



PAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY

HAROLD PURKEWITZ GRADUATE SCHOOL OF BUSINESS

SCHOOL OF MANAGEMENT

COURSE CODE: LMP721C	COURSE NAME: LEADING AND MANAGING PROJECTS
DATE: MAY/JUNE 2025	MODE: FM
DURATION: 3 Hours	MARKS: 100

FIRST OPPORTUNITY EXAMINATION	
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INSTRUCTIONS
<ol style="list-style-type: none">1. There are six (6) questions, answer any four (4).2. Write clearly and neatly.3. Begin a new Question on a fresh page4. Number the answers clearly.

PERMISSIBLE MATERIALS

1. Test script
2. Examination script

THIS EXAMINATION CONSISTS OF 6 PAGES (INCLUDING THIS FRONT PAGE)

Question 1

Absolute Quest (AQ) has had to close down its new entertainment attraction after only six months due to its inability to attract its forecast number of visitors. The company is keen to understand more about why this particular attraction failed, in order to learn from its mistakes and improve on future projects. The chairman of AQ has cited a number of problems that were experienced throughout the lifecycle of the new Entertainment Attraction Project. An extract from his report is given below:

- There was a lack of a detailed plan as to the exact content required by the attraction.
- The contract was given to a contractor recommended by the Finance Director and consequently no research was undertaken on its suitability.
- Throughout the project there had been an unsuitable management structure and a lack of understanding of the elements of work required to complete the project.
- The targets for the visitor numbers were highly ambitious.
- There had been a major failure to establish sufficiently robust financial management. The cost of the building and its content was 10% over the original budget. AQ believes that this is due to a combination of poor cost estimates originally and poor financial control throughout the project.
- Throughout the project there appeared to be an enormous amount of conflict between the various project stakeholders which made it difficult to manage the timeframe. The project manager spent so much time managing this conflict that project meetings were regularly cancelled.

No one in AQ appears to be committed to undertaking post-completion reviews.

The chairman understands that there are a number of project management frameworks that would help in identifying the different issues of project management that need to be considered in order to effectively manage a project and deliver the desired outcomes.

- (a) Describe, with reference to the stages in the project lifecycle, the steps that could have been taken to avoid the problems being experienced in the new Entertainment Attraction Project, as highlighted in the scenario. (15 marks)
- (b) Identify and explain specific issues that a feasibility study would have helped with in making AQ Project a success. (10 marks)

Question 2

A company is considering which of the two mutually exclusive projects it should undertake. The finance director thinks that the project with the higher NPV should be chosen, whereas the managing director thinks that the one with the higher IRR should be undertaken, especially as both projects have the same initial outlay and length of life. The company anticipates a cost of capital of 10%, and the net after tax cashflows of the projects are as follows:

Year	Project X (N\$)	Project Y(N\$)
0	200 000	200 000
1	35 000	218 000
2	80 000	10 000
3	90 000	10 000
4	75 000	4 000
5	20 000	3 000

Required:

- (a) Calculate the NPV and IRR of each project. **(12 marks)**
- (b) Advise with justification, which project the company must undertake (if either). **(5 marks)**
- (c) Discuss the advantages and disadvantages of the payback method as a project investment appraisal technique. **(8 marks)**

Question 3

An advertising project manager has developed a programme for a new advertising campaign. In addition, the manager has gathered the time information in weeks for each activity as shown in the following table:

Activity	Predecessor(s)	Optimistic	Most Likely	Pessimistic
A	-	1	4	7
B	-	2	6	10
C	B	3	3	9
D	A	6	13	14
E	A, C	4	6	14
F	B	6	8	16
G	D, E, F	2	5	8

- (a) Calculate the expected mean time (duration) for each activity (round to the nearest integer). **(3.5 marks)**
- (b) Calculate the variance for each activity. **(3.5 marks)**
- (c) Develop a network diagram for the project using the AON notation and fully label all nodes in the network. **(7 marks)**
- (d) Compute and develop a summary table of each activity's ES, EF, LS, LF and Slack times. **(7 marks)**
- (e) Identify the critical and indicate the earliest time for finishing the project. **(2 marks)**
- (f) Given the activity variances, what is the likelihood of the project finishing on week 24? **(2 marks)**

Question 4

Case Study: SunVille Solar Park Project

EcoPower Inc. is a fictional energy company that specializes in renewable energy projects. The company has recently acquired a vast stretch of land in SunVille, a small town known for its sunny weather throughout the year. EcoPower's ambitious project aims to transform this land into one of the region's most extensive solar parks, which could potentially power the entire SunVille town and its neighboring areas.

