



Name :

Roll No. :

Invigilator's Signature :

CS/MBA(NEW)/SEM-4(FT & PT)/MB-401/2011

2011

**PROJECT MANAGEMENT &
ENTREPRENEURSHIP DEVELOPMENT**

Time Allotted : 3 Hours

Full Marks : 70

The figures in the margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

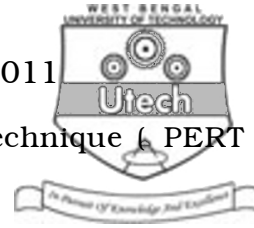
GROUP – A

(Multiple Choice Type Questions)

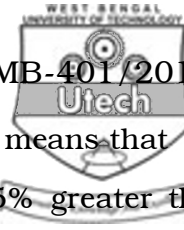
1. Choose the correct alternatives for any *ten* of the following

10 × 1 = 10

- i) Crash cost is the
 - a) increased cost of crashing a project activity
 - b) decreased cost of crashing a project activity
 - c) additional cost to be incurred in reducing an activity time per unit time
 - d) minimum possible cost required to complete a project activity.



- ii) Programme Evaluation & Review Technique (PERT) uses
 - a) multiple cost estimates
 - b) multiple time estimates
 - c) multiple time and cost estimates
 - d) resource smoothing.
- iii) DPR stands for
 - a) Detailed Planning Report
 - b) Decent Project Report
 - c) Deal for Project Report
 - d) Detailed Project Report.
- iv) Type of layout applicable for Project execution is
 - a) Product
 - b) Process
 - c) Fixed Position
 - d) System.
- v) Which of the following statements is NOT true ?
 - a) A network is a set of nodes and arcs
 - b) A project is represented as a directed network
 - c) The length of the arrow represents the duration of the project activity
 - d) A road network is a non-directed network.



- vi) A profitability index of 0.85 for a project means that
- a) the present value of benefits is 85% greater than the project's costs
 - b) The project's NPV is greater than zero.
 - c) The project returns 85 cents in present value for each current dollar invested.
 - d) The payback period is less than 1 year.
- vii) Which of the following is the most effective organizational structure of a project driven company working at multi-locations over the globe ?
- a) Functional organization
 - b) Product organization
 - c) Matrix organization
 - d) Line-staff organization.
- viii) Project "Crashing" means
- a) Failure of a project
 - b) Time-costing trade off
 - c) Breaking of the complete project into sub-parts
 - d) Both (b) & (c).
- ix) What is the basic objective of a work breakdown structure (WBC) ?
- a) Identifying project personnel required
 - b) Identifying project resources
 - c) Identifying project activities
 - d) Identifying project activity interrelations.

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- x) Entrepreneurship training is imparted in
- a) banks
 - b) financial institutions
 - c) national small industries corporation
 - d) MSME-DI.
- xi) Short-term loan by an entrepreneur is taken for
- a) land & bulging
 - b) plant and machinery
 - c) computer & equipment
 - d) working capital.
- xii) MSME-DI is a/an
- a) state level organization
 - b) block level organization
 - c) district level organization
 - d) all India level organization.

GROUP – B

(Short Answer Type Questions)

Answer any *three* of the following. $3 \times 5 = 15$

2. What do you mean by project appraisal ? Discuss its significance to a project manager.
3. Discuss McClelland's N-Arch Theory. How can this theory be used for studying entrepreneurial motivation ?
4. What are the qualities of a prospective entrepreneur ?



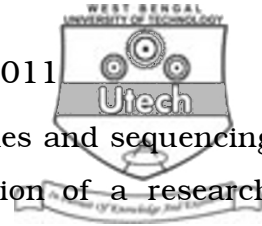
5. Distinguish between an entrepreneur and a manager.
6. Discuss briefly any three cost reduction methods in project management.
7. Is entrepreneurship a process ? Discuss.

GROUP – C

(Long Answer Type Questions)

Answer any *three* of the following. $3 \times 15 = 45$

8. a) I propose to make an initial investment of Rs. 12,000,000 for a particular project A . After 4 years, I expect to have an inflow of Rs. 7,500,000 every year for 3 years. There is another alternative proposal B for investment. The same initial investment will fetch me Rs. 22,000,000 at the end of 6 years. Assuming a discounting factor of 10%, use the NPV method to decide which proposal is better. 8
- b) What are usually the contents of a feasibility study report of a project ? 7
9. a) Define entrepreneurial skills. What skills are necessary to be possessed by an entrepreneur ? 8
- b) Discuss the benefits of getting registered with DGS & D. 7



10. i) The following table shows the activities and sequencing requirements necessary for completion of a research report :

<i>Activity</i>	<i>Description</i>	<i>Time (days)</i>	<i>Immediate predecessors</i>
A	Literature search	6	—
B	Formulation of hypothesis	5	—
C	Preliminary feasibility study	2	B
D	Formal proposal	2	C
E	Field analysis	2	A, D
F	Progress report	1	D
G	Formal research	6	A, D
H	Data collection	5	E
I	Data analysis	6	G, H
J	Conclusions	2	I
K	Rough draft	4	G
L	Final copy	3	J, K
M	Preparation of oral presentation.	1	L

- a) Draw the network diagram for the project.
 - b) Find the critical path. What is its length ?
 - c) Find the total float and free float for each non-critical activity.
- ii) Discuss briefly the five stages of entrepreneurship development process. 10 + 5

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11. Explain the psychological and social factors of entrepreneurship. 15

12. a) State the role of Government in facilitating entrepreneurship. What are the laws that are to be kept in mind before starting a new business ?

b) Write a note on Project auditor. 10 + 5

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