

Edinburgh Business School

DELIVERING SUCCESSFUL PROJECTS

DECEMBER 2021

Please note that it should take approximately 3 hours to complete this exam. However, you do have a 24-hour period to complete, review and upload your answers.

The 24-hour period began at 09:00 AM (GMT) on Tuesday 7 December 2021 and must be uploaded no later than 09:00 AM (GMT) on Wednesday 8 December 2021.

INSTRUCTIONS

This examination paper consists of one case study with four questions, each worth 25 marks.

There is no choice in the selection of questions to be answered.

Maximum word limits are provided for all written sections.

HERIOT-WATT UNIVERSITY

DELIVERING SUCCESSFUL PROJECTS – DECEMBER 2021

Case Study Scenario

Note: In developing your answers you can make any assumptions you wish provided these are reasonable, do not contradict the content of the case study and are clearly written down. You can also conduct your own swift internet search in relation to the retail sector if you wish.

Jamiesons is one of four major supermarket chains in a north-western European country. *Jamiesons* is the fourth largest of these major chains, with about a 10% share of the market. The other three major chains are *Tremco* (27%), *Netherbury's* (16%) and *Dada* (15%). The remaining 32% of the market is shared out between a number of different other chains and independent groceries.

Jamiesons maintains around 500 superstores located all around the country. In the last financial year revenue was around £17 billion equivalent, generating a net income of around £700 million equivalent. The company has around 140,000 employees.

Jamiesons has experienced some difficulties over the past decade and market share has steadily declined from a high of 30% just ten years ago to the current figure of 12%. Analysts have attempted to attribute this poor performance to a few key strategic decisions made by *Jamiesons* some ten years ago which put the company at odds with the strategic initiatives taken by the competition. *Jamiesons* decided not to offer (a) online ordering, (b) home delivery, or (c) loyalty promise matching schemes. The other three major supermarket chains all chose to offer these services while *Jamiesons* did not. In addition, *Jamiesons* decided to concentrate purely on food products while the other major retailers introduced non-food ranges such as electrical goods and clothing. The recent COVID-19 pandemic has also changed consumers' shopping patterns, with higher reliance on online and delivery options.

On analysing past performance, *Jamiesons* now accepts that it was a mistake not to offer these services, as there has been a clear long-term and sustainable increase in demand for them.

'Being late to the party', *Jamiesons* is now developing online ordering and home delivery capabilities, but it will be some time before they are fully operational and even then it is not clear from market research how effective they will be in reversing *Jamiesons's* fortunes. As an interim measure, therefore, *Jamiesons* is also proposing to introduce a new economy clothing range under the new in-house clothing brand *J&Co*. In order to facilitate this, *Jamiesons* is proposing to set up a new clothing headquarters (to be known as *J&Co-HQ*) that will coordinate design and purchasing on a national basis. *J&Co-HQ* will specify clothing design details and wholesale cost limits and issue wholesale supply contracts on an annual basis to selected suppliers. These suppliers will manufacture to the specifications set by *J&Co-HQ*. *J&Co-HQ* will then coordinate import and distribution of the clothing to the 500 *Jamiesons* superstores nationwide.

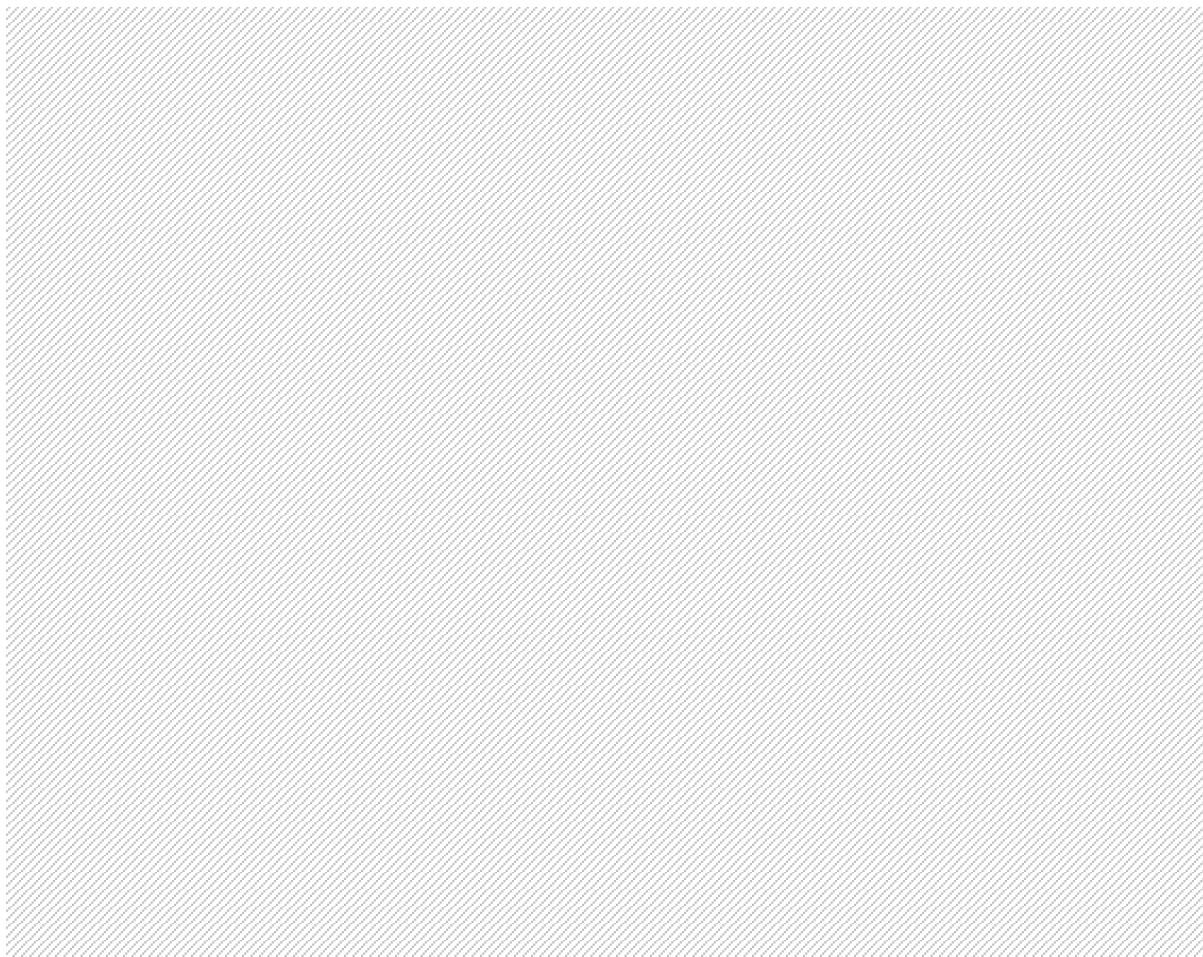
To generate scale economies and a degree of stability during the first few years of the new clothing range, *Jamiesons* has decided to award a three-year contract to an Asian manufacturer called *Basic Clothing*. Under the terms of this contract, which has already been awarded, *Basic Clothing* will manufacture and supply clothing to *J&Co-HQ* designs within contractual supply cost limits. Under the terms of the fixed supply price contract, *Jamiesons* is required to place at least 80 per cent of its annual clothing supply order with *Basic*

