BMS Institute of Technology and Management, Bengaluru 64 SEMESTER - VI

Choice Based Credit System (CBCS)

PROJECT & FINANCE MANAGEMENT (2:0:0) 2

(Effective from the academic year 2023-24 for 2021 Scheme)

Common to ECE, ETE, EEE, ME, CV, CSE, AIML & ISE programs

Course Code	21HSS61	CIE Marks	50
Teaching Hours/Week (L:T:P)	2:0:0	SEE Marks	50
Total Number of Contact Hours	25	Exam Hours	02

Course Objectives:

This course will enable students to:

- 1. Define the fundamentals of Project Management.
- 2. Identify the strategies involved in selection, prioritization, planning & scheduling of a project.
- 3. Understand the time value of money & apply it for decision making.
- 4. Analyze project risk, progress & results.
- 5. Make awareness about various sources of finance.
- 6. Gain Knowledge on working capital & capital budgeting.

Preamble: Project Management: Need for project management, management practices to meet the challenges of new economic environment, globalization process, rapid technological advancement, and quality concerns of the stakeholders.

Module - 1

Project Management: Definition of project, characteristics of projects, types of projects, project roles.

Project Selection & Prioritization: Strategic planning process, strategic objectives, identifying potential projects, feasibility study (environment, society), methods of selecting projects, prioritizing projects, securing and negotiating projects.

(05 Hours)

Module - 2

Project planning & scheduling: Project scope & check list, work breakdown structure, project schedule, uncertainty in project schedules.

Project resourcing & risk planning: Abilities needed when resourcing projects, estimate resource needs, cost planning & estimating, risk management planning, risk identification, risk analysis, project quality planning and project kick-off.

(05 Hours)

Module - 3

Project performing, progress & results: Project supply chain management, project balanced score card approach, terminate project early, finish project, customer feedback & approval.

(05 Hours)

Module - 4

Financial Management: Evolution of financial management, key activities of finance manager, key decision areas in financial management, financial statement with balance sheet. Efficient utilization and generation of monetary resources and funds, a comparative study of finance and economics, Costs and revenue evaluation for various engineering operations.

Capital Budgeting: Types of capital budgeting decisions, capital budgeting proposals, estimating cash flows for project appraisal, green capital budgeting.

(05 Hours)

Module - 5

Working capital management: Factors affecting working capital requirement, operating cycle analysis, negative working capital, cash planning & managing cash flows.

Cost of capital and leverage Analysis: Concept, significance, assumptions, factors affecting cost of capital, Leverage Analysis: operating leverage, financial leverage. **Recap:** All the 5 modules.

(05 Hours)

Course outcomes:

The students will be able to:

CO1: Understand the selection, prioritization & initiation of individual projects,

WBS, scheduling, uncertainty & risks associated in project.

CO2: Outline the progress and results of the project and illustrate the time value of money & use it for decision making.

CO3: Identify the capital requirements for starting a business & management of working capital.

Textbooks Timothy J Kloppenborg, Project Management, Cengage Learning, 2nd Edition, 2009. John J Hampton, Financial Management, PHI Publication, 4th edition. References

- 1. Pennington Lawrence, Project Management, McGraw-Hill, 1st edition.
- 2. Joseph A Moder, Philips New Yark, Project Management with CPM & PRT, McGraw-Hill, 2nd edition, 1983.
- 3. Harold Kerzner, Project Management A system approach to Planning, Scheduling & Controlling, CBS Publication, 2nd Edition, 2006.
- 4. S.D. Sharma, Operations Research, Kedar Nath Ramnath, Meerut, New Edition, 2015.
- 5 M.Y. Khan, Financial Management, Tata Mc-Graw Hill, Fifth Edition, 2007.
- 6 O.P. Khanna, Industrial Engineering & Management, Dhanpat Rai Publications, Second Edition, 1999.