NOVEMBER 2013 EXAMINATION

DATE: 15 NOVEMBER 2013

TIME: 09H00 – 11H00

TOTAL: 100 MARKS

DURATION: 2 HOURS

PASS MARK: 40%

THIS EXAMINATION PAPER CONSISTS OF 4 SECTIONS:

SECTION A: CONSISTS OF:
(i) 10 MULTIPLE-CHOICE QUESTIONS (10 MARKS)
(ii) 5 TRUE OR FALSE QUESTIONS (10 MARKS)
(iii) 10 MATCHING-STATEMENT QUESTIONS (10 MARKS)

SECTION B: CONSISTS OF 10 SHORT QUESTIONS
ANSWER ALL THE QUESTIONS (10 MARKS)

SECTION C: CONSISTS OF 5 LONG ANSWER QUESTIONS
ANSWER ALL THE QUESTIONS (35 MARKS)

SECTION D: CONSISTS OF 1 INTERPRETATIVE QUESTION
ANSWER THE QUESTION (25 MARKS)

INSTRUCTIONS:
1. Read the following instructions carefully before answering the paper, as failure to act upon them will result in a loss of marks.
2. Write your answers in your answer book, which is provided in the exam.
3. Ensure that your name and student number are clearly indicated on your answer book.
4. Write your answers in either blue or black ink in your answer book.
5. Read each question very carefully before you answer it and number your answers exactly as the questions are numbered.
6. Begin with the question for which you think you will get the best marks.
7. Note the mark allocations for each question – give enough facts to earn the marks allocated. Don't waste time by giving more information than required.
8. You are welcome to use diagrams to illustrate your answers.
9. Please write neatly – we cannot mark illegible handwriting.
10. Any student caught cheating will have his or her examination paper and notes confiscated. The College will take disciplinary measures to protect the integrity of these examinations.
11. If there is something wrong with or missing from your exam paper or your answer book, please inform your invigilator immediately. If you do not inform your invigilator about a problem, the College will not be able to rectify it afterwards, and your marks cannot be adjusted to allow for the problem.
12. This paper may be removed from the examination hall after the examination has taken place.

NOTE: YOU WILL NEED A RULER AND PENCIL TO COMPLETE THIS EXAM.
(i) MULTIPLE-CHOICE QUESTIONS

Choose the correct option for each of the following. Write only the question number and your chosen answer. For instance, if you think that the correct answer for number 1 is (a), then write it as 1. (a).

1. Which four areas of a project can risk affect?
   (a) methods, materials, metrics, and people
   (b) initiating, planning, executing, and closing
   (c) time, cost, quality, and scope
   (d) design, supply chain, production, and marketing

2. Fast tracking and crashing are two common techniques for:
   (a) developing an activity schedule.
   (b) shortening activity duration.
   (c) estimating activity duration.
   (d) planning activity sequence.

3. Select the true statement:
   (a) Milestone charts are excellent planning and scheduling tools.
   (b) Milestone charts show overall project schedule and performance to date.
   (c) Milestone charts provide the project team with detail for decision-making.
   (d) Milestone charts show inter-relationships.

4. Select the true statement:
   (a) A project life cycle has phases that are customised to suit the project needs.
   (b) A project life cycle has a fixed number of phases.
   (c) A project life cycle always includes a control phase.
   (d) A project life cycle has phases with the same amount of time allocated to each.

5. What is the project plan used to manage?
   (a) the early stages of the planning phase of the project
   (b) the processes of executing and controlling during the project
   (c) the project management information system
   (d) approved scope changes
6. What should a project manager do to prevent cash flow problems?
   (a) request additional funding from the project sponsors
   (b) stop any further expenditure
   (c) keep project activities on schedule
   (d) reduce salaries

7. Which process is concerned with managing supplier relationships?
   (a) solicitation management
   (b) supplier selection
   (c) procurement planning
   (d) contract administration

8. Which of the following describes the basic purpose of the feasibility study?
   (a) to determine the major activities of the project and break them down into component work packages
   (b) to determine if the organisation has the resources and capabilities required to do the project
   (c) to link the project to strategic goals
   (d) All of the above.

9. Which tool do we use to document the roles and responsibilities of the members of a project team?
   (a) Responsibility Assignment Matrix
   (b) Role Administration Matrix
   (c) Responsibility and Role Hierarchy
   (d) Staffing Management Plan

10. Which document shows the reporting structure of the project, as well as its relationship to the parent organisation?
    (a) Responsibility Assignment Matrix
    (b) Resource Staffing Histogram
    (c) Organisation Chart
    (d) Staffing Management Plan

(ii) TRUE OR FALSE QUESTIONS

Indicate whether the following statements are True or False. Motivate all your answers.

1. A Change Control Board is charged with making sure that no changes are made to project baselines.

2. A common problem with the use of an automated PMIS is that it is relied upon too much for highlighting problems.

3. According to Herzberg's Theory of Motivation, a base salary is a secondary motivator.

4. The critical path is the longest path through the network.

5. Free Float is the amount of lead time for activities that are not on the critical path.
(iii) **MATCHING-STATEMENT QUESTIONS**

Match the statements in Column B to the terms in Column A. Write down the answers only, for example 1. (a).

