Management Assignment

Name of Student

Name of teacher

# EGMT 5642 Week 4 Problems

1) Which of the following is a direct cost? And why?

√A) Labor because the product cannot be completed without it.

B) Rent

C) Depreciation on equipment

D) Health benefits

2) The order of magnitude cost estimate is used when:

A) Ballpark estimates are not considered accurate enough.

B) Historical data are readily available.

√C) Information or time is scarce.

D) Parametric estimation has already been performed.

1. Of the four methods for estimating discussed in the lecture, which is usually the most accurate, but might take the most amount of effort?
	1. √Top-Down
	2. Parametric
	3. Bottom-Up
	4. 3-Point
2. In estimating the total cost of a workpackagefor laying carpet, where you have published rates for cost per square foot, the best estimating method would be which of the following, and why?
	1. Top-down
	2. Parametric
	3. √Bottom-Up
	4. 3-Point
3. Given the following information, complete a time-phased budget for your project. (All cost figures are in $ 000’s.) What are weekly planned and cumulative costs for the project?

Work Package Cost per Week

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Work Package | Budget | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 |
| Staffing | 5 | 4 | 1 |  |  |  |
| Blueprinting | 8 | 1 | 6 | 1 |  |  |
| Prototyping | 12 |  | 2 | 8 | 2 |  |
| Full Design | 24 |  |  | 4 | 10 | 10 |
| Cumulative | 49 | **5** | **9** | **13** | **12** | **10** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Staffing | Blueprinting | Prototyping | Full design |  |
| **Cumulative** | **5** | **8** | **12** | **24** | **49** |
| Week 1 | 4 | 1 |  |  | 5 |
| Week 2 | 1 | 6 | 2 |  | 9 |
| Week 3 |  | 1 | 8 | 4 | 13 |
| Week 4 |  |  | 2 | 10 | 12 |
| Week 5 |  |  |  | 10 | 10 |