

# International Islamic University Chittagong (IIUC)

## Department of Economics & Banking

Final-Term Examination: Spring-2019

Program: BSS (Hon's.)

Course Code: FIN-4804

Course Title: Project Management

Time: 2.5 Hours

Full Marks: 50

*Answer any Five of the following questions. All parts of a question must be answered sequentially. Figures in the right margin indicate full marks.*

- 1 (a) "In a perfect world, the project manager would simply implement the project plan and the project would be completed." – Justify the statement. 2
- (b) Denim Export is facing some major problems in managing its some ongoing projects like excessive cost, high work load, rivalry among team members and decision making complexity. As a project manager you are assigned to make a project structure that can be effective to solve the problem. Prepare a structure with rational choice. 4
- (c) Deepal Abeywickrema, managing director of Nestle Bangladesh Ltd. has recently appointed as an adviser for their new project in Bangladesh and you are assigned to build up a strong project team. Prioritize the factors which you will consider in making project team. 4
- 2 (a) For project financing what are the sources you will consider? – Give your opinion. 3
- (b) Govt. of Bangladesh has taken a project of Economic Zone in Mirsarai area. For making the zone the cost of acquisition is Tk. 50000000, medical centre set up Tk. 6000000, Labour Shed Tk. 1500000, Visitor Booth Tk. 500000, Beautification Cost Tk. 1300000, Safety and Security System Tk. 2300000, Road Construction Tk. 3200000 and Miscellaneous Expense Tk. 1500000. Govt. has planned to contribute Tk. 20 million, Foreign Direct Investment is Tk. 50 million, LGED will provide Tk. 10 million and World Bank will give a loan of Tk. 80 million. As a project analyst assess the dependency and sustainability of the project. 7
- 3 (a) GPH Ispat Ltd. is going to purchase a plant for making its extreme bar for next ten years. Total outlay of this plant is Tk. 5000000. Management expects that it will sell 2000 ton extreme bar at Tk. 50000 in the market. To produce the total quantity it will incur operating cost of Tk. 1500000 and fixed expense of Tk. 1800000. The management has decided to depreciate the plant as straight line basis which amount will be Tk. 800000 and now the company is 20 percent tax bracket. It raises its equity capital at 12 percent. As a risk analyst of this company assess risk by making a sensitivity analysis with the change of 15 percent. 10
- 4 (a) Glaxo Smithkline is introducing a new project in health sector and its work distribution as follows: 10

Activity	Immediate Predecessors	Optimistic time	Most likely time	Pessimistic time
A	-	2	4	6
B	-	6	6	6
C	-	6	12	24
D	A	2	5	6
E	A	11	14	23
F	B,D,C	8	10	12
G	B,D	3	6	9
H	C,F	9	15	27

- I) Show the PERT network for the project.
- II) Which of the activities need special attention for completion of the project on time?
- III) What is the expected project completion time?
- IV) What is the probability of completing it one week before the expected time?

- 5 (a) Apex Footwear Ltd. is going to introduce a leather bag in the market which expected market demand is 10000 bags per year for five years. The company expects that the market price will be Tk. 2000 per bag which making cost is Tk. 1450 per bag. The company has a bank loan from Woori Bank Ltd. which annual payment is Tk. 30000 and for using the company is 12 percent tax bracket. The project needs Tk. 1 million which raising cost is 12 percent. As a project manager of Apex Footwear Ltd. assess the risks factors by break even analysis. 5
- (b) Asus company is introducing its own operating system and its time distribution among the activities is in the following table. As a project coordinator show its distribution in Gantt Chart, calculate its expected project completion time, slack of each activity. 5

Activity	A	B	C	D	E	F	G	H	I	J	K	L
Dependence	-	-	-	B,C	A	C	E	E	D,F, H	E	I,J	G
Duration (days)	9	4	7	8	7	5	10	8	6	9	10	2

- 6 (a) Differentiate between pre and post implementation review of the project. 2
- (b) Nirman International Ltd. has newly appointed you as a project coordinator of its two projects in Chattogram Division. Your duty is to successfully handover the projects to authority. Prioritize the factors to implement the project. 4
- (c) Rahimafrooz Energy Services Ltd. has recently completed its project in Dhaka Division and as a project supervisor your duty is to look after the overall aspects of its activities. Evaluate your task in ensuring the project completion. 4
- 7 (a) Differentiate core and non-core project with example. 2
- (b) The management of public project in Bangladesh is mainly coordinated by various bodies of the Government. Evaluate their functions in managing project. 4
- (c) Recently the leather price of the Bangladesh has been dramatically fallen. For this issue the leather project of Bangladesh is facing so many threats and problems. As a project manager sort out the factors. 4