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QUESTION BANK

Title of the Paper

PROJECT MANAGEMENT

**Course: II M.COM.,
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Elective Course – V

(A) Project Management

UNIT – I

Project – Meaning – Nature – Types of project and project life cycle –Project management – Nature and scope of project management–Project management as a profession – Role of project manager.

UNIT – II

Project Identification and Formation: Project environment – Identification of investment opportunities – Projects screening – Feasibility study – Project selection – Project formulation – Stages in project formulation – Project report preparation – Planning Commission's guidelines for project formulation.

UNIT – III

Project Appraisal: Objectives, essentials of a project methodology – Market appraisal – Technical appraisal – Financial appraisal – Socio – economic appraisal – Management appraisal.

UNIT – IV

Project Planning and Scheduling: Objectives – Process or Planning Components or good planning – Project designing and project scheduling and time estimation – Scheduling to match availability of man power and release of funds – Cost and time.

UNIT – V

Project Execution and Administration – Project contracting: Contract pricing, types – Project organisation: Forms of organisation – Project direction – Project communication – Project coordination – Factors influencing effective project management – project time monitoring and cost monitoring – Project over runs. Project Control: Control techniques – PERT, CPM– Project audit.

UNIT – I

CHOOSE THE CORRECT ANSWER

1. _____ projects are executed to increase the capacity to enable higher production of goods and services
 - A. Expansion
 - B. Modernization
 - C. Rehabilitation
 - D. Disaster

2. _____ projects are undertaken to supplement the capacity of one or more sections of a plant to achieve optimum utilization of plant capacity.
 - A. Replacement
 - B. Maintenance
 - C. Balancing
 - D. Crash

3. _____ is a limiting factor that affects the execution of a project, program, portfolio.
 - A. Process
 - B. Activity
 - C. Constraint
 - D. Production

4. _____ take care of the project planning, design, monitoring and control of the project.
 - A. Team members
 - B. Steering committee
 - C. Sub contractors
 - D. Customers

5. _____ identify the need for the project, get approval for its execution and prepare the budget in consultation with the project manager
 - A. Customers
 - B. Project sponsors
 - C. Top management
 - D. Functional managers

6. _____ is the assessment of project ideas to select the most suitable and profitable among them and rejected the others
 - A. Idea generation
 - B. Project screening
 - C. Project charter
 - D. Project integration

7. Project _____ involves conversion of project inputs into project outputs in a systematic manner.
 - A. Appraisal
 - B. Formulation
 - C. Implementation
 - D. Integration

8. Project _____ states what the project is expected to achieve, how it is going to achieve it, the time frame for achievement and is the basis for project planning.
- A. Charter
 - B. Diary
 - C. Notebook
 - D. Management plan
9. The _____ breaks down the project into smaller work packages for better planning and monitoring
- A. Statement of work
 - B. Work breakdown structure
 - C. Summary of deliverables
 - D. Project charter
10. _____ enables assignment of work packages to individual project team members.
- A. Risk management plan
 - B. Responsibility matrix
 - C. Statement of work
 - D. Project diary

Answers: 1.A 2.C 3.C 4.B 5.B 6.B 7.C 8.A 9.B 10.B

SHORT QUESTIONS (2 MARKS)

11. What is project?
12. Define the term 'Project'
13. State few natures of project
14. What is Project Life Cycle?
15. What are the constraints of project
16. Who are the stakeholders of a project?
17. Define project management
18. What the importance of project management?
19. List out the phases of project management.
20. Who is project manager?

PARAGRAPH QUESTIONS (5 MARKS)

21. Explain the meaning and characteristics of project.
22. What are the objectives of project?
23. What are the project constraints? Explain
24. Give an outline of the desirable skills of project manager
25. Discuss the futures of project management
26. Trace the evaluation of project management
27. State the reasons for undertaking projects.
28. What are the components of project management
29. Discuss about the Project Life Cycle
30. Discuss the tools and techniques of project management.

