UNIVERSITY OF COLOMBO, SRI LANKA

UNIVERSITY OF COLOMBO SCHOOL OF COMPUTING

DEGREE OF BACHELOR OF INFORMATION TECHNOLOGY (EXTERNAL)
Academic Year 2014/2015 – 2nd Year Examination – Semester 4

IT4205: IT Project Management
PART 1- Multiple Choice Question Paper

01st August, 2015
(ONE HOUR)

Important Instructions :

- The duration of the paper is **1 (one) hour.**

- The medium of instruction and questions is English.

- The paper has **30 questions** on **08 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 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.**

1. A multimedia projector costing Rs. 66,000 is required for an institute to conduct its training courses. If bought, it has a daily operational cost of Rs. 300. If the projector could be hired for Rs. 2,500 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 projector?

(a) 20	(b) 24	(c) 30
(d) 32	(e) 40	

2. Which of the following is a / are component(s) of a project charter?

(a) schedule	(b) stakeholder contact details
(c) scope	(d) system test data
(e) cost	

3. What factor(s) typically constitute(s) the triple constraints of a project ?

(a) scope	(b) time
(c) quality	(d) cost
(e) profit	

4. From the following, identify the correct equation(s) to calculate the float for an activity;

(a) Float = LFT - EST
(b) Float = LFT - LST
(c) Float = LST - EFT
(d) Float = LST - EST
(e) Float = LFT - EFT

5. With regard to the Gantt Chart, which of the following is/are correct ?

(a) A Gantt Chart gives a visual representation of task durations.
(b) A Gantt Chart can be used to show the progress of the activities.
(c) A Gantt Chart displays the project activities and their start and finish in calendar dates.
(d) A Gantt Chart visually shows the slack time.
(e) A Gantt Chart shows the critical path of the project.

6. Which of the following is/are correct, with respect to the activity-on-arrow Network Chart ?

(a) A network chart can have only one start node and only one end node.
(b) A network chart gives a visual representation of dependencies between tasks.
(c) Dummy activities are not used in activity-on-arrow network charts.
(d) A network chart is a diagram that is drawn before the work breakdown structure.
(e) A network chart may not contain loops.

Consider the following table that gives the cash flow projections of five projects A, B, C, D and E to answer the questions 7 – 10.

Year	Project A	Project B	Project C	Project D	Project E
0	-100,000	-1,000,000	-100,000	-120,000	-500,000
1	10,000	300,000	25,000	40,000	200,000
2	10,000	300,000	35,000	40,000	250,000
3	10,000	300,000	45,000	40,000	300,000
4	100,000	300,000	55,000	40,000	350,000

Cash flow projections for A,B,C,D and E in Rs. (figures are end of year totals)

Suppose, the time value of money is zero (discounted rate is zero) and the risk level of all five projects is the same.

7. From the five projects, which project gives the highest net value ?

> (a) Project A
> (b) Project B
> (c) Project C
> (d) Project D
> (e) Project E

8. From the five projects, what is the highest net value ?

> (a) Rs.   160,000
> (b) Rs.   200,000
> (c) Rs.   600,000
> (d) Rs. 1,100,000
> (e) Rs. 1,200,000

9. Identify the best project to be implemented by evaluating the five projects using the Payback period method.   (Assume that cash inflows are spread throughout the year.)

