



**National University of
Science and Technology**
Think in Other Terms



FACULTY OF COMMERCE

DEPARTMENT OF FINANCE

MASTER OF SCIENCE IN FISCAL STUDIES

PART III 1st SEMESTER FINAL EXAMINATION– NOVEMBER 2014

PROJECT AND PROGRAMME PLANNING AND MANAGEMENT [CFS 5301]

TIME ALLOWED: 3 HOURS +15 Minutes Reading Time

TOTAL MARKS : 100

INSTRUCTIONS TO CANDIDATES:

1. Answer **QUESTION ONE** in SECTION A and any other **THREE (3)** from Section B.
2. Write neatly and legibly.

INFORMATION FOR CANDIDATES:

1. This paper contains **SIX (6)** Questions.
2. This paper contains **SIX (6)** printed pages including the Cover Page
3. Candidates may write on the question paper but shall not write in the answer booklet during reading time.

SECTION A- COMPULSORY

[Total 25 Marks]

Case Study

Read the attached case study on page 4 and answer the following questions.

Question 1

- a) How can Como accelerate the learning process to achieve excellence in project management to get the contract as the Chunk Manager? **[15 Marks]**
- b) What are Como's chances for success as the Chunk Manager? Justify your answer. **[10 Marks]**

SECTION B- CHOOSE ANY THREE (3) QUESTIONS.

Question 2

[Total 25 Marks]

With reference to real life project of your choice, discuss key stages followed in the implementation of that project. Examine the challenges faced at each stage of implementation. **[25 marks]**

Question 3

[Total 25 Marks]

Stakeholder analysis is a technique which can be used to identify and assess the importance of key people, groups of people or institutions that may significantly influence the success of a project.

Identify and analyse five (5) stakeholders that had a negative or positive influence on a project you have implemented. What strategies did you use to reduce the negative impact of those stakeholders? **[15; 10 Marks]**

Question 4**[Total 25 Marks]**

Your organization is considering venturing into a mining project in Matabeleland South. The executive management is very pleased as this is a very prestigious project. However as the project manager you are worried about the complex nature of the project. Discuss five (5) risks that are likely to affect the project and strategies you can use to mitigate those risks.

[15, 10 Marks]**Question 5****[Total 25 Marks]**

Critically examine six (6) factors that should be considered when choosing procurement contract for large infrastructure projects in Zimbabwe. **[25 Marks]**

Question 6**[Total 25 Marks]**

The value of having a planned project closure is in leveraging all of the information and experiences encountered during the implementation of the project. Discuss any five (5) project closure activities to be done to ensure smooth closure of the project.

[25 Marks]



Como Tool and Die (A)

By 1997, Como had achieved partial success in implementing project management. Lead times were reduced by 10 percent rather than the target of 25–35 percent. Internal resources were reduced by only 5 percent. The reduction in prototype time and cost was 15 percent rather than the expected 30–35 percent. Como's automotive customers were not pleased with the slow progress and relatively immature performance of Como's project management system. Change was taking place, but not fast enough to placate the customers. Como was on target according to its thirty-six month schedule to achieve some degree of excellence in project management, but would its customers be willing to wait another two years for completion, or should Como try to accelerate the schedule?

FORD INTRODUCES “CHUNK” MANAGEMENT

In the summer of 1997, Ford announced to its suppliers that it was establishing a “chunk” management system. All new vehicle metal structures would be divided into three or four major portions with each chosen supplier (i.e., chunk manager) responsible for all components within that portion of the vehicle. To reduce lead time at Ford and to gain supplier commitment, Ford announced that advanced placement of new work (i.e., chunk managers) would take place without competitive bidding.

Target agreements on piece price, tooling cost, and lead time would be established and equitably negotiated later with value engineering work acknowledged.

Chunk managers would be selected based on superior project management capability, including program management skills, coordination responsibility, design feasibility, prototypes, tooling, testing, process sampling, and start of production for components and subassemblies. Chunk managers would function as the second-tier component suppliers and coordinate vehicle build for multiple, different vehicle projects at varied stages in the development–tool–launch process.

STRATEGIC REDIRECTION: 1997

Ford Motor Company stated that the selection of the chunk managers would not take place for another year. Unfortunately, Como's plan to achieve excellence would not have been completed by then, and its chances to be awarded a chunk management slot were slim. The automotive division of Como was now at a critical junction. Como's management believed that the company could survive as a low-level supplier of parts, but its growth potential would be questionable. Chunk managers might find it cost-effective to become vertically integrated and produce for themselves the same components that Como manufactured. This could have devastating results for Como. This alternative was unacceptable. The second alternative required that Como make it clear to Ford Motor Company that Como wished to be considered for a chunk manager contract. If Como were to be selected, then Como's project management systems would have to:

- Provide greater coordination activities than previously anticipated
- Integrate concurrent engineering practices into the company's existing methodology for project management
- Decentralize the organization so as to enhance the working relationship with the customers
- Plan for better resource allocation so as to achieve a higher level of efficiency
- Force proactive planning and decision-making
- Drive out waste and lower cost while improving on-time delivery

There were also serious risks if Como were to become a chunk manager. The company would be under substantially more pressure to meet cost and delivery targets. Most of its resources would have to be committed to complex coordination activities rather than new product development. Therefore, value-added activities for its customers would be diminished. Finally, if Como failed to live up to its customers' expectations as a chunk manager, it might end up losing all automotive work. The decision was made to inform Ford of Como's interest in chunk management. Now Como realized that its original three-year plan for excellence in project management would have to be completed in eighteen months. The question on everyone's mind was: "How?"

**Source: *PROJECT MANAGEMENT
CASE STUDIES, SECOND EDITION
HAROLD KERZNER, P h . D . 2007***

END OF EXAMINATION PAPER