NOVEMBER 2013 EXAMINATION

DATE: 5 NOVEMBER 2013

TIME: 09H00 – 11H00

TOTAL: 100 MARKS

DURATION: 2 HOURS

PASS MARK: 40%

(DP-80 / IU-30)

PROJECT MANAGEMENT

THIS EXAMINATION PAPER CONSISTS OF 4 SECTIONS:

SECTION A: CONSISTS OF:
(i) 10 MULTIPLE-CHOICE QUESTIONS (10 MARKS)
(ii) 10 TRUE OR FALSE QUESTIONS (20 MARKS)

ANSWER ALL THE QUESTIONS

SECTION B: CONSISTS OF 2 SHORT QUESTIONS

ANSWER BOTH QUESTIONS (15 MARKS)

SECTION C: CONSISTS OF 2 LONG ANSWER QUESTIONS

ANSWER ONE OF THE QUESTIONS (30 MARKS)

SECTION D: CONSISTS OF 2 INTERPRETATIVE QUESTIONS

ANSWER ONE OF THE QUESTIONS (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.
(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. In the mid-1950s the Critical Path Method (CPM) was developed as a management tool to improve the planning and control of turnaround time from production to sales. Today CPM is used as:

   (a) a visual aid to plan and control projects.
   (b) a feasibility study document to indicate to stakeholders why funds should be invested.
   (c) a time analysis tool by using the time duration of activities.
   (d) a project plan to outline inputs, process and outputs.

2. CPM and PERT are:

   (a) essentially unique and non-repetitive activities.
   (b) terms used interchangeably as generic names to include the whole planning and control process.
   (c) needs and expectations.
   (d) the two basic methods of presenting the WBS graphically in boxes and text indents.

3. The project baseline plan:

   (a) is a graph that evaluates the structures and phases of the project structure.
   (b) is a graphic presentation of stakeholders' demands.
   (c) is a forecast of expenditure.
   (d) is a portfolio of documents and policies that outline how to achieve a project's objectives.

4. Scope management is concerned with:

   (a) doing a feasibility study.
   (b) controlling the inputs of the work.
   (c) the total process required to identify and control the scope of the work.
   (d) identifying the client's work.

5. The objectives of quality circles are to:

   (a) plan for the collection and use of data in cycle of continuous negotiations.
   (b) establish and maintain production and quantity measures only.
   (c) ensure proposed action is properly authorised as defined.
   (d) improve communication between all parties in the same product line, particularly between production and management.
6. Invoices are:
   (a) documents used as proof of payment.
   (b) statements showing expenditure.
   (c) documents used to request payment.
   (d) a record of previous payments made.

7. Quality assurance refers to:
   (a) all the activities that are undertaken to assure that the required level of quality will be achieved.
   (b) actions that are documented and implemented in the sequence that will meet the client's requirements and expectations.
   (c) the criteria used to determine whether the project or phase has been completed successfully.
   (d) the scope statement that includes the specification of what the project must develop.

8. The 'Boot' contract is a type of contract:
   (a) that gives minimum risk to the contractor and maximum risk to the client.
   (b) that gives maximum risk to the contractor and minimum risk to the client.
   (c) that gives the contractor and client equal shares in the risk.
   (d) that gives the client sole responsibility for the risk.

9. The step that does not belong in the procurement cycle is:
   (a) invoicing.
   (b) choosing the supplier.
   (c) placing the order.
   (d) controlling receipt of goods.

10. To reduce the demand on resources, a project manager may:
    (a) use subcontractors.
    (b) hire out resources internally or externally.
    (c) allow workers to do more overtime.
    (d) make provision for shift work.

(ii) **TRUE OR FALSE QUESTIONS**

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

1. Henry Gantt developed the bar chart as a visual aid to plan and control his shipbuilding projects.

2. The management-by-projects approach encourages a centralised management accountability, dependability and micro-management

3. Two common methods of sourcing suppliers are advertising and surveys.
4. When buying internationally, you need to consider exchange controls and fluctuations in the exchange rate.