ESSAY TYPE QUESTIONS (10 MARKS)

31. Explain the objectives and importance of projects
32. Explain the basis for classification of projects
33. Discuss the essential requirements for project
34. Explain the role, responsibility and duties of the project manager
35. Give a detailed over view of the role and duties of those involved in the project
36. Discuss in detail in different phases of the Project Life Cycle
37. Explain the needs and importance of project management
38. Discuss the phases of project management
39. Explain the salient features of project management
40. Explain the components of project management

UNIT – II

CHOOSE THE CORRECT ANSWER

1. _____ is undertaken with the aim of arriving at the most effective project decision
 - A. Project viability
 - B. Project stability
 - C. Project flexibility
 - D. Project formulation
2. _____ is the first stage in project formulation and involves through study of the internal and external constraints
 - A. Feasibility analysis
 - B. Feasibility study
 - C. Feasibility report
 - D. None of the above
3. _____ is the assessment of the inputs required during the different stages of the project.
 - A. Output analysis
 - B. Input analysis
 - C. Feasibility analysis
 - D. Project analysis
4. _____ analysis involves estimating project cost, revenues and funds required the project.
 - A. Technical
 - B. Economical
 - C. Financial
 - D. Risk management
5. _____ analysis helps to prepare the optimal execution plan considering the available resources
 - A. Project planning
 - B. Project formation
 - C. Project environment
 - D. Project design and network

6. _____ refers to funds that will be spent by the project team till the project is completed and handed over to the client.
- A. Cost of the project
 - B. Cost of the event
 - C. Cost of design
 - D. Cost of materials
7. _____ of the project refers to the costs that are incurred from the initial stage and continuous throughout the life of the project
- A. Life cycle cost
 - B. Project cost
 - C. Cost of manpower
 - D. Cost of services
8. _____ estimation of the cost of the may also lead to inefficiencies and wastages
- A. Under
 - B. Over
 - C. Equal
 - D. Zero
9. _____ estimation of the cost of the project may result in problems in project implementation
- A. Over
 - B. Equal
 - C. Under
 - D. Zero
10. Components of project feasibility analysis
- A. Background
 - B. Demand
 - C. Export potential
 - D. All the above

Answers: 1.D 2.A 3.B 4.C 5.D 6.A 7.A 8.B 9.C 10.D

SHORT QUESTIONS (2 MARKS)

11. What is project planning?
12. What are the steps in developing project plan?
13. List out the elements of project plan
14. How are project ideas generated?
15. State few resources for undertaking projects.
16. What is meant by project screening?
17. Write a note on project formation?
18. What are the needs for project formulation?
19. State the various stages of project formulation
20. What is feasibility study?

PARAGRAPH QUESTIONS (5 MARKS)

21. Explain about project environment
22. Explain the detail note on project screening and selection of projects
23. Describe the concepts of project feasibility study
24. List and explain the various type of feasibility
25. Write a note on financial feasibility of projects
26. Why feasibility analysis is of great significance to firm?
27. What are the factors involve in project selection? Explain
28. Write a detailed note on the challenges involved in project selection
29. Explain the techniques of project selection
30. What are the pre-requisites for screening in project selection?

ESSAY TYPE QUESTIONS (10 MARKS)

31. Explain the factors considered in project selection
32. Describe the different stages of project formulation
33. What are the sources of project ideas? Discuss the process of screening of project ideas
34. Explain the tools and techniques of project management
35. What are the contents of feasibility report?
36. Explain the purpose of project formulation
37. Explain in detail the concepts of project cost management
38. Explain the various sources of project finance
39. Discuss the steps involved and difficulties in cost benefit analysis
40. Explain the concept and approaches of social cost benefit analysis

UNIT – III

CHOOSE THE CORRECT ANSWER

1. _____ is basically a cost benefit analysis of a project to judge its viability
 - A. Technical appraisal
 - B. Economical appraisal
 - C. Market appraisal
 - D. Project appraisal
2. Project appraisal can be carried out for _____ projects.
 - A. Executed
 - B. Completed
 - C. Proposed
 - D. Undergoing
3. _____ appraisal studies the net benefit of the project not only to that particular organization carrying out the project but to the entire society
 - A. Market
 - B. Economic
 - C. Technical
 - D. Management

