


CMR INSTITUTE OF TECHNOLOGY		USN <input type="text"/>							
Internal Assessment Test – III									
Sub:	Management & Entrepreneurship						Code:	18EE51	
Date:	20/01/2023	Duration:	90 mins	Max Marks:	50	Sem:	5th	Branch:	EEE
Answer Any FIVE FULL Questions									
							Marks	OBE	
								CO	RBT
1	<p>List the institutions that provide technical, marketing and training support industries.</p> <ol style="list-style-type: none"> 1. Small Scale Industries Board (SSIB) 2. Small Industries Development Organisation (SIDO) 3. National Small Industries Corporation (NSIC) 4. Small Industries Service Institutes (SISIS) 5. Specialized Institutions 6. State Directorate of Industries 7. State Small Industries Development Corporations (SSIDCs) 8. Industrial Estates 9. District Industries Centers (DICs) 10. Technical Consultancy Organizations (TCOS) 11. Commercial Banks 12. State Financial Corporations 13. Small Industries Development Bank of India (SIDBI) 14. National Bank for Agriculture and Rural Development (NABARD) 15. Entrepreneurial Guidance Bureau (EGB) 16. Khadi and Village Industries Commission (KVIC) 17. Small Industry Extension Training Institute (SIETI) 18. Small Industry Development Corporation (SIDCO). 						10	CO4	L1
2	<p>With relevant diagram, write briefly on project life cycle.</p> <p>The Project Life Cycle (Phases)</p> <p>The project manager and project team have one shared goal: to carry out the work of the project for the purpose of meeting the project’s objectives. Every project has a beginning, a middle period during which activities move the project toward completion, and an ending (either successful or unsuccessful). A standard project typically has the following four major phases (each with its own agenda of tasks and issues): initiation, planning, implementation, and closure. Taken together, these phases represent the path a project takes from the beginning to its end and are generally referred to as the project “life cycle.”</p> <p>Initiation Phase</p> <p>During the first of these phases, the initiation phase, the project objective or need is identified; this can be a business problem or opportunity. An appropriate response to the need is documented in a business case with recommended solution options. A feasibility study is conducted to investigate whether each option addresses the project objective and a final recommended solution is determined. Issues of feasibility (“can we do the project?”) and justification (“should we do the project?”) are addressed.</p>						10	CO5	L2

<p>Once the recommended solution is approved, a project is initiated to deliver the approved solution and a project manager is appointed. The major deliverables and the participating work groups are identified, and the project team begins to take shape. Approval is then sought by the project manager to move onto the detailed planning phase.</p> <p>Planning Phase</p> <p>The next phase, the planning phase, is where the project solution is further developed in as much detail as possible and the steps necessary to meet the project's objective are planned. In this step, the team identifies all of the work to be done. The project's tasks and resource requirements are identified, along with the strategy for producing them. This is also referred to as "scope management." A project plan is created outlining the activities, tasks, dependencies, and timeframes. The project manager coordinates the preparation of a project budget by providing cost estimates for the labour, equipment, and materials costs. The budget is used to monitor and control cost expenditures during project implementation.</p> <p>Once the project team has identified the work, prepared the schedule, and estimated the costs, the three fundamental components of the planning process are complete. This is an excellent time to identify and try to deal with anything that might pose a threat to the successful completion of the project. This is called risk management. In risk management, "high-threat" potential problems are identified along with the action that is to be taken on each high-threat potential problem, either to reduce the probability that the problem will occur or to reduce the impact on the project if it does occur. This is also a good time to identify all project stakeholders and establish a communication plan describing the information needed and the delivery method to be used to keep the stakeholders informed. Finally, you will want to document a quality plan, providing quality targets, assurance, and control measures, along with an acceptance plan, listing the criteria to be met to gain customer acceptance. At this point, the project would have been planned in detail and is ready to be executed.</p> <p>Implementation (Execution) Phase</p> <p>During the third phase, the implementation phase, the project plan is put into motion and the work of the project is performed. It is important to maintain control and communicate as needed during implementation. Progress is continuously monitored and appropriate adjustments are made and recorded as variances from the original plan. In any project, a project manager spends most of the time in this step. During project implementation, people are carrying out the tasks, and progress information is being reported through regular team meetings. The project manager uses this information to maintain control over the direction of the project by comparing the progress reports with the project plan to measure the performance of the project activities and take corrective action as needed. The first course of action should always be to bring the project back on course (i.e., to return it to the original plan). If that cannot happen, the team should record variations from the original plan and record and publish modifications to the plan.</p> <p>Throughout this step, project sponsors and other key stakeholders should be kept informed of the project's status according to the agreed-on frequency and format of communication. The plan should be updated and published on a regular basis. Status reports should always emphasize the anticipated end point in terms of cost, schedule, and quality of deliverables. Each project deliverable produced should</p>			
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	<p>be reviewed for quality and measured against the acceptance criteria. Once all of the deliverables have been produced and the customer has accepted the final solution, the project is ready for closure.</p> <p>Closing Phase</p> <p>During the final closure, or completion phase, the emphasis is on releasing the final deliverables to the customer, handing over project documentation to the business, terminating supplier contracts, releasing project resources, and communicating the closure of the project to all stakeholders. The last remaining step is to conduct lessons-learned studies to examine what went well and what didn't. Through this type of analysis, the wisdom of experience is transferred back to the project organization, which will help future project teams.</p>			
3	<p>What are the steps involved in PERT? List its advantages and limitations.</p> <p>Project Evaluation Review Technique (PERT)</p> <p>In project management, Project Evaluation Review Technique or PERT is used to identify the time it takes to finish a particular task or activity. It is a system that helps in proper scheduling and coordination of all tasks throughout the project. It also helps in keeping track of the progress, or lack thereof, of the project. In the 1950s, Project Evaluation Review Technique was developed by the US Navy to manage the Polaris submarine missile program of their Special Projects Office. Knowing the time it would take to execute a project is crucial as it helps project managers decide on other factors such as the budget and task delegation. No matter how big or small a project is, estimates can be too optimistic or pessimistic, but using a PERT chart will help determine more realistic estimates.</p> <p>Creating a PERT Chart</p> <p>A flowchart is used to depict the Project Evaluation Review Technique. Nodes represent the events, indicating the start or end of the activities. The directorial lines indicate the tasks that need to be completed, and the arrows show the sequence of the activities.</p> <p>There are four definitions of time needed to finish an activity:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Optimistic time – The least amount of time to complete a task <input type="checkbox"/> Pessimistic time – The maximum amount of time to complete a task <input type="checkbox"/> Most likely time – Assuming there are no problems, it is the best estimate of how long it would take to complete a task. <input type="checkbox"/> Expected time – Assuming there are problems, it is the best estimate of how long it would take to complete a task. <p>Here are several terms used in a PERT chart:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Float/Slack – Refers to the amount of time a task can be delayed without resulting in an overall delay to other tasks or the project <input type="checkbox"/> Critical Path – Indicates the longest possible continuous path from the start to the end of a task or event <input type="checkbox"/> Critical Path Activity – Refers to an activity without slack <input type="checkbox"/> Lead Time – Refers to the amount of time needed to finish a task without affecting subsequent tasks <input type="checkbox"/> Lag Time – The earliest time by which a successor event can follow another event <input type="checkbox"/> Fast Tracking – Refers to handling tasks or activities in parallel <input type="checkbox"/> Crashing Critical Path – Shortening the amount of time to do a critical task <p>To implement a PERT chart:</p>	10	CO5	L1