> (a) Project A
> (b) Project B
> (c) Project C
> (d) Project D
> (e) Project E

10. What is the ROI (Return of the Investment) value for the best project ?

> (a) 20%
> (b) 33%
> (c) 60%
> (d) 120%
> (e) 150%

11. The activity-on-arrow network chart given below indicates the paths A-E-I and B-F-J to be critical.
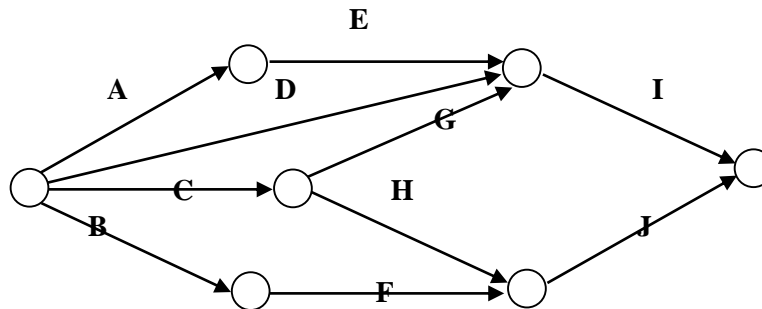
Which of the following gives the correct durations of each activity of the above Network Chart (all activity durations given in weeks) ?

(a) A=4, B=5, C=6, D=11, E=7, F=11, G=7, H=6, I=10, J=9
(b) A=5, B=7, C=6, D=10, E=8, F=11, G=7, H=6, I=10, J=8
(c) A=7, B=5, C=5, D=10, E=8, F=11, G=8, H=6, I=9, J=9
(d) A=7, B=5, C=6, D=10, E=8, F= 9, G=7, H=6, I=10, J=11
(e) A=7, B=5, C=6, D=10, E=8, F=11, G=7, H=6, I=10, J=9

12. Based on the network chart given for the previous question, what is the minimum duration to complete the project ?

(a) 23 days
(b) 24 days
(c) 25 days
(d) 26 days
(e) 28 days

13. Which of the following statement(s) is/are correct ?

(a) Dummy activities have no duration.
(b) Dummy activities have no resources.
(c) Dummy activities are used to represent logical sequences.
(d) Dummy activities are used in drawing precedence diagrams.
(e) Dummy activities are used in drawing activity-on-arrow network diagrams.

14. Which of the following statements could be a part of a contingency plan?

(a) If the new version of the software is not released within one month, the company will use the existing software.
(b) Before going to make a presentation to the board of directors, a presenter must take a printout of his presentation.
(c) Before starting a project, the team must draw an activity-on-node diagram and identify the critical path.
(d) In calculating the discounting factor, the current bank interest rate should be used.
(e) The client is asked to keep SLR 2,000,000.00 as contingency reserves.

15. The following figure represents Activity A and Activity B. What is the relationship between these two activities as shown in the figure?
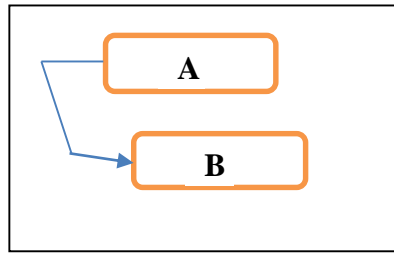
(a) Task (A) cannot start until task (B) starts.
(b) Task (B) cannot start until task (A) finishes.
(c) Task (B) cannot start until task (A) starts.
(d) Task (B) cannot finish until task (A) finishes.
(e) Task (B) cannot finish until task (A) starts.

16. Which of the following items is/are a part of a risk management plan?

(a) Methodology
(b) Roles and responsibility
(c) Risk probability and impact
(d) Risk register
(e) Project management plan

17. Which of the following should be included in a top ten risk item tracking chart ?

(a) Risk event
(b) Rank this month and Rank last month
(c) Rank this month and Rank next month
(d) Number of months in top ten
(e) Expected risk value for a future date

18. Which of the following risks need(s) the immediate attention of the top management of an organization?

High	Risk 1	Risk 4	
Medium	Risk 2	Risk 5	Risk 7
Low	Risk 3	Risk 6	Risk 8
Probability / Impact	Low	Medium	High

(a) Risk 1
(b) Risk 8
(c) Risk 7
(d) Risk 4
(e) Risk 3

19. Which of the following formulae correctly give a number that represents an overall risk of a specific event?

   (a) Probability of occurring a negative event and the impact of that event to achieve the mission of the project
   (b) Probability of occurring a positive event and the impact of that event to achieve the mission of the project
   (c) Probability of occurring an event and the impact of that event to achieve the mission of the project
   (d) Probability of occurring a negative event into the impact of that event to achieve the mission of the project
   (e) Probability of occurring a negative event plus the impact of that event to achieve the mission of the project

