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KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
SECOND YEAR, SECOND SEMESTER EXAMINATION
FOR THE DIPLOMA IN PROCUREMENT & SUPPLIES
MANAGEMENT
DPS 1116: PROJECT AND CONTRACT MANAGEMENT

Date: 18TH April, 2024
Time: 11.30AM-1.30PM

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

Case Study: The Dilemma of Daraja Bridge

Project: Construction of the Daraja Bridge, a vital link connecting two remote villages in rural Kenya.

Client: Kenyan Ministry of Roads

Contractor: Global Construction Inc. (GCI), an international firm with limited experience in Kenya.

Contract: Fixed-price contract with bonuses for early completion and penalties for delays.

The Situation:

The Daraja Bridge project was hailed as a game-changer for the isolated villages, promising improved access to markets, healthcare, and education. However, from the outset, the project faced challenges:

- **Unrealistic Schedule:** GCI, eager to secure the contract, submitted an overly ambitious timeline, ignoring potential logistical hurdles and Kenya's unpredictable weather patterns.
- **Inadequate Communication:** Language barriers and cultural differences hampered communication between GCI and local stakeholders, leading to misunderstandings and mistrust.
- **Scope Creep:** The client made several unforeseen changes mid-construction, citing "community needs," without adjusting the budget or timeline, causing friction and delays.
- **Unforeseen Risks:** Heavy rains triggered flash floods, damaging partially built structures and necessitating costly repairs not covered by the fixed-price contract.

The Dilemma:

With the project significantly behind schedule and exceeding budget, tensions soared between GCI and the Ministry. GCI threatened to walk away, citing breach of contract due to scope creep and unforeseen circumstances. The Ministry, under pressure to deliver the bridge, considered renegotiating the contract but feared setting a precedent and exceeding their allocated budget.

QUESTIONS:

- a) Analyze the consequences of poor project planning on the project outcomes. **(5 Marks)**
- b) Evaluate the effectiveness of project risk management by GCI. **(5 Marks)**
- c) Assess the potential benefits of using project management software and communication platforms in ensuring transparency and collaboration on a project like the Daraja Bridge. **(5 Marks)**
- d) Advise GCI on appropriate control mechanisms that may be used to track progress, identify deviations, and implement corrective actions. **(5 Marks)**
- e) Analyze the strengths and weaknesses of the fixed-price contract in handling scope changes and unforeseen circumstances. **(5 Marks)**
- f) What factors should GCI consider while administering the project contract? **(5 Marks)**

QUESTION TWO (20 MARKS)

- a) Describe the primary responsibilities of a project manager. **(6 Marks)**
- b) Evaluate the importance of stakeholder engagement in project planning. **(6 Marks)**
- c) Explain the purpose of a project charter and its components. **(8 Marks)**

QUESTION THREE (20 MARKS)

- a) Explain key components of a contract. **(6 Marks)**
- b) Examine cultural factors that can influence project and contract management in a global context. **(6 Marks)**
- c) Discuss various project management tools used for monitoring project progress. **(8 Marks)**

QUESTION FOUR (20 MARKS)

- a) Describe the element of a project closeout. **(6 Marks)**
- b) Analyze the potential consequences of unethical behavior in project and contract management. **(6 Marks)**
- c) Discuss the processes involved in quality management and how they contribute to meeting project objectives. **(8 Marks)**

QUESTION FIVE (20 MARKS)

- a) Provide examples of project management software and tools commonly used in the industry. **(6 Marks)**
- b) Discuss the principles of sustainable project management and their significance in modern project practices. **(6 Marks)**
- c) Discuss the importance of effective negotiation skills in contract management. **(8 Marks)**