THE CO-OPERATIVE UNIVERSITY OF KENYA

END OF SEMESTER EXAMINATION DECEMBER -2022

EXAMINATION FOR THE DEGREE OF BACHELOR OF COMMERCE (YR IV SEM I)

UNIT CODE: BMGT 4212

UNIT TITLE: PROJECT MANAGEMENT

DATE: WEDNESDAY 14TH DECEMBER, 2022

TIME: 2:00 PM – 4:00 PM

INSTRUCTIONS:

- **Answer question ONE (compulsory) and any other TWO questions**

QUESTION ONE

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

Improvements in Project and Portfolio Management Yield Immediate Returns

Dramatic increases in project execution capabilities and productivity resulted in $900,000 of operational cost avoidance during the current budget year. As one of the largest U.S. coal producers with approximately 1,600 employees, this $1.4 billion-dollar company is a fuel supplier for approximately 4% of the nation's electricity.

With a limited staff that was overwhelmed by increasing business demands, project quality began to wane for this young company as they grappled with managing the IT project portfolio. Although projects were being completed, the cost of project delivery was also increasing. The client's leadership team recognized that something was wrong, and knew they needed outside support to evaluate the situation and identify the best what remedies to apply.

The client decided the best course of action was to bring in seasoned professionals in project management services and PMO remediation. The company engaged PM Solutions to perform an evaluation of the current state of affairs and provide guidance in organizational enhancement.

At the conclusion of the assessment, PM Solutions presented a list of project management improvements that would address the specific "pain points" of the company in order to help prevent further deterioration in execution. Included with the list was a roadmap for implementation of these enhancements.

In just three months, PM Solutions was able to redefine and simplify the company's project management methodology, reorganize PMO operations, institute a new project and portfolio reporting structure, and establish new portfolio governance processes.

In tandem, PM Solutions performed a detailed review of all current in-flight projects, and brought them into compliance with the newly implemented methodology.

The organization now has a fully vetted, standardized project methodology and portfolio governance process to follow for all future project activities. Implementing methodology changes and restructuring in-flight projects produced immediate, realized savings in project execution productivity, and US $900,000 in non-IT department operations cost avoidance.

One such instance of cost avoidance included redefining and re-launching a stalled project intended to lower the operating costs of the client's Maintenance Department. After three weeks of review, redefinition, and re-planning, the project successfully concluded in the following two months. The net result was a decrease of $100,000 in departmental costs from the elimination of the old departmental process.

REQUIRED

(a) Based on the above case study, identify both internal and external stakeholders of this project **(10 Marks)**

ii) Following the above case, pick out and relate the characteristics of an effective project. **(10 Marks)**

(b) The Kenyan government has undertaken many development projects in its post-independence era. Some have succeeded and others have failed and come to be dubbed '*white elephant'*. Using Examples of successful project and failed project as case studies, analyze how the projects were initiated and the possible causes of successful or failed outcomes. **(10 Marks)**

QUESTION TWO

(a) Identify and discuss five reasons why project fail providing a solution to each of the identified reason for failure. **(10 Marks)**

(b) As a project manager, indicate the steps you will follow to formally close out your project. **(5Marks)**

(c) Explain the difference between technical and commercial analysis of a project. **(5Marks)**

QUESTIONTHREE

In 2000, Electronic Data Systems (EDS) executives were pleased to have secured an $8.8 billion contract with the U.S. Navy to design, install, manage and support “a single hacker proof network” connecting 345,000 computers at 4,000 Navy and Marine Corps location. However, by 2004, the company had lost $1.6 billion on the project. Errors and omissions at the very start of the project were major contributors to the dismal financial performance and lost reputation EDS experienced.

Question

a) What other factors at the project initiation stage might have contributed to EDS poor performance in the project. **(8 Marks)**

b) Examine various methods of termination any kind of a project **(6 Marks)**

c) Describe a project manager and highlight some of his responsibilities. **(6 Marks)**

QUESTION FOUR

Lakes Automobiles

Lakes Automotive is a Detroit-based tier-one supplier to the auto industry. Between1995 and 1999, Lakes Automotive installed a project management methodologybased on nine life-cycle phases. All 60,000 employees worldwide accepted themethodology and used it. Management was pleased with the results. Also, LakesAutomotive’s customer base was pleased with the methodology and provided LakesAutomotive with quality award recognition that everyone believed was attributed tohow well the project management methodology was executed.In February 2000, Lakes Automotive decided to offer additional products to itscustomers. Lakes Automotive bought out another tier-one supplier, Pelex AutomotiveProducts (PAP). PAP also had a good project management reputation and alsoprovided quality products. Many of its products were similar to those provided byLakes Automotive.Because the employees from both companies would be working together closely, asingular project management methodology would be required that would beacceptable to both companies. PAP had a good methodology based on five life-cyclephases. Both methodologies had advantages and disadvantages, and both were wellliked by their customers.

Required:

(a) From the case, explain three key constraints of a project. **(6 Marks)**
(b) Argue three key roles of a project manager in relation to the above case. **(6 Marks)**
(c) From the case study, examine why monitoring and evaluation is important. **(8 Marks)**

QUESTION FIVE

(a) Giving relevant examples explain the steps involve in a project life cycle. **(10 Marks)**

(b) Giving relevant example, discuss the project constraints that the project team must plan for during the life cycle of a project. **(10 Marks)**