Clothing and in return *Basic Clothing* agrees to maintain prices and absorb any cost increases over the three-year contract period. The three-year contract stipulates that *Jamiesons* must place at least the same annual order per year as it does in the first year.

Jamiesons has appointed **you** as the new clothing initiative project manager and has placed you in charge of *J&Co-HQ*. As *Jamiesons* has no previous experience of selling clothes in its superstores and to assist you managing the project it has appointed 35 new specialists, ranging from clothing designers, clothing marketing specialists, logistics agents and PMO assistance to staff *J&Co-HQ*. Only five existing *Jamiesons* employees, all of whom are finance and food procurement specialists, have been appointed to the staff of *J&Co-HQ*. In the project introduction meeting with *Jamiesons*' board of directors, you have been allocated a £60 million budget and six months to complete the project in order to launch before the summer festival shopping rush. The project sponsor, *Jamiesons*' Chief Revenue Officer (CRO), has instructed you also to assist the company's achieving a net zero carbon target by 2035 through using renewable energy, cutting plastic packaging and encouraging more sustainable supply chain in *J&Co-HQ*.

Sales will be supported by a dedicated mobile app 'BuyJ4me', which will allow customers to locate, choose purchase and deliver their clothing needs. A 'Click&Collect' option is an essential, but this requires a fast supply chain to allow the customer to pick their new cloths from any of the stores around them. There is a need to employ a third-party party for this development, as *J&Co-HQ* does not have developers or user-interface experts in-house.

For assisting you with managing all the elements of this challenging project, you wish to establish a project management office (PMO) team. As stated above, the PMO staffing is already in-progress.



Required: Maximum word limit 4000 words

1. Below is (fictional) extract of schedule planning. The data shows estimates of optimistic, likely and pessimistic durations for a work package activities to be carried out by the project team in *J&Co-HQ*.

Activity	Optimistic duration (weeks)	Likely duration (weeks)	Pessimistic duration (weeks)
A-B	1	2	3
B-C	3	4	5
B-D	2	4	6
B-E	1	3	5
C-F	1	2	3
D-F	2	4	6
E-F	4	6	8
F-G	2	4	6
G-H	3	4	5
G-I	5	6	7
G-J	2	3	4
G-K	3	4	5
H-L	2	3	4
I-L	5	9	13
J-L	2	3	4
K-L	1	2	3

- (a) Assist the executives to figure the estimated duration of the project by developing a project schedule network for the activities given. Show the earliest mean start and finish week and mean duration of each activity. State the overall work package mean duration for the work package and show the critical path. **(5 marks)**
- (b) Assume the executives have asked for an earlier completion. Calculate the probability of this particular package being completed by week 26. **(10 marks)**
- (c) Based on your findings, knowledge of project scheduling theory and understanding of the case study context, discuss and recommend the approach for duration estimating that should be adopted in this project. **(10 marks)**

(Total 25 marks)

2. Using the four-stage risk management process and a risk breakdown structure (RBS), analyse 10 risks in the context of the case study. Use a range of risk classifications and the proper risk phrasing terminology.

(Total 25 marks)



3. Making any reasonable assumptions, prepare a high-level statement of work (SOW) that includes appropriate headers/sections and likely data, to be presented to the board.

Reminder: In developing your answer you can make any assumptions and use fictional data as you wish, provided these are reasonable, do not contradict the content of the case study and are clearly written down (i.e. you may state what is required for the building of a certain section and how this could be obtained).

(Total 25 marks)

4. Discuss the concept of the project management office (PMO). Contrast and recommend the type of PMO you will require for the project. What could be the challenges in establishing it? Support your answer with examples for each type of PMO discussed.

(Total 25 marks)

TOTAL 100 MARKS

END OF PAPER

