



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



FACULTY OF COMMERCE

DEPARTMENT OF FINANCE

MASTER OF SCIENCE IN FISCAL STUDIES

PART III 2nd SEMESTER FINAL EXAMINATION– NOVEMBER 2015

PROJECT AND PROGRAMME PLANNING AND MANAGEMENT [CFS 5302]

TIME ALLOWED: 3 HOURS

INSTRUCTIONS TO CANDIDATES:

1. Answer question **ONE (1)** and any other **THREE (3)** questions.
2. Write neatly and legibly.

INFORMATION FOR CANDIDATES:

1. This paper contains **SIX (6)** Questions.
2. This paper contains **FOUR (4)** printed pages including cover page.
3. Questions carry equal marks (25 marks).
4. Candidates may write on the question paper but shall not write in the answer booklet during reading time.

Question 1

Read the case study below and answer the following questions.

Coal Bed Methane: A clean energy for Zimbabwe

Zimbabwe recently discovered billions of cubic feet of coal-bed methane gas in Lupane and efforts are currently underway to find investment to exploit the strategic energy source. Estimates say the country is home to more than 40 trillion cubic feet of potentially recoverable coal-bed methane gas, which is found in the Lupane-Lubimbi area. But there has been some debate that Mozambique, which has trillions of reserves and current production that dwarfs Zimbabwe's reserves, could be a cheaper source of gas. Mozambique is estimated to have 150 trillion cubic feet of the much sought after natural gas. According to Standard Bank, Liquefied Natural Gas will add \$39 billion to Mozambique GDP over the next 20 years, boosting GDP per capita from approximately \$650 in 2013, to about \$4 500 by 2035. Standard Bank says the natural gas industry will help create thousands of jobs in Zimbabwe and other benefits will be derived.

Adapted from Herald of July 14, 2015

You are required to write a report to the Minister of Mines and Mining Development for consideration of this initiative. In your report you are expected to:

- a) Suggest possible investors (lenders of the project). [5 Marks]
- b) Discuss the bankability of the project. [5 Marks]
- c) Explain the risks of the project. [5 Marks]
- d) Discuss the main stakeholders of the gas project. [5 Marks]
- e) Detail the possible economic impact of the project to the country. [5 Marks]

[Total 25 Marks]

Question 2

Economic governance is meant to strengthen economic and budgetary coordination. Budgetary coordination is not complete without inclusion of procurement activities. Procurement in most economies is responsible for spending up to 60%–80% of the national budget. The only expenditure that does not come under the remits of procurement is salaries. In that regard, procurement plays a pivotal role in public finance management. National budgets should be derived from procurement budgets. The disconnection between public finance management and public procurement is a cause for concern. Control of economic activities is at its best when procurement is effectively involved. Procurement has the capacity to manage economic activities by appropriately sourcing national needs, scheduling procurement activities for proper utilisation of limited resources and monitoring of contracts for control of schedules and costs.

Required:

In view of the above, critically examine five (5) factors that should be considered when choosing an effective procurement contract for large infrastructure projects in Zimbabwe. [25 marks]

[Total 25 Marks]

Question 3

(a) Discuss the importance of the following project management activities.

(i) Project Scope [5 Marks]

(ii) Work Breakdown Structure [5Marks]

(iii) Time Management [5Marks]

(b) Study the Table below and answer the questions that follow (assume that the project team will work a standard working week and that all tasks will start as soon as possible):

Task	Description	Duration (Working Days)	Predecessor/s
A	Requirement Analysis	5	
B	Systems Design	15	A
C	Programming	25	B
D	telecoms	15	B
E	Hardware Installation	30	B
F	Integration	10	C, D
G	System Testing	10	E, F
H	Training/Support	5	G
I	Handover and Go-Live	5	H

Required:

(i) Determine the critical path of the project [8 marks]

(ii) Calculate the planned duration of the project in days [2 Marks]

[Total 25 Marks]

Question 4

After a study of the work processes on a project, a quality audit team reports to the project manager that irrelevant quality standards were being used by the project, which might lead to rework.

Discuss the importance of project quality management in projects. **[25 Marks]**

[Total 25 Marks]

Question 5

The value of having a planned project closure is in leveraging all of the information and experiences encountered during the implementation of the project. **[20 Marks]**

Discuss five (5) project closure activities to be done to ensure smooth closure of the project and benefits of project disclosure. **[5 Marks]**

[Total 25 Marks]

Question 6

You work for a non profit organisation and you are currently heading a project to bring clean water to several villages to a remote village in Merengwa. Your stakeholders have changed the scope of the project 3 times already and the steering committee has reprioritized this project twice during the last six months.

Identify and explain risks that might affect the success of project. **[25 Marks]**

[Total 25 Marks]

END OF EXAMINATION PAPER