PAN AFRICA CHRISTIAN UNIVERSITY

BACHELORS OF COMMERCE
BACHELORS OF BUSINESS LEADERSHIP

END OF TERM EXAMINATION

CAMPUS: ROYSAMBU
DEPARTMENT: BUSINESS
COURSE CODE: BUE 4113
COURSE TITLE: PROJECT PLANNING AND MANAGEMENT
EXAM DATE: .SATURDAY 2ND , APRIL 2016

TIME: 900HRS – 1200HRS

INSTRUCTIONS

- **Answer any five Questions.**
- **Write your registration number on all sheets of the answer book used.**
- **Use a new page for every question attempted and indicate the question number on the space provided on each page of the answer sheet.**
- **Fasten together all loose answer sheets used.**
- **Switch off all Mobile Phones and PDAs.**

QUESTION ONE

(a) Project cycle has been cited as the basis for a successful project. Using a well labelled diagram, describe the Project Cycle (Baum Cycle). **(6 Marks)**

(b) George has overseen a project which is at the stage of being closed out. Explain **THREE** of ways closing out a project. **(6 Marks)**

(c) Faith began a project which later on failed. Discuss **FOUR** factors that led to the failure of her project. **(8 Marks)**

QUESTION TWO

(a) Draw the network (AON-Activity on the Node) for the following activities and find the critical path and the total project duration. **(8 Marks)**

Activity	Duration (days)
1-2	20
1-3	25
2-3	10
2-4	12
3-4	5
4-5	10

(b) Moses encountered a number of risks when he was undertaking a project. Discuss with relevant examples **FOUR** types of project risks that he might have been faced with.

(12 Marks)

QUESTION THREE

(a) With the aid of a diagram, describe product organization and highlight **TWO** of its advantages. **(6 Marks)**

(b) Every project manager looks forward to a successful project. Discuss any **THREE** characteristics of a successful project. **(6 Marks)**

(c) Explain **FOUR** sources of project ideas that one can use to come up with a project. **(8 Marks)**

QUESTION FOUR

(a) Discuss **FIVE** risk identification techniques**.** **(10 Marks)**

(b) Explain **THREE** reasons as to when Network Diagrams are used in Project Planning. **(6 Marks)**

(c) Discuss the importance of performance indicators as they relate to projects. **(4 Marks)**

QUESTION FIVE

(a) Discuss the following as they relate to risk management in Project Planning.

(i) Risk Identification **(4 Marks)**

(ii) Risk Quantification **(4 Marks)**

(b) Explain **FOUR** duties of a termination manager during the termination of a project.

(8 Marks)

(c) Highlight **FOUR** components of project documentation. **(4 Marks)**

QUESTION SIX

(a) Roysambu Limited has a four-year project which is expected to generate the following cash flows:

Year	1	2	3	4
Cash flows	60,000	40,000	30,000	50,000

The initial cash outlay of the project is Sh. 150,000. The cost of capital of the firm is 14%. Compute the NPV of the project. **(8 Marks)**

(b) Sylvia, a project manager at Lintel Limited is planning to undertake a project appraisal for a project. Discuss **THREE** aspects that she should cover during the project appraisal process. **(6 Marks)**

(c) Explain **THREE** reasons for Project Audit. **(6 Marks)**

End of Exam