



DEPARTMENT OF BUSINESS MANAGEMENT
PROJECT MANAGEMENT
FINAL ASSESSMENT 2014

SUBJECT: Project Management
CODE: STM8X05
DATE: 0900HRS, 29/05/14 to 1700HRS, 12/06/14
TIME ALLOWED: Two Weeks
TOTAL MARKS: 80

ASSESSOR: PROF U Ojiako
MODERATOR: PROF L Labuschagne
NUMBER OF PAGES: 7

SUBMISSION INSTRUCTIONS:

1. Submission will be in three stages.
 - Stage 1: An MS word document **MUST** be sent as an email attachment to Udechukwu Ojiako (uojako@uj.ac.za) and copied to Erika Kurten (EEKurten@uj.ac.za).
 - Stage 2: Student on completing of Stage 1 **MUST** request email acknowledgement of the receipt of their assignment. No email acknowledgement implies that the submission has not been received. Subject header of your email must read 'UJ STM8X05'.
 - Stage 3: An MS word document must be uploaded online via uLink for plagiarism check.

INSTRUCTIONS:

1. This is an open-book assessment.
2. Read the questions carefully and answer only what is asked.

3. Answer all the questions.
4. Make use of applicable practical examples to support your answers.
5. Structure your answers by using appropriate headings and subheadings.
6. The general University of Johannesburg policies, procedures and rules pertaining to open-book assessments apply to this assessment.
7. Throughout the two scenarios and all examination questions, you must assume that you are undertaking the role as a management consultant with expertise in the areas of project management.
8. You should draw heavily upon the theoretical concepts and empirical findings you have been studying in the module, refereed journal articles, and other professional articles cited in the reading list given at the beginning of this module in preparation for this examination.
9. Your answers to the examination questions must be carefully considered, well structured and demonstrate a deep and critical understanding of the core issues and theories.
10. Your answers must be original and not display any evidence of duplicating material from the reading material covered. You may, however, use this material in an applied, constructive and meaningful manner, provided it is fully acknowledged using the Harvard referencing system.
11. A selection of journal articles has been made available to all students via uLink to help you in this respect. Marks will either be deducted or a score of 0% will be allocated where evidence of plagiarism and/or direct copying is identified.
 - Your submission **MUST** be typed in MS Word format using the following.
 - Font: 12 point
 - Times New Roman.
 - Spaces must be 1.5
 - You must provide a word count for your paper. Submissions **MUST** not be more than 5 000 words (inclusive of references).
 - You **MUST** use the Harvard referencing style.

SECTION A**[60 MARKS]****SCENARIO A**

A small group of senior project managers have recently formed their own Project Management Consultancy based in Sandton, Johannesburg. This consultancy is known as Mzansi Synergy Solutions (MSS). Prior to this establishment of MSS, the senior project managers – now the board of directors for MSS – were employed by a large, highly reputable, national consulting company. This consulting company never provided project management services to the private sector; instead, it had concentrated on government and other public sector clients.

During the early years of MSS development, the board of directors successfully secured term contracts with a small number of prestigious private-sector clients. These clients were predominantly speculative property developers, but one or two were corporate companies, such as Pick 'n Pay and also Anglo America. The board of directors secured these term contracts as a result of prior personal contacts while employed by their former contracting company.

The environment in which MSS is currently operating has moved towards relationship-based procurement approaches in which long-term interaction and partnering are prevalent. This novel approach recognises the need to involve the enlarged supply chain during the development of the project, brief as well as the project execution. Non-price based criteria are therefore increasingly being utilised by MSS clients when determining their chosen project-related partners. Inherent within this approach to project procurement is the need for the project participants/stakeholders to work together as a multidisciplinary project-oriented organisation; therefore enabling key success criteria and effective project planning to be implemented.

Due to its overwhelming success and reports of excellent client satisfaction, MSS has recently been appointed by several large, highly reputable, private-sector clients, and is handling enquiries from several more. As a result, the board of directors has decided it is necessary to appoint a number of experienced project managers, and a

small number of graduate trainees, in order to maintain and build upon MSS's fairly recent success. The board of directors has decided to appoint a management consultant – you – to advise them of the process of effectively recruiting new project management practitioners, establishing an appropriate management strategy, and providing cost-effective project management services during the process of expanding their client portfolio.

Bearing in mind that within the dynamic context of (i) the South African business environment, (ii) South Africa's involvement in BRICS following the hosting of the Fifth BRICS Summit on 27 March 2013 in Durban under the theme: "BRICS and Africa: Partnership for Development, Integration and Industrialisation.", (iii) Nigeria recently overtaking South Africa as Africa's biggest economy, and (iv) South African businesses expanding their operations into continental Africa, project managers regularly find themselves confronted by issues and undertaking roles that have traditionally not been part of their core responsibility. You will be asked to advise the board of directors on a number of issues that relate to the effective practice of project management.