The SunVille Solar Park promises significant environmental benefits by reducing the region's reliance on fossil fuels. However, the project's scale means that a large portion of the acquired land, currently used for agriculture, will have to be repurposed. This transition will undoubtedly impact the local community, which primarily depends on farming.

While the local government is generally supportive of renewable energy initiatives, they're also concerned about the potential job losses in the agricultural sector and the change in the town's rural character. At the same time, environmentalists, although supportive of green energy, worry about the local flora and fauna being affected by such a large-scale installation.

EcoPower's investors are enthusiastic about the project's potential returns, given the increasing global emphasis on clean energy. However, they also emphasize the importance of smooth execution without significant delays, as such setbacks could affect projected returns.

Local businesses, especially those in the hospitality sector, see an opportunity. They believe that the solar park, if designed innovatively, could attract eco-tourists, leading to increased business.

Residents are divided. While some are excited about SunVille potentially becoming a landmark for clean energy, others, especially farmers, are anxious about their future. To navigate this complex scenario, EcoPower decides to create a Stakeholder Power/Interest Grid.

Questions:

- (a) Identify up to ten (10) relevant stakeholders in the above project. (5 marks)
- (b) Using the identified stakeholders above, plot each stakeholder on the properly labelled Power/Interest Grid and indicate how each class/group of stakeholders must be managed. (10 marks)
- (c) Develop an appropriate communication plan for the stakeholder categories mapped on the Power Interest Grid (10 marks)

Question 5

You are the project manager for an event planning company that has been contracted to organize an international conference for a client in the tech industry. The scope of the project includes arranging the venue, organizing travel and accommodation for international guests, coordinating speakers, and managing the event's promotional activities. The budget provided by the client is N\$500,000, and the event should be ready to kick off in six months.

Due to the pandemic, international travel has become uncertain. You have identified this as a significant project risk that could impact the overall success of the event. Meanwhile, your client insists that a virtual conference would not provide the same networking opportunities and requests you to proceed with the plan.

Midway through the project, it becomes apparent that due to the increasing number of COVID-19 cases, international travel restrictions are being imposed again. Now, the uncertainty has turned into a reality, and the project faces a considerable challenge.

Answer the following questions:

- (i) Given the constraints of the project, how would you adjust your management approach in response to this alteration? (4 marks)
- (ii) What would be your next steps in discussing this issue with your client? (3 marks)
- (iii) How would you reassess the project risks given this change? (3 marks)
- (iv) How might this scenario impact the other project constraints such as scope, cost, schedule, quality, and resources? (10 marks)
- (v) What alternative solutions can you propose to the client to ensure project success in the current situation? (5 marks)

Question 6

- (a) Demonstrate the relevance of the Five Stage Development Model in project team development. (15 marks)
- (b) Discuss any factors that need to be considered into the project team recruitment process. (5 marks)

+++END OF EXAMINATION+++

Appendix A: Z Score Table

STANDARD NORMAL DISTRIBUTION: Table Values Represent AREA to the LEFT of the Z score.

