



(University of Choice)

**MASINDE MULIRO UNIVERSITY OF SCIENCE AND
TECHNOLOGY
(MMUST)**

UNIVERSITY SPECIAL/SUPPLEMENTARY EXAMINATIONS

2021/2022 ACADEMIC YEAR

THIRD YEAR SECOND SEMESTER EXAMINATION

**FOR THE DEGREE
OF
BACHELOR OF COMMERCE**

COURSE CODE: BCB 343

COURSE TITLE: PROJECT MANAGEMENT

DATE: TUESDAY, 2ND AUGUST 2022

TIME: 8:00 - 10:00AM

INSTRUCTIONS TO CANDIDATES

*Answer question **ONE** and any other **TWO** questions*

TIME: 2 HOURS

MMUST observes ZERO tolerance to examination cheating
QUESTION ONE (COMPULSORY) (30 MARKS)

This Paper Consists of 4 Printed Pages. Please Turn Over.

Read the case below and answer the questions that follow:

CONGRATULATIONS YOU'RE THE PROJECT MANAGER!

Brad picks up the phone before the second ring. It's his boss, Susan. "Brad, I'd like you to stop by my office right after lunch today." Brad is not really sure why the boss is calling him into her office, which makes for a long lunch hour. He knows that he's probably the most technically capable person in the group. Brad's mind begins to race Maybe it's an award? Could it be a promotion?

"No, wait," he says to himself in a frenzy of self-doubt. "Maybe I did something I wasn't supposed to? Or maybe I didn't do something I should have?" countless positive and negative scenarios run through Brad's overworked mind until one o'clock finally rolls around and he cautiously enters Susan's office.

"Brad, I've got some great news for you," Susan begins. "Since it's so closely related to what we do here, Project Apex has been assigned to our group." Brad smiles without knowing why. Susan continues, "You're one of the best engineers I have." Brad's smile widens in anticipation. And then-without warning-Susan utters those fateful words. "Congratulations, Brad, I'm assigning you as the project manager for Project Apex." Great news? Did she say great news? "What do I know about managing projects?" Brad thinks to himself.

As Brad begins to leave Susan's office, she delivers the knockout punch. "By the way, Brad," Susan says with a curious inflection in her voice, "I think you should be aware ...management is really going to be watching closely. There's an awful lot resting on the success of your project." As Brad slips out of Susan's office, the same two words ringing in his ears – "***your project***"

Required:

- i) With the information, tools and techniques you have amassed in project management lectures, write a paper advising Brad what he might expect to experience as a project manager. (10 marks)
- ii) Explain to Brad in detail, the main four facets of project implementation. (8 marks)
- iii) "I think you should be aware ...management is really going to be watching closely. There's an awful lot resting on the success of your project." Elucidate this statement. (8 marks)
- iv) Briefly explain to Brad the difference between project management and project leadership. (4 marks)

QUESTION TWO (20 MARKS)

- a) As a project management consultant you have been hired by Masinde Muliro University of Science and technology to help write a risk management plan for the university. Write a

comprehensive risk management plan highlighting the key areas in risk management. (10 marks)

- b) Mercy has been appointed as the project manager for Nakumatt Holdings (Uganda). Briefly explain to her the need for scheduling resources while managing the construction of the ultra-modern mall in the capital city of Uganda. (10 marks)

QUESTION THREE (20 MARKS)

- a) The board of management of Elite Holdings has been offered five investment projects worth 100 million shillings as capital outlay. The board can only finance three projects out of five. Write a paper to the board of directors guiding them on various financial models to be used in selecting the three out five projects. (10 marks)
- b) Discuss five benefits of initiating a change control system in an organization. (10 marks)

QUESTION FOUR (20 MARKS)

- a) Consider the simplified scenario for the development of a consumer product through the market test phase shown in the table below.

Activity	Symbol	Preceding activities	Time estimated (weeks)
Design promotion campaign	A	-	3
Initial pricing analysis	B	-	1
Product design	C	-	5
Promotional costs analysis	D	A	1
Manufacture prototype models	E	C	6
Product cost analysis	F	E	1
Final pricing analysis	G	B, D, F	2
Market test	H	G	8

- i) Draw the network for this project. (5Marks)
- ii) Determine the critical path and interpret its meaning. (5 marks)
- b) Discuss the pertinent issues a project manager will derive from a network as developed in part (a) above. (10 marks)

QUESTION FIVE (20 MARKS)

- a) Outline the rules to be adopted when constructing project networks. (5 marks)

- b) The following table shows, for each activity of a project, the normal and crash times as also the normal and crash costs. The contract includes a penalty clause of Ksh 200 per day in excess of 19 days. The overhead cost is Ksh 400 per day.

Activity	Time (Days)		Cost (Ksh)	
	Normal	Crash	Normal	Crash
1 – 2	6	4	600	1000
1 – 3	4	2	600	1400
2 – 4	5	3	500	1500
2 – 5	3	1	450	650
3 – 4	6	4	900	2000
4 – 6	8	4	800	3000
5 – 6	4	2	400	1000
6 - 7	3	2	450	800

- i) Draw the project network and determine the critical path. (5 marks)
- ii) Find the cost of completing the project in normal time. (2 marks)
- iii) Crash the project activities and determine the cost of completing the project in the minimum time. (5 marks)
- iv) What is the optimal duration of the project and what is the cost involved. (3 marks)

THIS IS THE LAST PAGE