PAN AFRICA CHRISTIAN UNIVERSITY

BUE4113/CEN403: PROJECT PLANNING AND MANAGEMENT

ONLINE
DATE: TIME:

ANSWER QUESTION ONE AND ANY OTHER THREE

QUESTION 1 (COMPULSORY) (10 MARKS)

(a) Read the case study below and answer questions (i) and (ii) that follow.

Case Study: The Delayed Software Launch

Scenario:

Your company, a leading tech firm, is launching a new software product. The project is behind schedule and over budget. The team is experiencing low morale, and there are concerns about the quality of the final product.

Key Issues:

- **Schedule Slippage:** The project is two months behind schedule.
- **Budget Overrun:** Costs have exceeded the initial budget by 20%.
- **Quality Concerns:** The latest build has several critical bugs and performance issues.
- **Team Morale:** Team members are stressed and demotivated.
- **Stakeholder Pressure:** Key stakeholders are expressing dissatisfaction with the project's progress.

Questions:

(a) Identify **TWO** primary causes of the project's delays and cost overruns. **(2 Marks)**

(b Explain how you would communicate the project's status to stakeholders, both internally and externally. **(2 Marks)**

(b) Using illustrations in each case, outline any **TWO** characteristics of a successful project. **(2 Marks)**

(c) Catherine attended a workshop where the participants were taken through the knowledge areas of Project Management. Explain any **TWO** of these knowledge areas.

(4 Marks)

QUESTION 2 ***(10 MARKS)***

(a) A project manager encountered a number of risks while undertaking an infrastructural project. Explain, with relevant examples in each case, **TWO** types of project risks that he might have been faced with. **(4 Marks)**

(b) Ujenzi 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. **(6 Marks)**

QUESTION 3 ***(10 MARKS)***

(a) Outline **FOUR** sources of project ideas that one can use to come up with a project. **(4 Marks)**

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

QUESTION 4 **(10 MARKS)**

(a) A project manager is preparing a project risk register. Advise him on any **FOUR** items that should be included in the project risk register. **(4 Marks)**

(b) Upendo Limited has a 4-year project whose initial cash outlay is Sh. 500,000. The project will generate the following cash flows:

Year	1	2	3	4
Cash flows (in Sh' 000)	120	160	200	150

Compute the

(i) payback period; **(4 Marks)**

(ii) payback reciprocal in percentage. **(2 Marks)**

QUESTION 5 **(10 MARKS)**

(a) A project manager should ensure proper documentation of the projects that the company is undertaking. Explain **TWO** components of project documentation. **(4 Marks)**

(b) A project manager has overseen a project which is at the stage of closure. Discuss **THREE** ways that the manager could use to close out the project. **(6 Marks)**

QUESTION 6 **(10 MARKS)**

(a) Explain **TWO** operational risks that an organization may be faced with when implementing its projects. **(4 Marks)**

(b) Project scope is a critical area in Project Planning and Management. Describe **THREE** key elements that are contained in a Project Scope. **(6 Marks)**

End of Exam