	<ul style="list-style-type: none"> <input type="checkbox"/> Identify the different tasks needed to complete a project. Make sure to add these in the right order and indicate the duration of each task. <input type="checkbox"/> Create a network diagram. Use arrows to represent the activities and nodes as milestones. <input type="checkbox"/> Determine the critical path and possible hack. 			
4	<p>Explain the importance of capital budgeting</p> <p>Capital Budgeting is defined as the process by which a business determines which fixed asset purchases or project investments are acceptable and which are not.</p> <p>Using this approach, each proposed investment is given a quantitative analysis, allowing rational judgment to be made by the business owners.</p> <p>Capital asset management requires a lot of money; therefore, before making such investments, they must do capital budgeting to ensure that the investment will procure profits for the company.</p> <p>The companies must undertake initiatives that will lead to a growth in their profitability and also boost their shareholder's or investor's wealth.</p> <p>Features:</p> <p>There is a long duration between the initial investments and the expected returns.</p> <p>The organizations usually estimate large profits.</p> <p>The process involves high risks.</p> <p>It is a fixed investment over the long run.</p> <p>Investments made in a project determine the future financial condition of an organization.</p> <p>All projects require significant amounts of funding.</p> <p>The amount of investment made in the project determines the profitability of a company.</p>	10	CO5	L2
5	<p>Discuss on essentials of project appraisal.</p> <p>Ordinarily, project appraisal implies the assessment of a project. It is a technique for ex-ante analysis of a scheme or project. While preparing to set up an enterprise, the entrepreneur has to carefully appraise the project from the standpoint of economic, financial, technical, market, managerial and social aspects to arrive at the most socially-feasible enterprise.</p> <p>To avail the finance from the financial institutions and banks, a comprehensive appraisal of projects carrying techno-economic feasibility aspects should be undertaken by the entrepreneur. Thus, a project which is selected should be technically feasible and economically viable, and then only it will be bankable. For this, the following appraisals can be performed at the preliminary level:</p> <p>(a) Economical appraisal (b) Financial appraisal (c) Technical appraisal (d) Management appraisal (e) Organizational appraisal (f) Operational appraisal (g) Market appraisal</p>	10	CO5	L2
6	<p>Explain the criteria for selecting a project.</p> <p>Project selection starts once the entrepreneur has generated few ideas of project. After having some ideas, these project ideas are analyzed in the light of existing economic conditions, market conditions, and the government policy and so on. For this purpose a tool is generated used what is called SWOT analysis. The</p>	10	CO5	L2

<p>intending entrepreneur analyses his strengths and weaknesses as well as opportunities/competitive advantages and threats/challenges offered by each of the project ideas. In addition the entrepreneur needs to analyze other related aspects also like raw material, potential market, labor, capital, location and forms of ownerships etc. Each of these aspects has to be evaluated independently and in relation to each of these aspects. This forms a continuous and back and forth process..</p> <p>On the basis of this analysis, the most suitable idea is finally selected to convert it into an enterprise. The process involved in selecting a project out of few projects is also termed as “Zeroing in Process”.</p>			
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