



REFORMED CHURCH UNIVERSITY

FACULTY OF COMMERCE

Bachelor of Commerce Honours Degree in Business Management

Project Management

HBUM 428 / HPAD 428 404

Part 4 Semester 1 Examination

Total Marks [100]

Date: June 2020

Time: 3 Hours

INSTRUCTIONS

1. This paper has *six (6)* questions
2. Answer question *one (1)* and *any* other *three (3)*
3. Each question carries *25 marks*
4. Start each question on a new page

1. Project Management has evolved into a business process rather than merely a project management process. Discuss the statement above. (25)

2. a) Explain why some organizations favour top-down budgeting whilst others favour bottom-up budgeting. (13)

b) Case: Northern University (NU)

NU has been building lecture blocks for its new campus just outside Mutare city for the last 5 years. It has recently completed the design of a new lecture theatre and will be preparing a detailed budget to be followed during construction of the first theatre. The total budget for this first theatre is \$3 million. The controller feels the initial project cost estimate prepared by the planning department was too low because the waste and slack allowance was underestimated. Thus, she is concerned that there may be a large cost overrun on the project and wants to work closely with the project manager to control the costs. Explain how would you monitor the costs of this project? (12)

3. The data presented in the table below is for a relocation project. Duration is recorded in terms of days and resources are the number of employees required for each activity.

ACTIVITY	PRECEEDING ACTIVITIES	OPTIMISTIC	MOST LIKELY	PESSIMISTIC
A	-	3	6	8
B	-	2	4	4
C	-	1	2	3
D	C	6	7	8
E	B,D	2	4	6
F	A,E	6	10	14
G	A,E	1	2	4
H	F	3	6	9
I	G	10	11	12
J	C	14	16	20
K	H,I	2	8	10

- (a) Determine the expected completion time and variance of each activity. (6)
 - (b) Construct an Activity On Node (AON) network for the activities of this contract. (5)
 - (c) Determine the critical path for the project by calculating the slack for each activity. (5)
 - (d) Calculate the probability that this project will be completed in 40 days. (5)
 - (e) Explain how you would ensure that the project is completed on time. (4)
4. Examine the portfolio of skills required by the Project Manager. (25)
5. Evaluate **any five** project attributes that are important for Project Manager to identify and act upon. (25)
6. With the aid of diagrams, explain how the application of the Gantt chart enhance project performance. (25)

End of Paper