



KENYATTA UNIVERSITY
UNIVERSITY EXAMINATIONS 2017/2018
FIRST SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF
BUSINESS ADMINISTRATION
BMS 842: PROJECT PLANNING AND ORGANIZATION

DATE: MONDAY 20TH NOVEMBER 2017

TIME: 2.00 P.M. – 5.00 P.M.

INSTRUCTIONS

Answer question ONE and any other THREE questions

Question One

One of the most pronounced complaints of project managers is that projects appear almost randomly. The projects seem unlinked to a coherent strategy, and people are unaware of the scope of projects. As a result, people feel they are working at cross-purposes, on too many unnecessary projects. A&J is a \$40 billion plus company where two thirds of its revenue derives from introducing new projects. A council concept is one mechanism used at A&J to establish a strategic direction for projects spanning organizational boundaries. A council may be permanent or temporary, assembled to solve strategic issues. As a result, a council typically will involve upper managers. Usually its role is to set directions, manage multiple projects or a set of projects, and aid in cross-organizational issue resolution. Most important is to identify the criteria that are of greatest significance to the organization; fewer are considered better. However, teams usually need to brainstorm many criteria before focusing on the few. The A&J project management initiative particularly stresses in its organizational initiatives to get accurate bottom-up project data from work breakdown structures and schedules. Next, the team identifies the resource capacity both within and outside the organization that will be available to do projects.

Required

- a) Discuss the duties and responsibilities of a project manager in A & J. How critical is the project manager to the success of this project? (10 marks)
- b) Explain the various criteria that A&J's management applies to screen and eliminate ideas which prima facie are not promising. (10 marks)

- c) How far should an evaluation team go in trying to quantify project contributions to A&J's mission or goals? (5 marks)
- d) Discuss five fundamental issues for potential conflict during the projects formation stage (5 marks)
- e) Identify the types of likely conflicts during the project identification and design, initiation, planning, implementation, monitoring, evaluation and control and closeout stages (10 marks)

Question Two

- a) Identify some of the ethical issues that can arise in a bid response to a request for proposal (RFP). (10 marks)
- b) A disadvantage of the pure project organization has to do with the tendency of project professionals to fall behind in areas of technical expertise not used on the project. Discuss at least five ways that a project manager might deal with this problem. (10 marks)

Question Three

- (a) A project in Nakuru consists of eight activities have the following characteristics:-

Activity	Time estimates in weeks			
	Preceding activity	Most optimistic (a)	Most likely (m)	Most pessimistic (b)
A	None	2	4	12
B	None	10	12	26
C	A	8	9	10
D	A	10	15	20
E	A	7	7.5	11
F	B, C	9	9	9
G	D	3	3.5	7
H	E, F, G	5	5	5

Required

- i. Draw the PERT network for the project (5 marks).
 - ii. Determine the critical path (2 marks).
 - iii. If a 30 weeks deadline is imposed, what is the probability that the project will be finished within the time limit? (3 marks)
- (b) (i) Critically explain the stakeholders analysis approach in project management. (5 marks)
- (ii) Explain the benefits of involving stakeholders in the process of designing and developing a project (5 marks)

Question Four

- a) Any successful project plan must contain some key elements. Discuss these elements and their compositions (10 marks)
- b) Discuss how the following project selection models are used in real-world applications. (a) Operating necessity (b) Competitive necessity (c) Sacred cow (d) Product line extension (12 marks)
- c) Why do you think managers underutilize project selection models? (6 marks)

Question Five

- a) Planning a project before implementation helps project designers convert the contents of project brief to a form everyone can understand. To the extent of the statement:
 - (i) Advance a plausible argument favour of conducting proper research before designing a viable project (5 marks)
 - (ii) Explain the term 'project appraisal' and discuss widely the key parameters relevant in undertaking this process towards the final approval of projects (10 marks)
- b) Time, cost and scope are the most important elements of a project and are usually considered competing constraints. To the extent of this statement, graphically illustrate the relationship between cost and time (3 marks).
- c) (i) Identify some of the risk factors that you think a project manager would need to guard against (2 marks)
- (ii) Explain ways of mitigating these factors (5 marks)