20. Which of the following clearly describe(s) a risk?

   (a) A risk is always positive. Therefore, it should be mitigated.
   (b) A risk can be positive. Therefore, these kinds of risk must be explored.
   (c) A risk can only be negative. Therefore, such risks should be mitigated.
   (d) A risk can be either negative or positive.
   (e) A risk can be both negative and positive at the same time.

21. What is meant by a watch list in project risk management?

   (a) A list of risks that are high priority
   (b) A list of risks that are low priority
   (c) A list of risks that are very likely to occur in the near future
   (d) A list of risks that are very likely to occur in the near future and have higher impacts
   (e) A list of risks that will never occur in the near future

22. Suppose there is a 20 percent chance that you will lose SLR 10,000.00 and a 80% chance that you will earn SLR 100,000.00 on a particular project. What is the project's estimated monetary value (EMV)?

   (a) SLR 30,000.00
   (b) SLR 87,000.00
   (c) SLR 67,000.00
   (d) SLR 70,000.00
   (e) SLR 78,000.00

23. Which of the following is/are **not** a qualitative risk analysis tool?

   (a) Simulation
   (b) Sensitivity analysis
   (c) Monte Carlo analysis
   (d) Expert judgment
   (e) Top ten risk items tracking tool

24. | Which of the following categories of people/organizations can make an expert judgment?

> (a) Experts inside the organization
> (b) Experts outside the organization
> (c) Suppliers
> (d) Trade unions
> (e) Foreign experts

25. | Suppose you have a **buy or make** decision based on the following information. The purchase price of an equipment is SLR 15,000.00 and daily operating cost of the equipment is SLR 500.00. Another option is leasing the equipment for SLR 1,000.00 per day. The daily operating cost of the leased equipment is SLR 50.00. It is estimated that the project will take 25 days to complete. What is the best option in terms of monetary value and the saving respectively ?

> (a) Buying the equipment with a saving of SLR 1,250.00
> (b) Leasing the equipment with a saving of SLR 1,250.00
> (c) Buying the equipment with a saving of SLR 2,500.00
> (d) Leasing the equipment with a saving of SLR 2,500.00
> (e) Both would cost the same.

26. | According to Program Evaluation and Review Technique (PERT) weighted average, a project needs 12 days to be completed. Assuming that optimistic time duration is 8 working days and pessimistic time period is 24 working days, how many days would this project most likely take to be completed?

> (a) 8 working days
> (b) 10 working days
> (c) 12 working days
> (d) 16 working days
> (e) 24 working days

27. | Which of the following shows the number of resources assigned to a project over time ?

> (a) Project organizational chart
> (b) Organizational breakdown structure
> (c) Resource histogram
> (d) Responsible assignment matrix
> (e) RACI chart

28. | Which of the following is **not** a tool or technique for managing project teams?

> (a) Conflict management
> (b) Resource histogram
> (c) Observation and conversation
> (d) Social Style Profile
> (e) Resource levelling

29. | Which of the following lists correctly show the order of stages involved in Tuckman model ?

> (a) Adjourning, storming, norming, performing, forming
> (b) Forming, storming, norming, performing, adjourning
> (c) Forming, adjourning, storming, norming, performing
> (d) Norming, forming, storming, performing, adjourning
> (e) Performing, storming, norming, forming, adjourning

30. | Which of the following correctly list the order of stages involved in testing information technology projects?

> (a) unit testing, integration testing, system testing, user acceptance testing
> (b) unit testing, user acceptance testing, integration testing, system testing
> (c) unit testing, system testing, integration testing, , user acceptance testing
> (d) unit testing, integration testing, user acceptance testing, system testing
> (e) user acceptance testing, system testing, integration testing, unit testing

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