<table>
<thead>
<tr>
<th>Column A</th>
<th>Column B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. FS</td>
<td>(a) the discount rate that makes the NPV equal to the initial capital investment</td>
</tr>
<tr>
<td>2. IRR</td>
<td>(b) task B cannot finish until task A finishes</td>
</tr>
<tr>
<td>3. project charter</td>
<td>(c) a document that describes the work that will be performed in the project</td>
</tr>
<tr>
<td>4. SS</td>
<td>(d) the present value minus the initial investment value</td>
</tr>
<tr>
<td>5. SOW</td>
<td>(e) a document that includes a list of documents that will be published</td>
</tr>
<tr>
<td>6. NPV</td>
<td>(f) task B cannot start until task A starts</td>
</tr>
<tr>
<td>7. payback period</td>
<td>(g) a document that states the project's success criteria</td>
</tr>
<tr>
<td>8. communications plan</td>
<td>(h) the investment value taking into account the time value of money</td>
</tr>
<tr>
<td>9. discounted cash flow</td>
<td>(i) task B cannot start until task A finishes</td>
</tr>
<tr>
<td>10. FF</td>
<td>(j) the amount of time it will take to recoup the project investment</td>
</tr>
</tbody>
</table>
SECTION B: SHORT QUESTIONS (10 MARKS)

ANSWER ALL THE QUESTIONS

QUESTION 1
What do we call the difference between the budgeted cost of work performed and the actual cost of work performed? [1]

QUESTION 2
What do we call the path through the network with the longest duration? [1]

QUESTION 3
What do we call the end point of an important project phase which is a formal review time at which stakeholders make a go / no-go decision about continuing the project? [1]

QUESTION 4
What do we call a person who has a business interest in the successful outcome of a project or who is actively involved in a project? [1]

QUESTION 5
What do we call a logical grouping of project tasks or deliverables in a hierarchical structure that defines the total scope of work required to complete a project? [1]

QUESTION 6
What do we call a risk strategy that involves changing the project plan to prevent a potentially detrimental risk condition or event from happening? [1]

QUESTION 7
What do we call actual cost of the task so far (from the start date to the current date)? [1]

QUESTION 8
What do we call the collection of formal documented procedures for changing official project documents and for monitoring and evaluating project performance? [1]
QUESTION 9

What do we call the document that describes the project team's approach to identifying, analysing, responding to, monitoring, and controlling project risk? [1]

QUESTION 10

What do we call the average after-tax interest rate at which the project investment would be financed? It can also be described as the cost of capital. [1]
SECTION C: LONG ANSWER QUESTIONS

ANSWER ALL THE QUESTIONS

QUESTION 1

Briefly describe the main purpose of each of the following knowledge areas of project management:

(a) Project Scope Management (2)
(b) Project Time Management (2)
(c) Project Cost Management (2)
(d) Project Quality Management (2)
(e) Project Human Resource Management (2) [10]

QUESTION 2

(a) Identify the three constraining factors for every project. (3)
(b) Explain what will happen if you change one of the factors. (2) [5]

QUESTION 3

List five items that you would expect to see on the contents page of the draft project scope statement. [5]

QUESTION 4

Project network diagrams use a standard naming convention as shown below.

```
+-------+-------+
| ES    | EF    |
+-------+-------+
| LS    | DU    | LF    |
```

Explain the following abbreviations as shown on the diagram:

(a) ES (2)
(b) EF (2)
(c) LS (2)
(d) DU (2)
(e) LF (2) [10]

QUESTION 5

Give steps that you, as project manager, will take if both the budget and schedule of your project are out of line, and can’t be brought in line with project goals. [5] [35]
SECTION D: INTERPRETATIVE QUESTION (25 MARKS)

ANSWER THE QUESTION

QUESTION 1

Draw a network diagram from the following list of activities for publishing a family recipe book. You are only required to show the activity blocks (including start and end) and the link lines.

<table>
<thead>
<tr>
<th>No</th>
<th>Task</th>
<th>Predecessor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Research family recipes</td>
<td>--</td>
</tr>
<tr>
<td>2</td>
<td>Shortlist recipes</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Select suitable recipes for inclusion in the book</td>
<td>2</td>
</tr>
<tr>
<td>4</td>
<td>Write recipes</td>
<td>3</td>
</tr>
<tr>
<td>5</td>
<td>Test recipes</td>
<td>4</td>
</tr>
<tr>
<td>6</td>
<td>Style and photograph</td>
<td>5</td>
</tr>
<tr>
<td>7</td>
<td>Revise recipes</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>Layout and editing</td>
<td>7, 6</td>
</tr>
<tr>
<td>9</td>
<td>Write introduction</td>
<td>--</td>
</tr>
<tr>
<td>10</td>
<td>Get Master Chef to write a recommendation</td>
<td>8, 9</td>
</tr>
<tr>
<td>11</td>
<td>Publish book</td>
<td>10</td>
</tr>
</tbody>
</table>

[25] [25]

Section A: 30 marks
Section B: 10 marks
Section C: 35 marks
Section D: 25 marks
TOTAL: 100 MARKS