Sample Answers to In-Text Questions

**Chapter 3 Supplement: Project Management**

**Discussion Questions**

1. Under what circumstances should you consider crashing a project’s activities? What activities are the best candidates for crashing? When should you stop crashing the activities?

Answer: You might want to accelerate the activities that would have the biggest impact on the schedule for the least cost. These are the best candidates. You would need to be able to determine the fixed and variable costs and look at the cost – time trade-offs, (project network). You would stop crashing when the cost/time ratio diminishes.

1. Why is it helpful to consider the variance of each activity in a project? Why do “large” variances create a problem for the project manager’s estimation efforts? The variances show the overall confidence in the estimates.

Answer: Large variances mean less confidence in the estimated times, and more risk in the crashed impacts being accurate.

1. What are the flaws of using S-curves to determine the “true” status of an ongoing project?

Answer: The flaws with the S-curve are that it only shows costs to date, and not the variance to schedule, or Value added.

1. Why do you need to take “value” into consideration when determining the status of a project?

Answer: The value added at various times would be impactful for the purposes of partial payments, or progress payments a firm is entitled to. If a project were to be closed, the value incurred would have to be calculated for contract purposes, etc.

1. Why are SPI and CPI values important for the organization when determining a project’s status?

Answer: They represent the schedule performance , and cost performance being ahead or behind schedule or budget.

1. The federal government requires the organizations it contracts with for projects to provide regular SPI and CPI updates for them. The government likes to see values close to 1.0 for these indexes. What does a 1.0 value suggest?

Answer: If values are close to 1, they represent that the schedule or cost performance is closer to on schedule or on budget spent. Otherwise there is some risk in project costs or time being as planned.

## Critical thinking Exercise:

Conduct an internet search for “project management disasters” and read a minimum of three of the publications you find. What common features or errors do these disasters have in common? In particular, do you believe that project management disasters are most often a failure of initial planning or subsequent execution? Defend your perspective with evidence or examples from the internet.

Answer: Answers will vary