Z	.00	.01	.02	.03	.04	.05	.06	.07	.08	.09
0.0	.50000	.50399	.50798	.51197	.51595	.51994	.52392	.52790	.53188	.53586
0.1	.53983	.54380	.54776	.55172	.55567	.55962	.56356	.56749	.57142	.57535
0.2	.57926	.58317	.58706	.59095	.59483	.59871	.60257	.60642	.61026	.61409
0.3	.61791	.62172	.62552	.62930	.63307	.63683	.64058	.64431	.64803	.65173
0.4	.65542	.65910	.66276	.66640	.67003	.67364	.67724	.68082	.68439	.68793
0.5	.69146	.69497	.69847	.70194	.70540	.70884	.71226	.71566	.71904	.72240
0.6	.72575	.72907	.73237	.73565	.73891	.74215	.74537	.74857	.75175	.75490
0.7	.75804	.76115	.76424	.76730	.77035	.77337	.77637	.77935	.78230	.78524
0.8	.78814	.79103	.79389	.79673	.79955	.80234	.80511	.80785	.81057	.81327
0.9	.81594	.81859	.82121	.82381	.82639	.82894	.83147	.83398	.83646	.83891
1.0	.84134	.84375	.84614	.84849	.85083	.85314	.85543	.85769	.85993	.86214
1.1	.86433	.86650	.86864	.87076	.87286	.87493	.87698	.87900	.88100	.88298
1.2	.88493	.88686	.88877	.89065	.89251	.89435	.89617	.89796	.89973	.90147
1.3	.90320	.90490	.90658	.90824	.90988	.91149	.91309	.91466	.91621	.91774
1.4	.91924	.92073	.92220	.92364	.92507	.92647	.92785	.92922	.93056	.93189
1.5	.93319	.93448	.93574	.93699	.93822	.93943	.94062	.94179	.94295	.94408
1.6	.94520	.94630	.94738	.94845	.94950	.95053	.95154	.95254	.95352	.95449
1.7	.95543	.95637	.95728	.95818	.95907	.95994	.96080	.96164	.96246	.96327
1.8	.96407	.96485	.96562	.96638	.96712	.96784	.96856	.96926	.96995	.97062
1.9	.97128	.97193	.97257	.97320	.97381	.97441	.97500	.97558	.97615	.97670
2.0	.97725	.97778	.97831	.97882	.97932	.97982	.98030	.98077	.98124	.98169
2.1	.98214	.98257	.98300	.98341	.98382	.98422	.98461	.98500	.98537	.98574
2.2	.98610	.98645	.98679	.98713	.98745	.98778	.98809	.98840	.98870	.98899
2.3	.98928	.98956	.98983	.99010	.99036	.99061	.99086	.99111	.99134	.99158
2.4	.99180	.99202	.99224	.99245	.99266	.99286	.99305	.99324	.99343	.99361
2.5	.99379	.99396	.99413	.99430	.99446	.99461	.99477	.99492	.99506	.99520
2.6	.99534	.99547	.99560	.99573	.99585	.99598	.99609	.99621	.99632	.99643
2.7	.99653	.99664	.99674	.99683	.99693	.99702	.99711	.99720	.99728	.99736
2.8	.99744	.99752	.99760	.99767	.99774	.99781	.99788	.99795	.99801	.99807
2.9	.99813	.99819	.99825	.99831	.99836	.99841	.99846	.99851	.99856	.99861
3.0	.99865	.99869	.99874	.99878	.99882	.99886	.99889	.99893	.99896	.99900
3.1	.99903	.99906	.99910	.99913	.99916	.99918	.99921	.99924	.99926	.99929
3.2	.99931	.99934	.99936	.99938	.99940	.99942	.99944	.99946	.99948	.99950
3.3	.99952	.99953	.99955	.99957	.99958	.99960	.99961	.99962	.99964	.99965
3.4	.99966	.99968	.99969	.99970	.99971	.99972	.99973	.99974	.99975	.99976
3.5	.99977	.99978	.99978	.99979	.99980	.99981	.99981	.99982	.99983	.99983
3.6	.99984	.99985	.99985	.99986	.99986	.99987	.99987	.99988	.99988	.99989
3.7	.99989	.99990	.99990	.99990	.99991	.99991	.99992	.99992	.99992	.99992
3.8	.99993	.99993	.99993	.99994	.99994	.99994	.99994	.99995	.99995	.99995
3.9	.99995	.99995	.99996	.99996	.99996	.99996	.99996	.99996	.99997	.99997