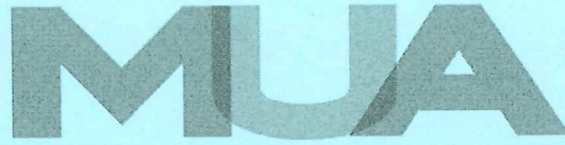


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UNDERGRADUATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF BACHELOR OF ARTS IN DEVELOPMENT STUDIES

PMT 403 : STRATEGIC PORTFOLIO AND PROJECT MANAGEMENT

DATE: 11TH DECEMBER 2024

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

GLOBALTECH INNOVATIONS LTD.

GlobalTech Innovations Ltd., founded in 2005, is a leading multinational technology company with operations across North America, Europe, Asia, and Africa. Originally a small startup focused on software development, GlobalTech has expanded over the last two decades to become a significant player in fields such as artificial intelligence (AI) research, digital transformation, and sustainable technology. Today, the company manages a complex portfolio of projects that range from AI-driven healthcare systems to renewable energy technologies and digital platforms designed to transform how businesses operate globally.

GlobalTech's mission is to push the boundaries of technological innovation while contributing to sustainable development goals. To achieve this, the company has adopted a strategic portfolio management approach that aligns its projects with long-term business objectives. However, as GlobalTech continues to grow, so do the challenges of managing a diverse portfolio that includes competing priorities, limited resources, and increasing global competition. The leadership team at GlobalTech has outlined four key strategic goals to guide its portfolio decisions. First, sustainability is central to GlobalTech's operations, with the company aiming to reduce its carbon footprint, increase its use of renewable energy, and ensure that all projects align with its sustainability objectives. High-priority projects include those related to green energy and eco-friendly digital solutions. Second, innovation is at the core of GlobalTech's strategy.

The company invests heavily in cutting-edge research, particularly in AI and data analytics, with projects that push technological boundaries, such as machine learning for medical diagnostics and autonomous vehicles, receiving significant attention. Staying ahead in technological innovation is vital to maintaining the company's competitive edge. Third, GlobalTech is focused on improving operational efficiency as it expands globally. Efficient resource allocation and reducing project bottlenecks are crucial to ensuring that resources – both financial and human – are distributed in a way that maximizes project success. Finally, risk management is key

to GlobalTech's strategy. Operating in multiple countries and industries exposes the company to a variety of risks, including technological disruptions, resource shortages, and regulatory challenges in emerging markets. Managing these risks proactively is essential to avoid costly project delays or failures. Despite its successes, GlobalTech faces considerable challenges in managing its growing portfolio. One pressing issue is balancing resources across its various projects. The company's ambitious goals in AI research and sustainable technology often compete for the same resources—whether it be financing, talent, or time. Projects with short-term profitability, such as digital transformation initiatives, sometimes overshadow longer-term projects that are closely aligned with GlobalTech's sustainability objectives. Another challenge is managing risks in emerging markets, where the company has expanded, particularly in Africa and Southeast Asia.

These regions present significant demand for sustainable technologies but also pose risks such as political instability, regulatory uncertainties, and infrastructure challenges. Balancing the rewards of entering these markets with the associated risks is vital for GlobalTech's risk management strategy. Additionally, as the company's portfolio continues to grow, measuring the performance of its diverse projects has become more complex. GlobalTech employs several Key Performance Indicators (KPIs) to track project success, but ensuring these metrics reflect both short-term performance and long-term strategic goals is a challenge. There is a need for a more robust performance measurement framework that can accommodate projects of varying scales and scopes, from AI-driven healthcare innovations to renewable energy initiatives.

To effectively manage its expansive portfolio, GlobalTech has established a Portfolio Governance Board. This board plays a crucial role in ensuring strategic alignment, optimizing resource allocation, and managing risks across the company. The governance board is responsible for selecting which projects receive funding, how resources are allocated, and how risks are monitored. Project selection and prioritization are based on specific criteria, including alignment with strategic goals, potential financial returns, risk levels, and available resources. For example, projects advancing GlobalTech's innovation goals in AI or sustainability are given priority, even if they carry higher risks. The board also employs resource optimization

techniques, such as dynamic resource allocation, to ensure that resources are directed to the most critical projects. Additionally, the governance board oversees risk monitoring and control, identifying potential risks and developing contingency plans, particularly for projects in unstable regions or those facing technological disruptions.

Looking ahead, GlobalTech's continued success will depend on how well it manages the complexities of its portfolio. Aligning projects with its sustainability and innovation goals, optimizing resource allocation, and managing risks effectively are all crucial components of its strategy. The company's leadership remains committed to ensuring that its portfolio not only delivers short-term financial results but also contributes to long-term sustainability and technological leadership.

Required:

- a) Assess the importance of aligning GlobalTech's projects and portfolios with its strategic objectives, focusing on sustainability and innovation. (5 Marks)
- b) Evaluate the criteria GlobalTech's governance board should use to select and prioritize projects in the portfolio. (5 Marks)
- c) Apply risk management strategies to GlobalTech's portfolio. Identify potential risks the company may face, particularly in technological development and sustainability projects, and propose suitable mitigation strategies. (5 Marks)
- d) Formulate the role of corporate governance in overseeing GlobalTech's portfolio. (5 Marks)
- e) Discuss how GlobalTech can integrate sustainability and ethical considerations into its portfolio management practices. Provide examples of sustainable and ethical decision-making in portfolio management. (5 Marks)

QUESTION TWO

- a) Assess the role of strategic alignment tools and techniques in ensuring that organisational projects contribute to its long-term sustainability and innovation objectives. Provide an example of one alignment tool and how it can be applied. (5 Marks)
- b) Analyze the challenges that organisations may encounter in aligning its numerous, diverse projects with the company's strategic goals. (5 Marks)
- c) Evaluate the key success factors of a well-aligned project portfolio and how organisations can ensure that alignment is maintained throughout the project lifecycle. (5 Marks)

QUESTION THREE

- a) Assess the key project selection criteria organizations should use when deciding which projects to prioritize in its portfolio. (5 Marks)
- b) Analyze the trade-offs' organizations may face when prioritizing short-term projects over long-term initiatives. (5 Marks)
- c) Formulate the benefits of using a structured prioritization method, such as the MoSCoW method, in portfolio selection and how it could be applied in organizations. (5 Marks)

QUESTION FOUR

- a) Apply the principles of resource optimization to an organisation's portfolio, where some projects require heavy investment in Artificial Intelligence (AI) and others focus on sustainability. (5 Marks)
- b) Analyze the risks that arise from misallocating resources in an organisation with diverse portfolio. (5 Marks)
- c) Evaluate the effectiveness of resource optimization tools, such as resource leveling and resource smoothing, in managing organization's projects. (5 Marks)

QUESTION FIVE

- a) Apply a structured framework for identifying and assessing risks across organisations' diverse project portfolio, particularly in AI and sustainability projects. (5 Marks)
- b) Analyze how proactive risk mitigation strategies, such as contingency planning, can reduce the negative impact of risks on an organization's portfolio. (5 Marks)
- c) Evaluate the role of continuous risk monitoring and reporting in maintaining the success of an organization's portfolio management strategy. (5 Marks)

QUESTION SIX

- a) Apply the principles of agile portfolio management to an organisation's rapidly evolving projects. (5 Marks)
- b) Analyze the impact of AI and data analytics on decision-making in organisational portfolio management. (5 Marks)
- c) Evaluate how emerging trends like digital transformation, AI, and sustainability are reshaping portfolio management practices in organizations. (5 Marks)