5. The only procurement control document that you need to use is the purchasing cost.

6. Factors that are closely related in projects are risk, uncertainty and opportunities.

7. Typical examples of eliminating risks are to add more resources, get more funds and change supplier.

8. The pure-project structure should not be used for projects that will run for a few years.

9. The lifecycles of all projects are the same.

10. The purpose of the handover meeting is formally to commence the project, the project phase or subcontract. 

\[ 10 \times 2 = 20 \]
SECTION B: SHORT QUESTIONS (15 MARKS)

ANSWER BOTH QUESTIONS

QUESTION 1
(a) List the five characteristics of a project. (5)
(b) Identify the four primary deliverables of a project. (4) [9]

QUESTION 2
(a) What is the purpose of the Terms of Reference (TOR) document? (2)
(b) What information should be included in the business needs of the project? (4) [6] [15]
SECTION C: LONG ANSWER QUESTIONS (30 MARKS)

ANSWER ONE OF THE QUESTIONS

QUESTION 1

(a) Specify and describe the most frequent causes of scope change requests. (24)

(b) Describe the six tasks the project manager should perform when analysing requests for project scope changes. (6) [30]

OR

QUESTION 2

Use diagrams to illustrate the two ways in which you can present a WBS. [30]
QUESTION 1

You are the project manager for Globe Properties (Pty) Ltd, a company that specialises in the development of residential properties. Using the work breakdown structure, you have identified the following activities for a particular project:

<table>
<thead>
<tr>
<th>Activity number</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>Perform a stakeholders' analysis</td>
</tr>
<tr>
<td>200</td>
<td>Lay the foundations</td>
</tr>
<tr>
<td>300</td>
<td>Define the scope</td>
</tr>
<tr>
<td>400</td>
<td>Schedule the required resources</td>
</tr>
<tr>
<td>500</td>
<td>Inspect and rectify problems</td>
</tr>
<tr>
<td>600</td>
<td>Hand over access keys to client</td>
</tr>
<tr>
<td>700</td>
<td>Schedule the activities on a Gantt chart</td>
</tr>
<tr>
<td>800</td>
<td>Arrange handover meeting</td>
</tr>
<tr>
<td>900</td>
<td>Order building material</td>
</tr>
<tr>
<td>101</td>
<td>Do the CPM</td>
</tr>
<tr>
<td>201</td>
<td>Complete the building</td>
</tr>
<tr>
<td>301</td>
<td>Complete the Project Charter</td>
</tr>
</tbody>
</table>

(a) To increase the management and control of the project, the company requires that you indicate the following in a table format:

- the phases in which the activities should be performed
- the required input of each phase
- the required output of each phase
- where each activity fits into the process.

Use the following suggested format for the table:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Phase</th>
<th>Phase</th>
<th>Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input</td>
<td>Input</td>
<td>Input</td>
<td>Input</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Process</th>
<th>Process</th>
<th>Process</th>
<th>Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output</td>
<td>Output</td>
<td>Output</td>
<td>Output</td>
</tr>
</tbody>
</table>
(b) Advise Globe Properties on the method they should apply to shorten the duration of the project. Give them an example using two more of the above activities. (5) [25]

OR

QUESTION 2

As project manager for a construction company, planning ahead and keeping your project team informed plays a pivotal role in ensuring that the project runs smoothly and efficiently.

As part of achieving these goals, there are important planning steps that should be followed and which you will need to consider with your team.

Outline the planning steps you will include in your discussion. Ensure that you touch on the following points:

- Objective of the plan
- Identify resources, constraints and opportunities
- Identify alternatives for achieving the objectives
- Select the option
- Organise an action plan
- Review and evaluate the plan [25] [25]

Section A: 30 marks
Section B: 15 marks
Section C: 30 marks
Section D: 25 marks
TOTAL: 100 MARKS