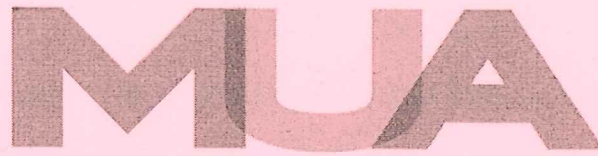


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UNDERGRADUATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
**DEGREE OF BACHELOR OF MANAGEMENT AND LEADERSHIP/
BACHELOR OF COMMERCE**

BML 110/ BCM 321: PROJECT PLANNING AND MANAGEMENT

DATE: 8TH APRIL 2025

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:

CASE STUDY: OPTIMUS LEATHER MANUFACTURERS LIMITED

Optimus Leather Manufacturers Limited, a company located in Kitengela, is a successful manufacturing company which import, export, buy, sell the leather shoes. Recently, it has reported a new order coming from a large customer. However, it survived supply to a large new customer and all the challenges of new work that this customer needed in a very short time. Much of this work is to produce the school leather shoes for form one students joining different schools.

During the initial period progressed with Optimus Leather Manufacturers Limited making customized leather shoes for schools, there were a number of issues that affected the quality of the shoes produced and caused a great deal of rework for the company. Some private schools were unhappy as their shoes products sometimes reached the schools five weeks after the students had reported. In some cases, the supply of the school shoes was a month late. The management of Optimus Leather Manufacturers Limited was also challenged by these projects. The students and management expected them delivered on-time and at a low cost, and the company was not always doing that. Accounting was having difficult tracking the costs for each of the shoe, and the shift supervisor were often having problems knowing what tasks needed to be completed and assigning the right employees to each task.

Some of the problems stemmed from the new part time employees. Since many of these workers had flexible schedules, it wasn't always clear which tasks they were supposed to be working on when they reported to work. Each shoe had different production steps, different design and approvals required. Each product was also a complex process, but was going to be made just once, as the shoes were all customized for each student and school. Thus, shoes needed to be produced on time, and had to be made to match just exactly what the client requested.

Understanding what each client needed had to be clearly documented and **understood** before starting production. Optimus Leather Manufacturers Limited had been told by the school how many different shoes the school would need, but they

weren't all arriving at once, and orders were quite unpredictable in arriving from the student. Some students needed rush orders for their shoes. Some orders arrived as projected, but some came later than anticipated. When Optimus Leather Manufacturers Limited finally got all their orders, some of these jobs were much larger than they had thought they would be. Each shoe needed to have a separate job order prepared that listed all the steps that needed to be completed, so that tasks could be assigned to each worker. These job orders were also becoming a problem. Not all the steps needed were getting listed in each order. Often the estimates of time for each task were not completed until after the work was done, causing problems as workers were supposed to move on to new tasks but were still finishing their previous tasks. Some tasks required specialized equipment or skills, sometimes from other groups within Optimus Leather Manufacturers Limited.

Required:

- a) Many things can happen during the life of such companies as that at Optimus Leather Manufacturers Limited and can alter the expected rate and magnitude of expenditure. As a consultant explain to the management eight considerations for effective cost management at the facility **(8 Marks)**
- b) Using practical examples, examine six project scheduling tools that Optimus Leather Manufacturers Limited can adopt **(6 Marks)**
- c) Suppose Optimus Leather Manufacturers Limited wanted to terminate the project of supplying the large-scale customer who was giving unrealistic targets. Explain the steps they should take in project closure. **(6 Marks)**
- d) A consultant hired by the Optimus Leather Manufacturers Limited had a feeling that the challenges faced by the company was a result of failures in their monitoring and evaluation systems. Discuss five factors which lead to failure of M&E systems **(5 Marks)**

QUESTION TWO

- a) One of the success factors for development project is proper planning which look at matters scheduling, stakeholder's analysis, and specifications determination and so on. Giving practical examples in each case, explain any five reasons for project scheduling **(10 Marks)**
- b) A firm invest \$180,000 in a project that will give a net cash inflow of 50,000 in real items in each of the next six years. Its real pre-tax cost of capital is 13%. Using the net present value method demonstrate if the investment is viable **(5 Marks)**

QUESTION THREE

- a) Successful project manager must use Work Breakdown Structure for better project conceptualization. Describe any three Work breakdown structures orientations that can be adopted. **(9 Marks)**
- b) Evaluate any six elements which are featured in any form of the project structure in which a project can be organized. **(6 Marks)**

QUESTION FOUR

- a) Evaluate four levels of indicators used to determine the project progress from one stage to another **(4 Marks)**
- b) Assume a project has a total of six main activities. In any form of relationship, use a well labeled diagram to differentiate between Activity on Arrow and Activity on Node networks as used in project scheduling **(4 Marks)**
- c) Projects can come to an end in a variety of ways and for variety of reasons. Explain four types of project termination and three motives which can prompt a manager to terminate a projects **(7 Marks)**

QUESTION FIVE

- a) Using practical examples, examine the ten aspects of technical analysis in project planning **(10 Marks)**
- b) A construction project consists of 11 different activities including: Writing down everything (A), identifying priorities (B), planning (C), involvement of participants (D), noting frequency (E), tasks clustering (F), weekly charts making (G), optimize tasks (H), order tasks (I), monitor tasks (J), Staying Flexible (K) and Learn lessons (L). The following table shows the interdependency of the various activities:

ACTIVITY	PRECEDING ACTIVITY
B, C, D	A
E, F	B
G	E
H	F
J	G, H, C, D
K	D
I	G, H
L	I, J, K

present the data in a network diagramme **(5 Marks)**

QUESTION SIX

- a) Distinguish between the following paired concepts as used in project management. Give examples in each case
- i. Situation analysis and participatory analysis **(2 Marks)**
 - ii. Problem analysis and Objective analysis **(2 Marks)**
 - iii. Activity planning and alternative analysis **(2 Marks)**
- b) Managing start-up of a project involves use of responsibility Matrix to decide who does what. Explain nine projects start up areas that must be made clear **(9 Marks)**

