MGT 335-Project Management

50pts, Due Sunday @ Midnight

**Assignment #7**

Chapter 7: Exercise #1 (Problem 7-25 in 5th ed)

1. A project in its 26th week has an actual cost of $270,000. It was scheduled to have spent $261,000. For the work performed to date, the budgeted value is $272,000. What are the cost and schedule variances for the project? What are the SPI and CPI? Interpret/explain these numbers briefly. Are we ahead or behind schedule & budget?

cost spending variance 2000 (it cost less than it was planned for)

schedule variance 11000 (11000 ahead in the scheduled work value)

SPI 1.042145594 (this is over 1 and is therefore ahead in schedule)

CPI 1.007407407 (this is over 1 and is therefore ahead in cost value)

Chapter 7: Friendly Assisted Living Facility-7 (St Dismas Assisted Living Facility-5 in older editions)

1. What do you think the construction project manager should have done when the Director of Security stopped attending the project meetings?

There should have been notices sent to the security director after the first incident of missing a meeting to find out what is happening. Then after that the information should have been shared with everyone so that action could be taken on how choices will be made, or to change the meeting time to fit his schedule. They could also be meeting times for just the PM and security director to discuss the important problems that needs answers.

1. Do you think it is an effective communications tool to send the construction project meeting minutes to the ALF steering team and the President? Support your answer.

I have always personally felt that note taking during meetings is important. It only takes one heated or complex discission for everyone to forget what was said before. Creating meeting notes on what has happened and what was discussed is a great tool to make sure everyone is on the same page and nothing was lost in translation.

1. How much time has to be made up for the original, baseline schedule to be met?

(14+14+15)-(14+14)= 15 days need to be made up to keep on track of the 7/30 end date

*Note: See the table “Construction Project Update as of 4/11” after the case for this answer. Variance will tell you how much the project is ahead/behind.*

1. Develop an action plan and draw a Gantt chart for the Parking Lot phase of the project. Answer Fred’s questions.

*Note: You may use the attached excel sheet “Parking Lot Raw” to begin with. This file provides the activities for the parking lot project and will keep your work comparable to the answer key. Try to transform “Parking Lot Raw” into detailed Gantts that show answers to Q 4 as outlined by the case.*

* 1. *County response May 1st.*

*I’m not sure what county response means? There are two things that the county could respond to “a notice to proceed with lot” or “city approval permit”. Since the timeline wouldn’t make sense, I put it as the approval date.*

* 1. *Latest possible county response to achieve June 15th completion date.*

*The latest date would be May 3rd given that it takes 3wks for build out, 2wks for lighting, 1wk for paving.*

1. What information does Fred need to make a decision about building a hair salon?

Well, he needs to first decide if it’s possible with the timeline, and then if its worth it. From the text it seems that there is no information about how, when, etc. Nothing seems to have been decided except that the marketing department wants it. So there also needs to be information gathered about the details of this new addition.