4. _____ analysis studies the demand for a project in each stage of its life cycle
- A. Life cycle segmentation
 - B. Economic
 - C. Technical
 - D. Environmental
5. _____ appraisal is the assessment of the proposed project's impact on the environment.
- A. Environmental
 - B. Market
 - C. Economic
 - D. Technical
6. _____ study involves studying the current market condition and future sales potential of a product or service
- A. Economic
 - B. Feasibility
 - C. Technical
 - D. Market
7. _____ involves deciding the market goals and objectives and steps to achieve them.
- A. Market survey
 - B. Market potential
 - C. Market share
 - D. Market planning
8. _____ forecasting may extend for a period of few months or upto one year
- A. Long term
 - B. Medial term
 - C. Short term
 - D. Special term
9. The _____ method is more suitable than the trend projection method for short term projections.
- A. Time series
 - B. Box Jenkins
 - C. Moving average
 - D. Econometric
10. EIA Stands for
- A. Economic Impact Assessment
 - B. Environmental Impact Assessment
 - C. Even Impact Assessment
 - D. Every Impact Assessment

Answers: 1.D 2.C 3.B 4.A 5.A 6.B 7.D 8.C 9.C 10.B

SHORT QUESTIONS (2 MARKS)

11. What is project appraisal?
12. Write down various analysis made for a project study
13. What is marketing appraisal?
14. What is Technical appraisal?
15. What is financial appraisal?
16. What is meant by economic appraisal?
17. What is management appraisal?
18. What are the factors considered technical appraisal of projects?
19. State the meaning of market planning
20. Mention few uses of demand forecasting.

PARAGRAPH QUESTIONS (5 MARKS)

21. Explain the various methods of project appraisal
22. Explain the steps in project appraisal
23. Give detailed over view of the various aspects considered in technical appraisal
24. Write detailed note on market feasibility study
25. Discuss the steps and concept involved in market planning
26. How would you measure market potential for a project?
27. Discuss the demand forecasting techniques
28. Write a brief note on few statistical methods of forecasting demand
29. Mention the essential elements of environmental appraisal
30. State the benefits of EIA

ESSAY TYPE QUESTIONS (10 MARKS)

31. Explain the project appraisal methods
32. What are the aspects of technical apprise? Explain
33. Explain the sources of data for market analysis
34. Explain the steps involved in measuring the marketing potential of a product or services
35. Give detailed description of the steps involved, sources of date and benefits of conducting a market survey
36. Explain the process or approaches to demand forecasting
37. Give a detailed over view of the various methods of demand forecasting
38. Explain the concepts of EIA and steps involved in it
39. Explain the process of administrative appraisal
40. Explain any two methods of assessing risk in capital investment projects.

UNIT – IV

CHOOSE THE CORRECT ANSWER

1. _____ expresses the objectives and requirements of the project and the time frame for completion
 - A. Project selection
 - B. Project formation
 - C. Project plan
 - D. Project execution
2. _____ is under taken before the actual commencement of a project.
 - A. Cost planning
 - B. Material planning
 - C. Financial planning
 - D. Project planning
3. _____ is essential to ensure that the project is the able to achieve it objectives within the budgeted time and cost
 - A. Project planning
 - B. Cost planning
 - C. Project feasibility
 - D. None of the above
4. _____ involves estimating the cost to be incurred at each stage of the project and the total project cost.
 - A. Economic cost planning
 - B. Project cost planning
 - C. Technical cost planning
 - D. Market cost planning
5. After deciding the project scope and preparation of the Work Breakdown Structure (WBS), the _____ is planned
 - A. Implement plan
 - B. Delivery plan
 - C. Executive plan
 - D. Cost plan
6. _____ activities do not consume time or resources but used to represent precedence relationship in a project
 - A. Predecessor
 - B. Dummy
 - C. Concurrent
 - D. Successor
7. _____ is a deterministic technique and was developed to be applied in conventional projects like construction.
 - A. CPM
 - B. PERT
 - C. Even analysis
 - D. None of the above

8. _____ time is the shortest time to complete an activity
- Optimistic
 - Most likely
 - Pessimistic
 - None of the above
9. _____ activities do not consume time or resources
- Original
 - Temporary
 - Dummy
 - Special
10. _____ takes into account the uncertainty of project duration and useful for projects with uncertain time estimates
- CPM
 - CAT
 - PERT
 - None of the above

Answers: 1.C 2.D 3.A 4.B 5.B 6.B 7.A 8.A 9.C 10.C

SHORT QUESTIONS (2 MARKS)

- Define project planning
- What are the elements of project plan?
- What is project quality planning?
- What are project resources planning?
- What is risk management planning?
- What is project scheduling?
- Write short note on network analysis?
- What is a dummy activity?
- What is meant by cost of the project?
- What are the components of the capital cost of project?

