



Earliest Start time (E_i)

It is the earliest possible time when an activity can begin assuming that all of the preceding activities have also started at their earliest starting time.

Latest Event time (L)

This indicates the time by which all activities entering into that event must be completed w/o delaying completion of the project.

Total Float

It refers to the amount of time by which the completion of an activity could be delayed beyond the earliest expected completion time w/o affecting the overall project duration time.

Free Float

The time by which the completion of an activity can be delayed beyond the earliest finish time w/o affecting the earliest start of a succeeding activity.

Direct Cost → It is directly dependent on the amount of resources in the execution of individual activities. The direct cost increases if the activity duration is to be reduced.

Indirect Cost → This cost is associated with overhead expenses such as managerial services indirect supplies etc. The indirect cost is counted on a per day per week or per month basis.

The indirect cost decreases if the activity duration decreases.

Crashing of two project Network

Activity	Normal time	Crash time	Normal Cost (Rs)	Crash Cost (Rs)
1-2	7	4	400	850
1-3	5	3	500	700
1-4	8	5	600	1200
2-5	9	7	800	1250

Activity	Normal time	Crash time	Normal Cost (Rs)	Crash Cost (Rs)
3-5	5	3	700	1000
3-6	6	5	1100	1300
4-6	7	5	1200	1450
5-7	2	1	400	500
6-7	3	2	500	850

Step 1: Find out Cost slope / slope

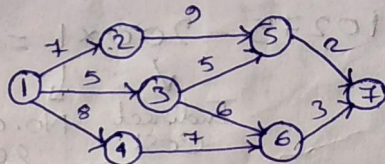
$$\text{Slope} = \frac{\text{Crash Cost} - \text{Normal Cost}}{\text{Normal time} - \text{Crash time}}$$

Crash limit

Step 2: Draw network diagram

Step 3: Find Critical path

Activity	Slope
1-2	50
1-3	100
1-4	200
2-5	225
3-5	150
3-6	200
4-6	125
5-7	100
6-7	350



$$1-2-5-7 = 7+9+2 = 18$$

$$1-3-5-7 = 5+5+2 = 12$$

$$1-3-6-7 = 5+6+3 = 14$$

$$1-4-6-7 = 8+7+3 = 18$$

Normal Project Completion time = 18 Weeks.

Step 4: Find out the total direct cost

$$\text{Normal Cost Summation} = 6500$$

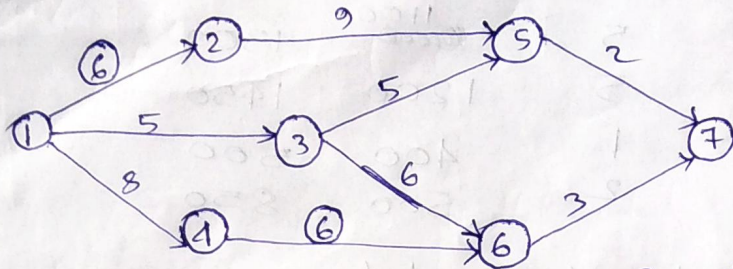
$$\text{Indirect total cost} = 200 \times 18 = 3600$$

$$\text{Total direct cost} = 6500 + 3600 = 10100$$

Step 5: Crashing of the network:-

Critical Path	Critical activities	Crash limit (Normal time - Crash time)	Cost slope
1-2-5-7	1-2	3	50 *
	2-5	2	100 225
	5-7	1	100
1-4-6-7	1-4	3	600 200
	4-6	2	125 250 *
	6-7	1	350

2nd Iteration



Normal project completion time after the 2nd iteration will be 17 weeks.

Total direct Cost + Total least Cost slope

$$1-2-5-7 = 17$$

$$1-3-5-7 = 12$$

$$1-3-6-7 = 14$$

$$1-4-6-7 = 17$$

$$1000 + (50 + 125) = 10275$$

$$10275 - 200 \times 1 = 10075$$

Indirect Cost
No. of weeks reduced

Critical Path	Critical activity	Crash limit	Cost Slope
1-2-5-7	1-2	2	50 *
	2-5	2	225
	5-7	1	100
1-4-6-7	1-4	3	600 200
	4-6	1	125 *
	6-7	1	300 350

3rd iteration (Optimum iteration in 4th)

$$10075 + 50 + 125 - 200 \times 1$$

$$= 10050$$

$$1-2-5-7 = 17$$

$$1-3-5-7 = 12$$

$$1-3-6-7 = 14$$

$$1-4-6-7 = 16$$

C Path	C activity	C limit	C slope
1-2-5-7	1-2	1	50 *
	2-5	2	225
	5-7	1	100
1-4-6-7	1-4	3	200 *
	4-6	0	125 *
	6-7	1	350

Zone not on X-axis

$$10050 + 50 + 200 - 200 \times 1 = 10100$$

$$1-2-5-7 = 15 \quad 1-3-6-7 = 14$$

$$1-3-5-7 = 12 \quad 1-4-6-7 = 15$$

Since the value in the 4th Iteration is $>$ the 3rd Iteration the optimal Solution

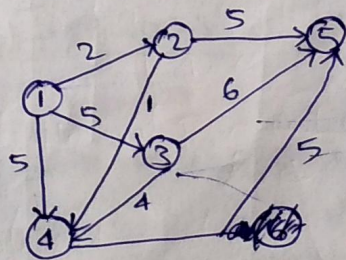
(i) Project Duration = 16 weeks

(ii) Project Path ~~is~~ 1-2-5-7, 1-4-6-7.

Activity	Normal time	Crash time	N Cost	C Cost
1-2	2	1	800	1400
1-3	5	2	1000	2000
1-4	5	3	1000	1800
2-4	1	1	500	500
2-5	5	3	1500	2100
3-4	4	3	2000	3000
3-5	6	4	1200	1600
4-5	5	3	900	1600
			<u>8900</u>	

Indirect Cost = 350/week.

Activity	Slope
1-2	600
1-3	333.33
1-4	400
2-4	—
2-5	300
3-4	1000
3-5	200
4-5	350



$$1-2-5 = 7$$

$$1-3-5 = 11$$

$$1-4-5 = 10$$

$$1-3-4-5 = \textcircled{14}$$

$$1-2-4-5 = 8$$

Normal Cost summation = 8900

Indirect total Cost = $350 \times 14 = 4900$

Total direct Cost = $8900 + 4900 = 13800$

1st Iteration

Critical Path	Critical activity	Crash limit	Cost Slope
1-3-4-5	1-3	3	333.33*
	3-4	1	1000
	4-5	2	350