NOVEMBER 2013 EXAMINATION

DATE: 15 NOVEMBER 2013
TIME: 09H00 – 11H00
TOTAL: 100 MARKS
DURATION: 2 HOURS
PASS MARK: 40%

(DPM-01)
PROJECT MANAGEMENT (SHORT COURSE)

THIS EXAMINATION PAPER CONSISTS OF 4 SECTIONS:

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

SECTION B:
CONSISTS OF 5 SHORT QUESTIONS
ANSWER ALL THE QUESTIONS (15 MARKS)

SECTION C:
CONSISTS OF 2 LONG ANSWER QUESTIONS
ANSWER ONE OF THE QUESTIONS (20 MARKS)

SECTION D:
CONSISTS OF 2 INTERPRETATIVE QUESTIONS
ANSWER BOTH THE QUESTIONS (40 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. The procedure whereby the earliest event times or the earliest start and finish times for the activities of a network are calculated is called:
   (a) critical path.
   (b) forward pass.
   (c) free float.
   (d) imposed dates.

2. _____ is the ability to read and understand company accounts.
   (a) Competence in procurement
   (b) Financial competence
   (c) Competence in planning and control
   (d) Understanding of project economics

3. The _____ of an activity is the time that should be consumed in carrying out the activity.
   (a) bar chart
   (b) budget
   (c) timetable
   (d) duration

4. The _____ is the total amount by which an activity can be extended or delayed without affecting the start of any succeeding activity.
   (a) budget
   (b) total float
   (c) free float
   (d) negative float

5. The _____ of a project has nothing directly to do with its profitability.
   (a) solvency
   (b) profitability
   (c) return on investment
   (d) liquidity
(ii) **TRUE OR FALSE QUESTIONS**

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

1. Direct cost is the cost for the whole project, a major activity or a cost centre.

2. A critical defect is one that, although not critical, will result in failure, or will seriously reduce the utility of the product in which it is incorporated.

3. A quality policy is usually a group of employees doing similar work under one supervisor.

4. Peril is the degree of the probability of a loss.

5. Comprehensive building insurance is to cover theft or dishonesty amongst employees.

   \[5 \times 2 = 10\]

(iii) **MATCHING-STATEMENT QUESTIONS**

Match the terms in Column B to the statements 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. the estimated or actual time required to complete an activity</td>
<td>(a) imposed date</td>
</tr>
<tr>
<td>2. the symbol by which an event is represented in an activity-on-arrow</td>
<td>(b) tail event</td>
</tr>
<tr>
<td>3. an activity represented in a network where its start or finish does not connect either with any other activity or with a start or end event or activity</td>
<td>(c) product change over</td>
</tr>
<tr>
<td>4. the time by which an event can (or is to be) achieved</td>
<td>(d) construction</td>
</tr>
<tr>
<td>5. a point in time determined by circumstances outside the network</td>
<td>(e) slack</td>
</tr>
<tr>
<td>6. the symbol by which an activity is represented</td>
<td>(f) duration</td>
</tr>
<tr>
<td>7. the event at the beginning of an activity</td>
<td>(g) dangle (dangling activity)</td>
</tr>
<tr>
<td>8. the latest date of event minus the earliest date of an event (may be negative)</td>
<td>(h) arrow</td>
</tr>
<tr>
<td>9. all types of buildings including all pre-contract, tendering and design work</td>
<td>(i) cycle</td>
</tr>
<tr>
<td>10. changing seasonal products, advertising, promotional products; inventories</td>
<td>(j) event time</td>
</tr>
</tbody>
</table>

[10]

[25]
SECTION B: SHORT QUESTIONS  

ANSWER ALL THE QUESTIONS

QUESTION 1
State what the reporting system must be able to monitor during the execution phase of a project. [3]

QUESTION 2
State the meaning of each element in the following formula:
\[ t = \frac{a + 4m + b}{6} \] [4]

QUESTION 3
Complete the calculations for each activity based on the following information. Write only the letter and your answer.

<table>
<thead>
<tr>
<th>Activity</th>
<th>a</th>
<th>M</th>
<th>b</th>
<th>T</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>3</td>
<td>4</td>
<td>(a)</td>
<td>4</td>
</tr>
<tr>
<td>13</td>
<td>1</td>
<td>(b)</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>24</td>
<td>5</td>
<td>36</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>34</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>7</td>
</tr>
</tbody>
</table>

QUESTION 4
Indicate what the three symbols for 'ancillary' activities represent:
- □
- ✱
- D [3]

QUESTION 5
State the sets of figures some project costing systems can keep. [3]
SECTION C: LONG ANSWER QUESTIONS

(20 MARKS)

ANSWER ONE OF THE QUESTIONS

QUESTION 1

(a) Identify the aspects upon which a project quality plan (PQP) should be developed.  \( (4 \times 2 = 8) \)

(b) State the advantages of a pure project structure. \( (5 \times 2 = 10) \)

(c) Identify any two possible parameters that could tell us something about the variances in a project. \( (2) \) [20]

OR

QUESTION 2

Draw a diagram to illustrate the financial activities that could form part of a project. [20]

[20]
SECTION D: INTERPRETATIVE QUESTIONS (40 MARKS)

ANSWER BOTH QUESTIONS

QUESTION 1
(a) Illustrate a dangling error that can occur when drawing a network. (5)
(b) State the three types of capital required for a project and give two examples of each. (3 × 3 = 9)
(c) Identify the principles that should be followed for stock-taking. (6) [20]

QUESTION 2
(a) Name the common elements of a project. (4 × 2 = 8)
(b) State the quality processes that a project quality plan requires in terms of accepted quality control practices. (5)
(c) Illustrate the tasks of project procurement. (7) [20]

Section A: 25 marks
Section B: 15 marks
Section C: 20 marks
Section D: 40 marks
TOTAL: 100 MARKS