



UNIVERSITY OF SWAZILAND

Department of Agricultural Economics & Management

FINAL EXAMINATION PAPER

PROGRAMME: BSc. in Agric. Economics and Agribusiness Management Year 4
BSc. in Agronomy Year 4
BSc. in Agricultural Bio-systems Engineering Year 4
BSc. in Agricultural Extension & Education Year 4
BSc. in Horticulture Year 4

COURSE CODE: AEM 404

TITLE OF PAPER: PROJECT PLANNING & MANAGEMENT

TIME ALLOWED: TWO (2) HOURS

INSTRUCTION: 1. ANSWER ALL QUESTIONS
2. DO NOT WRITE ON THIS QUESTION PAPER
3. ALL ANSWERS SHOULD BE WRITTEN IN THE BOOKLET PROVIDED

DO NOT OPEN THIS PAPER UNTIL PERMISSION HAS BEEN GRANTED BY THE CHIEF INVIGILATOR

204

QUESTION ONE

1. Below are multiple choice questions and pick the most appropriate answer. Each question carries 2 marks.
 - 1.1. The key factors to consider when formulating the project objectives include
 - A. Time, resources and quality
 - B. Technological opportunities and legislation
 - C. Knowledge, resources and time
 - D. All the above
 - 1.2. These statement form part of determinates of sources for financing projects, except?
 - A. more resources will do the most
 - B. Compare your institution in relation to the competitors.
 - C. Make your case bigger than your institution.
 - D. Follow the wishes and suggestions of the potential donor.
 - 1.3. This statement "it is used to describe the general idea of the project" precisely defines?
 - A. Project Initiation Documentation
 - B. Project charter
 - C. Project Artefacts
 - D. Project plan
 - 1.4. When presenting a project initiation document some sections are thought to be mandatory except?
 - A. Resource requirements
 - B. Scope definition
 - C. Opportunity statement
 - D. Completion criteria
 - 1.5. One should consider the following when choosing partners of the project consortium:
 - A. Self-motivated
 - B. Respects decision made by others
 - C. Critical of donor's conditional
 - D. Independent decision making
 - 1.6. What is defined by every project requiring a variety of skills that will need to be matched to the appropriate tasks?
 - A. Work breakdown matrix
 - B. Tasks inventory matrix
 - C. Skills inventory matrix
 - D. Responsibility inventory matrix
 - 1.7. The statement "who on the project team is most qualified to perform each task" defines?
 - A. Responsibility inventory matrix
 - B. Work breakdown matrix
 - C. Tasks inventory matrix
 - D. Skills inventory matrix\

- 1.8. Which one of the following statements best describes a project?
- A. A project is a set of tools and techniques often used when delivering organisational change.
 - B. A unique transient endeavour undertaken to achieve a desired outcome.
 - C. A project is the sum of activities needed to remove uncertainty from a unique piece of work.
 - D. A project is a method of planning work.
- 1.9 What is a project?
- A. A more complex activity than other functional processes of the organization
 - B. An organisation that is needed to produce a product at a given time using the available resources
 - C. The purpose of delivering business products according to a specified business given a management environment
 - D. A structured system of activities and outcomes/milestones.
- 1.10 One of the following statements is not a characteristic of a project:
- A. It is not carried out in isolation
 - B. Likely to contain elements of risks
 - C. It is temporary in nature
 - D. multiple intended result
 - E. None of the above
- 1.11. All listed below are common attributes forming the framework for all projects, except:
- A. Starts and ends any time as agreed by the project management
 - B. Any resources available
 - C. producers
 - D. All the above
 - E. None of the above
- 1.12. Normally the life cycle of the project consists of some of the following stages
- A. Costs, quality, resources
 - B. Initiation, Planning, Monitoring
 - C. Monitoring, resources, time
 - D Planning, execution, time
- 1.13. The statements below do not relate to project initiation except?
- A. Composition of the project charter
 - B. Composition of a project plan
 - C. Day-to-day management
 - D. Filing and archiving the project documentation
- 1.14. Project planning aims at determination of an optimal scheme/algorithm for project execution, the necessary information at this stage includes
- A. Determination of the main objective
 - B. Resource analysis
 - C. B & D
 - D. Needs analysis