PARAGRAPH QUESTIONS (5 MARKS)

- What are the basis inputs are for prepare project design? Explain
- Outline the process of project planning
- Explain the components of project planning
- Discuss the elements of project planning
- Give a brief account of social cost benefit analysis
- What are the limitations of social cost benefit analysis?
- Explain the different types of project selection models
- State the objectives of project selection
- What are the benefits and applications of network analysis?
- State the rules for constraining the network diagram.

ESSAY TYPE QUESTIONS (10 MARKS)

31. Explain the steps involved in project planning
32. Discuss the need for project plan
33. Discuss the merits and demerits of project organization
34. Explain the steps choosing an organization structure for project
35. Discuss the concepts of project direction
36. Explain the concepts of project coordination
37. Explain the contents of project scheduling
38. Discuss in detail the techniques of network analysis
39. Explain the factors to be considered in project selection
40. Discuss the rules for constructing the network diagram

UNIT – V

CHOOSE THE CORRECT ANSWER

1. _____ is the phases in which the visions and plans of the project are put into action and become a reality.
 - A. Project implementation
 - B. Project monitoring
 - C. Project execution
 - D. Project study
2. Projects are implemented in an _____.
 - A. Predictable
 - B. Controllable
 - C. Unpredictable
 - D. Uncontrollable
3. After the initiation and planning stage, the project moves to the _____.
 - A. Implementation
 - B. Execution
 - C. Stipulation
 - D. None of the above
4. _____ delays are caused by factors within the control of the organisation which are undertaking projects.
 - A. External
 - B. Time
 - C. Cost
 - D. Internal
5. _____ delays are caused by factors beyond the control of the organisation which are undertake projects.
 - A. External
 - B. Cost
 - C. Internal
 - D. Time

6. Project _____ is the basis for project evaluation and Results Based Management
- Location
 - Scope
 - Monitoring
 - Organisation
7. _____ involves comparing the actual amount of work completed with the planning target.
- Trend analysis
 - Earned value analysis
 - Work Breakdown structure
 - Project feasibility
8. Project _____ implies achievement of project goals within the imposed constraints
- Monitoring
 - Evaluation
 - Implementation
 - Control
9. _____ is a systematic assessment of the progress made by a project and its likelihood of achieving performance targets
- Project audit
 - Project schedule
 - Project formation
 - Project design
10. The auditor presents the findings of the project audit through the _____
- Project report
 - Feasibility report
 - Stakeholders report
 - Audit report

Answers: 1.A 2.C 3.B 4.D 5.A 6.C 7.B 8.D 9.A 10.D

SHORT QUESTIONS (2 MARKS)

- What is meant by project Monitoring?
- List the activities involved in project monitoring
- Define the term project evaluation
- What are the benefits of project evaluation?
- State the methodology to be followed for the project evaluation
- Write a short note on project control.
- What are the elements of project control?
- What are the role of time and cost in project control?
- What is CPM and PERT?
- What is project audit?

PARAGRAPH QUESTIONS (5 MARKS)

21. Explain the process of project execution
22. Discuss the process of project implementation
23. What are the stages of project execution?
24. Describe the reasons for delaying projects
25. What are the tools and techniques in project monitoring?
26. Enumerate the various measures of project control
27. How a project audited? Explain
28. State the benefits of using CPM?
29. What are the limitations of using PERT?
30. Explain the different types of project audit

ESSAY TYPE QUESTIONS (10 MARKS)

31. Discuss the various stages of project execution
32. Briefly discuss the bottlenecks in project implementation
33. Discuss the internal and external delay in project execution
34. Give the over view of the performance indications to evaluate project performance
35. Explain the various steps in project control cycle and report preparation
36. Explain the different types of budgets in project
37. Discuss the risk management process in detail
38. Explain in detail the benefits and steps involved in conduct of project audit
39. Explain the contents of a project report
40. Discuss the various types of special projects

