

Name \_\_\_\_\_ Index No. \_\_\_\_\_ / \_\_\_\_\_

2903/306

Candidate's Signature \_\_\_\_\_

3306

**PROJECT AND CONTRACT MANAGEMENT**

Date \_\_\_\_\_

July 2015

Time: 3 hours

**THE KENYA NATIONAL EXAMINATIONS COUNCIL****DIPLOMA IN SUPPLY CHAIN MANAGEMENT****MODULE III****BUSINESS EDUCATION SINGLE AND GROUP CERTIFICATE EXAMINATIONS****STAGE III****PROJECT AND CONTRACT MANAGEMENT****3 hours****INSTRUCTIONS TO CANDIDATES***Write your name and index number in the spaces provided above.**Sign and write the date of the examination in the spaces provided above.**This paper consists of SEVEN questions.**Answer any FIVE questions.**All questions carry equal marks.**Write your answers in the spaces provided in this question paper.**Do NOT remove any pages from this question paper.**Candidates should answer the questions in English.***For Examiner's Use Only**

Question	1	2	3	4	5	6	7	TOTAL SCORE
Candidate's Score								

**This paper consists of 16 printed pages.****Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.**

1. (a) Josephine, the project manager at Phinose Ltd, is in the process of planning for a project in the organization.  
Outline **six** activities that she should undertake in carrying out the exercise. (12 marks)
- (b) One of the activities that should be undertaken in the feasibility analysis stage of the project life cycle is **environmental analysis**. Explain **four** factors that should be considered in this undertaking. (8 marks)
2. (a) Highlight **six** issues that a project manager should clarify when establishing a monitoring and evaluation system for a project. (12 marks)
- (b) Highlight **four** benefits of using serial tender in project contracting. (8 marks)
3. (a) Outline **six** demerits of tendering as a method of procuring project contract services. (12 marks)
- (b) Highlight **four** circumstances under which a project may be terminated before its due time. (8 marks)
4. (a) Pamela, has been appointed the Project Manager of a new project in her organization. She is in the process of selecting team members for the project. Outline **five** factors that she should consider in selecting the members. (10 marks)
- (b) Give **five** reasons that make it necessary for firms to opt for written contracts with project consultants. (10 marks)
5. (a) Outline the criteria that an organization should use in selecting a project to undertake. (10 marks)
- (b) Describe the procedure a project manager should follow in using the Gantt Chart during project management. (10 marks)
6. (a) Explain **five** types of costs that should be taken into account when **establishing the** financial requirements of a project. (10 marks)
- (b) Give **five** reasons that may make a project contractor to sub-contract some of the project work. (10 marks)
7. (a) Tendering as a method of awarding contracts in project management is based on certain principles.  
Highlight these principles. (10 marks)
- (b) Explain **five** problems that a project manager is likely to encounter in the execution of his duties in an organization. (10 marks)