- 1.15. Identify the activities carried out during project execution
- A. Starting up the execution.
 - B. Day-to-day management.
 - C. Change management and reporting
 - D. None of the above
 - E. All the above
- 1.16. Select the correct combination of activities carried out during the closure of a project
- A. Composition of the final report & Planning & performing necessary public relations issues
 - B. Product acceptance and implementation, & planning the follow-up activities
 - C. Description of the project & planning the follow-up activities
 - D. None of the above
- 1.17. A Responsibility Assignment Matrix (RAM) can be used to:
- A. define the terms of reference of the project manager.
 - B. define the limits of the project sponsor's responsibilities.
 - C. allocate work packages to those responsible for project work.
 - D. allocate risk management response activities to project personnel.
- 1.18. Who owns the Project Management Plan (PMP)?
- A. The project manager
 - B. The chief executive
 - C. The project team
 - D. The project support office.
- 1.19. The possible methods of needs analysis include
- A. Interviews and public opinion poll
 - B. Identifying a problem & Market research
 - C. Identify the need & interviews
 - D. Market research and needs assessment
- 1.20. These form part of the sections that are present in almost all project plans, except
- A. Project description
 - B. Time-table of the project
 - C. Plans for dissemination
 - D. None of the above
- 1.21. Which one of the following is true for the Project Management Plan (PMP)?
- A. The PMP is developed by the project manager and team and owned by the sponsor.
 - B. A draft of the PMP is developed by the sponsor at the same time as the business case.
 - C. The PMP is developed by the sponsor and owned by the project manager.
 - D. The PMP is developed by the project manager and team and owned by the project manager.

- 1.22. What best qualifies a milestone?
- Hardly quantified or measured
 - The value reflected by the difficulty of achieving it
 - It has the beginning and the end
 - All the above
- 1.23. Which one of the following is captured in the Work Breakdown Structure (WBS)?
- The life cycle phases.
 - The scope of the project
 - The logical order of tasks.
 - Project costs.
- 1.24. What is a visual representation of a project's planned activities against a calendar called?
- A Pareto chart.
 - A critical path network.
 - A product flow diagram
 - A Gantt chart
- 1.25. Dlamini & Sons Ltd is considering the purchase of an asset for E120, 000. This asset will generate the following cash flows as E15,000, E25,000, E40,000, E40,000, E35,000, E30,000 for years 1, 2, 3, 4, 5, 6 respectively, the payback period would be:
- The investment does not pay back
 - 5 years
 - 4 years
 - 6 years
- 1.26. A project has an NPV of E12,632 when a discount rate of 12% is used and the same project has an NPV of (E6,935) when a discount rate of 22% is used, the actual internal rate of return of the project is:
- 16.5%
 - 18.5%
 - 6.5%
 - 28.5%
- 1.27. A project that has been tested for its feasibility has already incurred market research costs of £50,000. The actual cost of the asset is £100,000 and the project is expected to yield the following returns as Year 1- E90,000, Year 2 -E80,000, Year 3- E70,000. If the discount rate is 12% the NPV of the project will be:
- E140,000
 - E294,000
 - E44,000
 - E94,000
- 1.28.is one of the advantages of the payback period method of project appraisal
- Decision is dependent on the subjectively determined "maximum payback period"
 - Viable measure of risk exposure
 - Failure to recognize cash flows after the payback period
 - Fails to account for time value of money

1.29. Project monitoring and evaluation is the continuous process of collecting, processing and assessing information about the:

- A. Project implementation
- B. Project planning
- C. Project management
- D. Project control

1.30. The project evaluation quality criteria entail the following except:

- A. Impact
- B. Effectiveness
- C. Processes
- D. Sustainability

QUESTION TWO

Mr. Mkhululi Sibiyi is planning to implement his project plan related to piggery, what are the key parameters of project implementation he has to consider and outline the key activities carried out when managing these key parameters.

QUESTION THREE

(15 Marks)

The students who attended a Project Planning and Management course have developed an interest of starting-up an agribusiness company and have proposed several projects to start with among which include commercial cassava production, the projects require E639, 800 as initial set-up costs in the low-veld. The forecast net income from the project is detailed below:

Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
(E639, 800)	E140,000	E145, 000	E155, 000	E162, 500	E148, 000

(i) Calculate the projected payback time for the project to the nearest month.

(3 Marks)

(ii) Calculate the Net Present Value of the project using a discount factor of 5% and comment on the attractiveness of the project.

QUESTION FOUR

(12 marks)

Given the data in the table below, calculate the CV and SV of Project A, and describe the progress of the project in terms of predicted schedule and cost implications.

Month	BCWS	CPI	ACWP	CV	SV
1	100	1.25	80		
2	200	0.51	256		
3	360	0.90	334		
4	470	0.88	457		
5	590	0.98	529		

(10 Marks)

*****GOOD LUCK*****