SCHEDULE COMPRESSION

EXERCISE SOLVED

DESCRIPTION

This document summarizes the answers to the exercise so that students can evaluate their work by comparing their answers to the ones in this document.

CALCULATIONS TABLE

ACTIVITY	ORIGINAL DURATION (MONTHS)	CRASH DURATION (MONTHS)	POSSIBLE TIME REDUCTION (MONTHS)	ORIGINAL COST ($)	CRASH COST ($)	TOTAL COST OF CRASHING	DAYLY COST OF CRASHING	CRITICAL PATH OR NON-CRITICAL PATH
Start	0	0	0	$0	$0	$0	$0	Critical
A	15	14	1	$15,000.00	$18,000.00	$3,000	$3,000	Critical
B	8	6	2	$10,000.00	$12,000.00	$2,000	$1,000	Non-critical
C	5	4	1	$25,000.00	$30,000.00	$5,000	$5,000	Non-critical
D	7	5	2	$5,000.00	$9,000.00	$4,000	$2,000	Critical
E	10	10	0	$12,000.00	$12,000.00	$0	$0	Critical
F	9	5	4	$7,000.00	$14,000.00	$7,000	$1,750	Non-critical
G	6	6	0	$8,000.00	$8,000.00	$0	$0	Non-critical
H	2	1	1	$4,000.00	$5,000.00	$1,000	$1,000	Critical
Finish	0	0	0	$0	$0	$0	$0	Critical

QUESTIONS AND ANSWERS

1. Which activities would you reduce in order to shorten the schedule by two months?
   Based on the information presented above, the activities to be reduced are H (one available month) and D (one out of the two available months). Notice that the selection criteria are the minimum incremental costs for the crashing as well as the activities on the critical path.
2. What is the project's total cost including the compression cost for the selected option?
   The original project total cost is $86,000.00 plus $3,000.00 to compress activities H and D by one month, which gives a total of $89,000,00.
3. Explain the criteria used in order to select the activities.
   The selection criteria are the minimum incremental costs for the crashing as well as the activities on the critical path.
4. Identify the main compression technique that is proposed in this example.
   The main compression technique that is used in the example is crashing.