna works as the accountant at Kirinda Beach Village.

1. A good set of stakeholders in the hotel management software project who should be in regular contact is

- | | |
|--------------------------|-------------------------|
| (a) Anura, Aruni, Varuna | (b) Aruni, Dilan, Fahim |
| (c) Dilan, Fahim, Lal | (d) Fahim, Lal, Mehkala |
| (e) Lal, Mehkala, Susil | |

2. Which of the following will ensure the success of the hotel management software project?

- | |
|---|
| (a) clear scope of system |
| (b) good project planning |
| (c) good project control |
| (d) involvement of Lal in the system development |
| (e) requirements needed by Kirinda Beach Village being firm |

3. For a successful project, a project manager must balance three often-competing goals named the **triple constraint**. What are these three competing goals?

- | |
|---|
| (a) business standing, cost, satisfaction |
| (b) cost, profit, scope |
| (c) cost, scope, time |
| (d) profit, scope, stability |
| (e) scope, stability, time |

4. A good strategy for project managers to follow with regard to the different stakeholders involved in a project is:

Make **AAA** winner.

A good choice for the label **AAA** above is:

- | | |
|-------------------------|------------------------------------|
| (a) client the | (b) every stakeholder a |
| (c) project manager the | (d) the project manager's boss the |
| (e) user the | |

5. Listed below are some project management job functions:

- A. define scope of project
- B. develop work breakdown structure
- C. estimate time requirements
- D. identify and evaluate risks
- E. identify and track critical milestones
- F. identify interdependencies
- G. identify resources
- H. monitor and control project

The correct order of execution of these functions are:

- | | |
|---------------------|---------------------|
| (a) A,B,C,D,E,F,G,H | (b) A,B,D,C,E,F,G,H |
| (c) A,B,G,D,C,F,E,H | (d) F,D,A,G,B,C,H,E |
| (e) G,F,A,D,C,B,E,H | |

6. A project manager must

- | |
|--|
| (a) be good and correct at all times. |
| (b) be responsible. |
| (c) not accept inappropriate (unethical) payments. |
| (d) set specific goals to his staff. |
| (e) treat his workers kindly. |

7. Customer acceptance is an important task in the last phase of the project life cycle known as the close-out. Following is labelled paragraph about this task:

The formal acceptance of a project's **AAA** is a process that is completed by the customer of the project and the appropriate members of the project team. These acceptances are based on the **BBB** which is written very early in the project timeline. This document indicates what qualifies for an acceptance of the completed project. This often consists of a checklist of the required **CCC** of the project. The client and the team members will **DDD** the deliverables against the **EEE** to confirm that the deliverables exist.

A good set of choices for the blanks labelled AAA, BBB, CCC, DDD, and EEE above in that order is:

- | |
|---|
| (a) deliverables, scope statement, features, test, scope statement |
| (b) documents, document plan, documents, check, document plan |
| (c) income, budget, costs, evaluate, budget |
| (d) resources, resource plan, need, evaluate, resource plan |
| (e) tasks, work breakdown structure, tasks, check, work breakdown structure |

8. In a Net Present Value (NPV) computation, which is a good choice for the discount rate?

- | | | |
|---------|----------------------------|---------|
| (a) 5% | (b) 8% | (c) 10% |
| (d) 12% | (e) the bank interest rate | |

9. When selecting projects, the project manager should consider whether or not the project

- (a) supports key business objectives.
- (b) has a strong internal sponsor and strong customer support.
- (c) uses realistic levels of technology.
- (d) provides a good, positive NPV.
- (e) has low risk with regard to the triple constraints.

Questions 10, 11, and 12 are based on the following information about a project:

For a particular project, the projected costs and benefits are spread over two years as follows: estimated costs are Rs.140,000 in Year 0 and Rs.40,000 in Year 1. Estimated benefits are Rs.0 in Year 0 and Rs.300,000 in Year 1.

Note: The discount rate that has to be used for the computation is 8%.

10. What is the Net Present Value (NPV) of this project?

- (a) Rs.101,800
- (b) Rs.108,100
- (c) Rs.120,000
- (d) Rs.140,000
- (e) Rs.160,000

11. What is the approximate Return On Investment (ROI) of this project?

- (a) 17%
- (b) 27%
- (c) 37%
- (d) 47%
- (e) 57%

12. Which of the following is/are true with regard to payback analysis?

- (a) Payback period is the amount of time it will take to get, in the form of net cash inflows, the total money invested in a project.
- (b) Payback period is the amount of time a customer will have to wait to get the full results of a project.
- (c) Payback period is the amount of time a customer will be given to complete the payment for a project.
- (d) Payback occurs when the net discounted cumulative benefits and costs reach zero.
- (e) From a project manager's point of view, larger payback periods are preferable.

