I.

|  |  |
| --- | --- |
| 1. A | 6. A |
| 2. B | 7. B |
| 3. C | 8. A |
| 4. A | 9. A |
| 5. B | 10. D |

II.

1. ***What does Project cost control include? Can performance review meeting be a powerful tool to help control project costs?***

* Project cost control includes:

+ Monitoring cost performance

+ Ensuring that only appropriate project changes are included in a revised cost baseline.

+ Informing project stakeholders of authorized changes to the project that will affect costs.

* Yes, because the performance reviewing meeting will know you have to report on your progress is an incentive for people to perform better

1. ***Explain some of the typical problems with software cost estimates?***

* Developing an estimate for a large software project is a complex task requiring a significant amount of effort. Remember that estimates are done at various stages of the project.
* Many people doing estimates have little experience doing them. Try to provide training and mentoring.
* People have a bias toward underestimation. Review estimates and ask important questions to make sure estimates are not biased.
* Management wants a number for a bid, not a real estimate. Project managers must negotiate with project sponsors to create realistic cost estimates.

1. ***What is rate of performance (RP)? Give an example.***

* Rate of performance (RP) is the ratio of actual work completed to the percentage of work planned to have been completed at a given time during the life of the project or activity.
* Example: Imagine a construction project where the foundation is supposed to be fully laid by the end of week 2. By that time, only 70% of the foundation work is completed. The rate of performance would be 70 percent (70/100) since the planned schedule indicates that the task should be 100 percent complete, but only 70 percent has been achieved by the deadline.

1. ***What is meant by project Portfolio management? How many levels has the Project portfolio management?***  
   - Many organizations collect and control an entire suite of projects or investments as one set of interrelated activities in a portfolio

* Project portfolio management has five levels:

+ Put all your projects in one database

+ Prioritize the projects in your database.

+ Divide your projects into two or three budgets based on type of investment.

+ Automate the repository

+ Apply modern portfolio theory, including risk-return tools that map project risk on a curve.

1. Give an example of how-to use software to assist in cost management

Excel has been instrumental in enhancing project cost management at McCownGordon Construction, a Kansas City-based company specializing in construction projects. McCownGordon efficiently processes bids, analyzes cost data, and communicates with clients effectively using Excel's versatile spreadsheet capabilities.

By leveraging Excel's sorting and exporting features, McCownGordon provides clients with detailed insights into project expenditures and identifies areas for cost optimization. Furthermore, Excel's visualization tools, including graphs and pie charts, allow the company to present complex cost information in a clear and concise manner, fostering transparency and trust with clients.