

**THE NATIONAL UNIVERSITY OF LESOTHO  
INSTITUTE OF EXTRA MURAL STUDIES  
DEPARTMENT OF BUSINESS & MANAGEMENT DEVELOPMENT  
BACHELOR OF ARTS IN BUSINESS AND ENTREPRENEURSHIP  
BBE3305-PROJECT MANAGEMENT**

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**JANUARY 2023**

**TIME: 3 HOURS**

**MARKS: 100**

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**IMSTRUCTIONS:** Answer **all** questions.

## QUESTION ONE

Briefly discuss the following terms as used in project management

- a) Project Management [4 marks]
- b) Project Communication Management [4 marks]
- c) Payback period [4 marks]
- d) Net present value (NPV) [4 marks]
- e) Project Distinctive features [4 marks]
- f) Handover/Closure Phase [4 marks]
- g) Critical Path [4 marks]

## QUESTION TWO

Identify and explain any three project management knowledge areas and two project distinctive features from the following extract. [20 marks]

### *Contractor Finally Hands Over M60 Million Tourist Facility To LTDC*

**By: Tšoloane Mohlomi**

*TRENDGROUP Construction has officially handed over the newly constructed Semonkong Visitor Comfort Facility to the Lesotho Tourism Development Corporation (LTDC).*

*The facility worth M60 million was handed over last Friday.*

*The state-of-the-art facility is overlooking the majestic Maletsunyane Falls, one of the world's highest waterfalls and one of Lesotho's best tourist attractions.*

*According to LTDC, acting chief executive officer (CEO) Sehlabaka Ramafikeng, the construction of the VCF began in 2018 and was finished in October 2019. However, due to demands for running water in their villages, the handover had to be stalled.*

*"The LTDC is excited to finally receive this beautiful facility which we had long been waiting for," Mr Ramafikeng said.*

*"It wasn't an easy journey as there were many challenges along the way. Construction of this facility began in 2018 and was finished in 2019 but due to various constraints, we are only receiving the keys today. We are nonetheless happy for everyone who stands to benefit from it."*

*The property was designed by SM Consulting Engineers and constructed by Trendgroup Construction.*

*Lenka Mphafi, of SM Consulting Engineers, said the construction was hampered by excessive weather.*

*"We are honoured to be handing over this beautiful structure to the LTDC and the Semonkong community. It was not easy to construct this facility as we encountered harsh*

weather.

*“The facility comprises a 120-seater conference hall, restaurant, museum, amphitheatre, offices, a horse stall with capacity of housing 12 horses and staff housing. The structure was constructed in line with the LTDC’s minimum requirements.*

*“We however, delayed in handing over the facility to the LTDC because towards the completion of the project, residents from the area demanded that we install water taps in their respective villages. We have now done this through the support from the LTDC and the Tourism, Environment and Culture ministry,” Mr Mphafi said.*

*The director of tourism in the Tourism ministry, ‘Mabolaoane Selinyane, said the handover was a great achievement for the LTDC.*

*“This handover is indeed a great feat for the LTDC and the Semonkong community. I look forward to the official opening ceremony of this facility and call on investors to build lodges around this area as the VCF doesn’t provide accommodation,” Ms Selinyane said.*

*Ha-Moahloli villager, Sekholomi Thejane, said while they were happy that their demand for water had been met, more still needed to be done.*

*“We are thankful for this facility. We are happy that we have taps in our villages. However, we are unhappy because the road still hasn’t been repaired, we don’t have electricity in our homes and don’t have the transformer that we asked for,” Mr Thejane said.*

*Seven water taps were erected in the villages of Ha-Moahloli, Tjoetsoane and Motse Mocha.*

*Sourced from Lesotho Times*

### **QUESTION THREE**

Your boss calls you up and says the project completion time of the project you two are masterminding must be shortened, because, as you also know, resources are dwindling fast. But, as you both agree, this, if possible, should be done without sacrificing quality. You people then bring to the table the information you have about the project, and this is shown in the Table below:

Activity	Normal time (weeks)	Cost (Maloti)	Crash time	Crash cost (Maloti)	Crash cost per week (Maloti)
I	4	4000	3	4500	
II	6	9000	6	9000	
III	5	1500	3	2000	
IV	3	6000	2	9000	
V	4	8000	2	16000	
VI	6	3000	5	3500	
VII	8	4000	6	6000	
VIII	3	3600	2	4800	

a) If all the activities are in series, list those activities on the project's critical path.

*[6 marks]*

b) Fill in the Table, to show the crash cost per week in Maloti, for each activity. Use the sheet provided.

*[6 marks]*

#### QUESTION FOUR

A project will cost M40, 000. It is expected to generate the following positive cash flows in each of the following four years:

Year	Cash Inflows
1	M10, 000
2	M10, 000
3	M10, 000
4	M10, 000
5	M10, 000

The cost of capital is 8% p.a.

a) Calculate the Net Present Value of the investment and determine whether or not it should be accepted.

*[5 marks]*

b) Calculate the payback period of the project.

*[5 marks]*

## QUESTION FIVE

You head a new project and you have created, together with your team, the following information about it:

Activity	Optimistic time	Most likely time	Pessimistic time	Predecessor
A	3	6	9	None
B	3	5	7	A
C	4	7	12	A
D	4	8	10	B
E	5	10	16	C
F	3	4	5	D,E
G	4	6	10	F

Note: All times are given in weeks

- Calculate the expected time for each activity *[15 marks]*
- Compute forward and backward pass of your project. *[10 marks]*
- Identify the critical path *[5 marks]*