13. A project charter

- (a) is a document that recognizes the existence of a project and provides direction on the project's objectives and management.
- (b) authorizes the project manager to use organizational resources to complete the project.
- (c) could be a simple letter of agreement signed by all stakeholders.
- (d) should be produced for each potential project irrespective of whether it would be selected for implementation.
- (e) should be signed by all stakeholders to acknowledge agreement on the need for and intent of the project.

14. Which of the following should a project charter consist of?

- (a) project budget
- (b) project objectives
- (c) project schedule
- (d) roles and responsibilities matrix
- (e) stakeholder signature section

15. The *estimated* duration of a project can be shortened by

- (a) quality control.
- (b) reconsidering activity sequencing to do activities in parallel if possible.
- (c) reducing critical path activity durations.
- (d) reducing non-critical path activity durations.
- (e) the use of COCOMO technique.

16. It is most important to monitor

- (a) activities using critical resources.
- (b) activities with free float.
- (c) critical path activities.
- (d) high risk activities.
- (e) non-critical path activities.

17. In allocating individuals to tasks it may

- (a) benefit the organization if junior staff is allocated to appropriate non-critical activities.
- (b) help to allocate inexperienced personnel to activities on the critical path.
- (c) help to allocate more experienced personnel to activities on the critical path.
- (d) help to allocate the more experienced staff to activities using important resources.
- (e) help to allocate the more experienced staff to highest risk activities.

18. Consider the following communication needs:

- A. encouraging creative thinking
- B. expressing support and appreciation
- C. mediating in a conflict
- D. providing a permanent record

In respective order, good media type choices for the above communication needs are

- (a) A-email, B-hard-copy, C-meeting, D-hard-copy
- (b) A-hard-copy, B-phone-call, C-meeting, D-hard-copy
- (c) A-meeting, B-email, C-hard-copy, D-meeting
- (d) A-phone call, B-web-site, C-hard-copy, D-phone-call
- (e) A-web-site, B-web-site, C-hard-copy, D-hard-copy

19. A computer needed for a programming project costs Rs.100,000/=. Once bought it has a daily operational cost of Rs.500. If the same computer could be hired for Rs.1,000 per day including the operational costs, what is the maximum number of days of work beyond which it will be more profitable to buy the computer?

- | | | |
|---------|----------|---------|
| (a) 100 | (b) 200 | (c) 500 |
| (d) 700 | (e) 1000 | |

20. Which of the following is/are true about contracts?

- | |
|--|
| (a) In a fixed price contract, the customer knows the amount to pay and the supplier has a motivation to manage the delivery of the system in a cost-effective manner. |
| (b) It is usually very easy to change requirements once a fixed price contract is signed. |
| (c) In a time and material contract the customer needs to worry about the risk of poorly defined or changing requirements. |
| (d) Time and material contracts are often used for services that are needed when the work cannot be clearly specified and total costs cannot be estimated in a contract. |
| (e) Unit pricing can be used in types of contracts to require the buyer to pay the supplier a predetermined amount per unit of product or service. |

21. Some stages in contractor selection (ignoring the correct sequence) are:

- A. Evaluation of proposals
- B. Planning purchases and acquisitions
- C. Planning contracting
- D. Sending invitation to tender

The correct sequence of the above stages is

- | | | |
|-------------|-------------|-------------|
| (a) A,B,C,D | (b) A,C,D,B | (c) B,C,D,A |
| (d) C,B,D,A | (e) D,C,B,A | |

22. Developing wrong software functions is a common problem with software projects. To reduce this risk, good strategies are?

- | |
|----------------------------------|
| (a) cost/benefit analysis |
| (b) formal specification methods |
| (c) prototyping |
| (d) user involvement |
| (e) user task analysis |

23. Which of the following is/are true?

- (a) Software development projects typically consist of several stages such as analysis, design, coding and testing with all errors usually easily removed in the final testing stage.
- (b) Correctness, reliability, efficiency, usability and maintainability could be termed the most important quality attributes that a software product should have.
- (c) Simple yet still serving the purpose well, using same type of buttons to mean the same thing, using a consistent screen format (certain areas in screen for specific information), engineering for user errors and giving appropriate feedback are some good user interface guidelines.
- (d) Determining where current and potential quality problems lie and taking actions to correct such problems; and training employees to actively carry out their part of quality improvement are good strategies that a project manager should follow.
- (e) A good change and configuration control procedure is not beneficial to be made at the beginning of the project.

24. A project has a budget of Rs.100000. Month six of the project work plan represents 50%. However, the work completed to date represents 25% of the entire project. The BCWS (Planned Value) for month six, and the BCWP (Earned Value) are, respectively Rs.

- (a) 25000, 25000
- (b) 50000, 25000
- (c) 50000, 75000
- (d) 100000, 50000
- (e) 100000, 100000
