

PART III

DL3.04: PROJECT MANAGEMENT

PILOT PAPER

FRIDAY: 18th February 2022

Time Allowed: 3 Hours

Answer ALL questions. Marks allocated to each question are shown at the end of the question.

SECTION A

QUESTION ONE

- a) Define the following terms as used in project management.
- (i) Critical path (2 marks)
 - (ii) Deliverables (2 marks)
 - (iii) Stakeholders (2 marks)
 - (iv) Milestone (2 marks)
 - (v) Scope (2 marks)
- b) Explain THREE techniques that can be used to appraise project investment in an organization. (6 marks)
- c) Highlight FOUR benefits of using a project implementation team in executing a project. (4 marks)
- (Total:20 marks)**

SECTION B

QUESTION TWO

- a) Describe the steps involved in the project procurement process. (10 marks)
- b) Evaluate FIVE elements of the risk register that may be used to control and monitor project. (10 marks)
- (Total:20 marks)**

QUESTION THREE

- a) Explain FIVE quality assurance systems that the project manager should put in place in order to deliver a quality project. (10 marks)
- b) Describe FIVE main sub-projects (tasks) within the life cycle of a project. (10 marks)
- (Total:20 marks)**

SECTION C

QUESTION FOUR

Read the case study below and answer the questions that follow. Marks allocated to each question are shown at the end of the question.

CASE STUDY

CONSTRUCTION OF A CANCER CENTRE

The National Health Committee assembled a project team to build a 200-bed capacity cancer treatment facility within four months beginning August 2021. The cancer center was to be built in Nakuru to serve the Western, Rift Valley, Nyanza region and part of central with the aim of congestion that usually experienced at Kenyatta



National Hospital. The project team was allocated a fixed budget of Sh.600 million to be funded from the exchequer. The project team was expected to work closely, with the County Government of Nakuru that had promised to donate a piece of land that the facility was to be built on. The team kicked off the process by identifying and mapping out key stakeholders involved during the planning phase of the project.

Due to budgeting and time constraints the project team settled on bringing on board at the planning phase a contractor that was considered to technically competent and with previous experience in construction of specialized medical facility. During negotiation with the contractor, there was a stalemate as the contractor rejected the lumpsum pricing mechanism proposed by the team. The contractor preferred to be paid based on bills of quantity of the materials usage and labor cost. The contractor was able to convince the project team that the bills of quantity pricing mechanism provided a better avenue for cost saving as alternative materials could be used without compromising the quality of the facility.

The project team and the contractor agreed to work collaboratively to undertake value engineering in order to minimize wastage and where possible crash project activities with the aim of controlling labor cost.

Required:

- a) Examine FIVE key areas of feasibility that the project team may have assessed before implementing the project. (10 marks)
- b) Establish FIVE ways the project team may have benefited from involving important stakeholders from the onset of the project. (10 marks)
- c) Assess the pros and cons of fixed lump sum pricing approach as advanced by the project team. (10 marks)
- d) Advise the project team on the importance of post project implementation audit and review. (10 marks)

(Total:40 marks)

