

# FINAL EXAMINATION (MS PROJECT MANAGEMENT)

## 08<sup>th</sup> July 2005

Note to examinees: The following examination has been developed by the course instructor specifically with a view to testing your comprehension of the material presented in the project management class as well as your ability to apply your knowledge of project management to a typical practical situation which you may be required to deal with some day.

In answering the five question sections, all of which are compulsory and carry equal marks, please be imaginative and innovative, and remember the course instructor's comments from the very first lesson regarding critical and analytical thinking, using common sense, and being able to argue your points logically and convincingly.

Remember that quality takes precedence over quantity. It is often better to write less but to provide more substance which shows that you can apply your acquired knowledge. Do not rush into answering any questions; read them all carefully first and, if you think this helps as many examinees do, make rough notes or jot down keywords on a separate piece of paper as a mental guide for your answers.

Kindly note that no books, reference notes, laptops, calculators etc. may be used in this examination, and that all mobile phones must be switched off. You have three hours to attempt this paper.

*The essence of knowledge is having it to use it - Confucius*

### The Examination

Having recently completed an intensive course on project management at the CIIT Islamabad, you have been hired as a *project consultant* by an international consortium, which is interested in pursuing a major hotel construction project in Islamabad. The consortium comprises one American, one French, one Egyptian and two Chinese firms, and a local Pakistani partner firm. In addition, several local firms have expressed an interest in providing project inputs in some form or the other and their services will definitely be utilized when the occasion arises. Funding for the project will be provided by three international investors.

The five-star "Shangri-La Imperial Hotel", will have an envisaged accommodation capacity of 15 presidential suites and 485 luxury rooms and will offer guests all the facilities available only at the finest hotels in the world. For instance, the hotel will have an indoor swimming pool, a tennis and squash court, a health spa, a large shopping mall, two restaurants offering local and foreign cuisine, a discotheque, a cinema, an internet club offering broadband access, two large and fully-equipped business conference halls and an exhibition hall.

Your tasks as the project consultant:

**Section 1:** The head of the project consortium asks you to undertake a feasibility study on the proposed project and submit your report to him within 3 months. How would you systematically go about your feasibility study? What information would you need to include in your feasibility report and why? If possible, draft an outline of this project's feasibility report (10 Marks).

**Section 2:** Who are the project stakeholders and what is their interest - real or perceived - in this project? How would you 'manage' the stakeholders? (10 Marks).

**Section 3:** Identify as many risks and issues relating to this project as you can and how you try to 'manage' them (10 Marks).

**Section 4:** You have done some basic research and ascertained that the project can be decomposed into the following major activities :

Activity	Nature of Activity	Duration (Days)
Activity A	Signing Ceremony	1
Activity B	Arranging funds and acquiring site	120
Activity C	Negotiating with local suppliers	75
Activity D	Clearing Site	15
Activity E	Constructing Building	350
Activity F	Interior Work	150
Activity G	Hiring and training Staff	180
Activity H	Formal Inauguration Ceremony	1

From your research you know that activities B and C can both be initiated once activity A is complete. Activity D can be initiated when activities B and C are complete. Activity E can be initiated once activity D is complete. Activities F and G can both be initiated once activity E is complete and the terminal activity H can, off course, commence once both activities F and G are both complete.

Draw a network diagram based on this information and identify the project's critical path (10 Marks)

**Section 5:** Given the "international nature" of this consortium and fairly complex nature of the project, what problem(s) may arise and how – if possible – may the problem(s) be effectively addressed? (10 Marks)

**GOOD LUCK!**