QUESTION 1

[10 MARKS]

It is assumed that there is substantial information which is unknown to you at the inception of most projects. Based on this, discuss briefly:

- (i) What role if any do modern planning tools have in project management (6 marks)?
- (ii) Discuss what possible limitations might be associated with these planning tools? (2 marks)
- (iii) Suggest ways of dealing with uncertainty within the planning process through modifying/enhancing existing time-planning approaches (2 marks).

QUESTION 2**[10 MARKS]**

Project management involves the effective and efficient management of resources. Management of such resources requires managers (project managers), to make decisions. Although it is expected that decisions are made rationally, it is recognised that on some occasions, bias may be introduced into the decision-making process of project managers. The introduction of biases into the formulation of these specifications can lead to the failure of projects. To best address the problems of bias, it is recommended that project managers are aware of the presence of heuristics (and their potential effect). Based on this:-

- (i) How in your opinion, would an acknowledgement of the impact of heuristics be to project management practitioners? (4 marks).
- (ii) What are the three major forms of heuristics, and how do they apply to project management? (6 marks- broken down into 1 mark per heuristic and 1 mark per example of application to project management).

QUESTION 3**[10 MARKS]**

In the context of the case study, define a project and highlight three major delivery concepts in project management. Discuss how these three key concepts in project management relate to the notion of 'control': How does the notion of 'control' impact on the delivery of complex projects?

- (i) Define a project (4 marks)
- (ii) Highlight three major delivery concepts in project management (3 marks)
- (iii).How does the notion of 'control' impact on the delivery of complex projects? (3 marks)

QUESTION 4**[10 MARKS]**

Given the shifting focus by MSS's board of directors towards more relationship-based procurement approaches and the rising interest in the early phases of projects, discuss the applicability of partnering as a basis for effectively managing the project life cycle.

QUESTION 5**[10 MARKS]**

Explain how MSS might address the concepts of risk management and change management on their ongoing projects.

QUESTION 6**[10 MARKS]**

Discuss, based on a reasoned argument, the issue of project governance and the interaction with project management structures. For example, why and how project oriented organisation might apply and use matrix organisational structures or other hybrid structures in the management of projects.

SECTION B**[20 MARKS]****SCENARIO B**

Following your appointment to MSS, the company has recently won a contract with one of Africa's leading cement manufacturers, Dangote Cement (Nig) Ltd to design, build and provide operations management support for a new cement factory being built in the Democratic Republic of Congo. The new factory will be radically different to any previously built due to its use of the new "mixlator" system that has not been previously used in Africa. The franchise is for 30 years, after which time ownership of the factory will be handed to the Congolese government by Dangote Cement. So far, financing of the R1.07 billion factor involves a consortium of 13 banks from Nigeria, South Africa, Congo and Belgium. You have been asked by MSS to prepare an invitation to civil engineering companies to tender for the construction of the factory. As MSS has never been involved in the management of such complex projects before, you have been asked by MSS Chief Executive Officer Blaszczykowski Papastathopoulos to lead the team that will monitor the actions of the chosen contractor very closely. You are also expected to be closely involved in the approval of the design and construction methods.

At present, DAISUKE, Japan's third largest civil engineering company, is bidding to Oll for this construction contract. They have built a number of well known cement

factories in Russia and Japan. DAISUKE has agreed a Memorandum of Understanding (MOU) with Sahara Nkundabatware Ltd under which Sahara Nkundabatware Ltd would design and provide the “mixlator” system which will be installed by a Cuban electrical engineering firm, Teófilo de Albear (Cub).

QUESTION 7**[20 MARKS]**

Project management involves the effective and efficient management of resources. Management of such resources requires managers (project managers), to make decisions. Although it is expected that decisions are made rationally, it is recognised that in some occasions, bias may be introduced into the decision-making process of project managers. The introduction of biases into the formulation of these specifications can lead to the failure of projects. To best address the problems of bias, it is recommended that project managers are aware of the presence of heuristics (and their potential effect). Based on this:

- (i) Propose what an appropriate Work Breakdown Structure (WBS) for the project would look like, defining a minimum of 15 elements of the WBS. (10 marks).
- (ii) What do you think are the main risks (a minimum of six main risks) that apply (or applied) to the project? [Include aspects such as: What time/cost/technical outcomes do they affect? How big are they compared to the size of the parties involved?] (5 marks).
- (iii) Who are the major stakeholders in the project, and how might you define project success for each of these? (5 marks).

- END OF ASSESSMENT -