



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**PLOT 91, CADASTRAL ZONE, NNAMDI AZIKWE EXPRESS WAY, JABI –**  
**ABUJA**  
**FACULTY OF MANAGEMENT SCIENCES**  
**DEPARTMENT OF ADMINISTRATION**  
**EXAMINATION 2018**

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**Course Code: PAD 756.**

**Course Title: Project Analysis and Implementation**

**Credit Unit: 2.**

**Time Allowed: 2 Hours.**

**Instructions: 1. Attempt Question 1 and any other two (2) Questions.**

**2. Question 1 is compulsory and carries 30 marks while the other 2 Questions carry 20 marks each.**

**3. Present all your points in coherent and orderly manner.**

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**QUESTION 1 (Compulsory) Question 1**

- a) Distinguish between the terms project and programme.
  - b) How would you explain the confusion in the terms “programme” and “project” in practice?
  - c) Discuss three sources of new project ideas.
  - d) List the four factors that are likely to influence the location of industrial projects in your present environment.
  - e) What is the role of human resource in project management?
  - f) What are the major difficulties in forecasting future demand in Nigeria?
- (30 Marks)

**QUESTION 2:**

- a) Discuss the key segments of project evaluation. List and explain five items that you hope to find in the checklist of the management segment of a project evaluation.
- b) A project costs N100,000 and has a scrap value of N40,000. The stream of income before depreciation and taxes are N40000, N50000, and N60000 for the first three years. The tax rate is 50% and depreciation is on straight line basis.
  - i. Calculate the accounting rate of return for the project.
  - ii. State the decision making criterion.
  - iii. What are the weaknesses of the method?

**QUESTION 3**

- a) What do you understand by the term “customer”? How would you explain the confusion that

sometimes as to who a customer is.(10 Marks))

- b) A project cost N5,000,000. It generates cash inflows of N150,000, N300,000 and N400,000 over a three year period. The required rate of return is 10%.
  - ((i) Calculate the net present value of the project
  - (ii) What are the merits and demerits of this method?

#### **QUESTION 4**

- a) What do you understand by the term “demand”. Distinguish between total market demand and project demand.
- b) A barbers’ shop costs N32,400 to establish and is expected to generate cash inflows of N16,000, N14,000 and N12,000 over its life of three years.
  - (i) Calculate the internal rate of return.
  - (ii) State the decision making criteria
  - (iii) What are the weaknesses of the method?

#### **QUESTION 5**

Discuss briefly the following concepts in project management:

- a) The steps of the demand forecasting process.
- b) The factors affecting demand.
- c) Demand analysis
- d) Manpower planning and evaluation.