ASSIGNMENT 1ST SEMESTER : PROJECT MANAGEMENT (PRM201)

CHAPTERS COVERED : CHAPTERS 1 - 6 & 8
DUE DATE : 3:00 p.m. 18 MARCH 2014
TOTAL MARKS : 100
CASE STUDY : SOUTH AMERICAN ADVENTURES UNLIMITED

INSTRUCTIONS TO CANDIDATES FOR COMPLETING AND SUBMITTING ASSIGNMENTS

The complete ‘Instructions to Students for Completing and Submitting Assignments’ must be collected from any IMM GSM office, the relevant IMM GSM recognised Additional Tuition Centre or can be downloaded from the IMM GSM website. It is essential that the complete instructions be studied prior to commencing your assignment. The following points highlight only a few important notes.

1. You are required to submit ONE assignment per module.
2. The assignment will contribute 20% towards the final examination mark, and the other 80% will be contributed by the examination, however, the examination papers will count out of 100%.
3. Although your assignment will contribute towards your final examination mark, you do not have to earn credits for admission to the examinations; you are automatically accepted on registering for the exam.
4. Number all the pages of your assignment (e.g. page 1 of 4) and write your name and surname, student number and subject at the top of each page.
5. The IMM GSM requires assignments to be presented in a typed format, on plain A4 paper. Unless otherwise specified, this assignment must be completed within a limit of 2500 words, excluding the bibliography. Students who exceed the word limit may find that only part of the submitted assignment will be marked.
6. A separate assignment cover, which is provided by the IMM GSM, must be attached to the front of each assignment.
7. Retain a copy of each assignment before submitting, in case the original does not reach the IMM GSM.
8. The assignment due date refers to the day up to which assignments will be accepted for marking purposes. The deadline is 3:00 p.m. on 18 March 2014. Late assignments will be accepted, but 25 marks will be deducted from the maximum mark, if received after 3:00 p.m. on 18 March 2014 and up to 5:00 p.m. the following day, after which no assignments will be accepted.
9. If you fail to follow these instructions carefully, the IMM Graduate School of Marketing cannot accept responsibility for the return of the assignment. It may even result in your assignment not being marked.

Results will be available on the IMM GSM website, www.immgsm.ac.za, on Friday, 2 May 2014.
SPECIFIC INSTRUCTIONS:

- Read the background information on South American Adventures Unlimited. Answer ALL the questions.
- Students are encouraged to do further research.
- Keep to the required length.
- No marks will be awarded for examples, explanations or discussions taken directly from sources without referencing.

IMPORTANT: You must study the learner guide before attempting this assignment.

Read the South American Adventures Unlimited case study and answer ALL the questions

QUESTION 1 [10]

To what extent might project management apply to Adventures Unlimited? Refer to the attributes of the project environment, and compare this to the environment of Adventures Unlimited in your answer.

QUESTION 2 [25]

2.1 How should the company evaluate its customers’ suggestions for future trips? (10)

2.2 What criteria should the Rodriguezes use to evaluate possible alternative trips? List at least five (5) criteria and explain. (5)

2.3 How would these criteria be used to evaluate the alternative trips? Give an example using five (5) hypothetical trips. (10)

QUESTION 3 [15]

How should the Rodriguezes organise their business?

3.1 What organisational structure would be the most appropriate for the current situation? (5)

3.2 What are the advantages of this structure in the above case? (5)

3.3 What are the potential problems that might be encountered with this structure? (5)
QUESTION 4 [20]

The Rodriguezes decide to do a market study of existing and potential new clients, in order to better match their tours to the expectations of the market. They brainstorm how to go about this, and decide that a questionnaire sent to clients would be the most cost-effective way. They come up with a list of tasks to be performed in preparation for this study.

- Questionnaire design
- Obtain responses
- Identify target customers
- Develop draft questionnaires
- Pilot test questionnaires
- Finalise questionnaire
- Develop test data
- Print questionnaire
- Prepare mailing labels
- Mail questionnaire to get responses
- Produce report
- Develop software to analyse responses
- Test software
- Input response data
- Analyse results
- Prepare report.

They also decide that Michael would be responsible for the overall design of the market study, as well as the production of the final report. Jill would be responsible for the questionnaire design and Mario would assist with the responses. Mario’s friend, Andy, would assist with the development and testing of the software to analyse the responses.

4.1 Develop a draft of the work breakdown structure for the market study that contains at least three levels of detail. What are the major deliverables associated with the market study? (Use the indented format for the WBS.) (15)

4.2 How could you use the WBS to generate cost estimates for the market study? Why would this be useful information? (5)

QUESTION 5 [20]

Produce a network diagram of the tasks in the WBS, showing only the tasks as well as their dependencies.

PRESENTATION [10]

ASSIGNMENT TOTAL: 100
SA Adventures Unlimited was formed four years ago by Michael and Jill Rodriguez. Michael was a trained geologist, while Jill had a master's degree in Spanish. They were both avid outdoor enthusiasts and fell in love while trekking across the Andes in Chile. Upon graduation they seized upon the idea of starting their own specialized tour business that would focus on organizing and leading "high-end" adventure trips in South America. Their first trip was a three week excursion across Ecuador and Peru. The trip was a resounding success, and they became convinced that they could make a livelihood doing something they both enjoyed.

After the first year, Adventures Unlimited began to slowly expand the size and scope of the business. The Rodriguezes' strategy was a simple one. They recruited experienced, reliable people who shared their passion for South America and the outdoors. They helped these people organize specific trips and advertised the excursion over the Internet and in travel magazines.

Adventures Unlimited has grown from offering 4 trips a year to having 16 different excursions scheduled, including trips to Central America. They now had an administrative support staff of 3 people and a relatively stable group of 5 trip planners/guides whom they hired on a trip-by-trip contract basis. The company enjoyed a high level of repeat business and often used their customers' suggestions to organize future trips.

Although the Rodriguezes were pleased with the success of their venture, they were beginning to encounter problems that worried them about the future. A couple of the tours went over budget because of unanticipated costs, which eroded that year's profit. In one case, they had to refund 30 percent of the tour fee because a group was stranded five days in Blanco Puente after missing a train connection. They were also having a hard time maintaining the high level of customer satisfaction to which they were accustomed. Customers were beginning to complain about the quality of the accommodations and the price of the tours. One group, unfortunately, was struck by a bad case of food poisoning. Finally, the Rodriguezes were having a hard time tracking costs across projects and typically did not know how well they did until after their taxes were prepared. This made it difficult to plan future excursions.

The Rodriguezes shared these concerns around the family dinner table. Among the members in attendance was Michael's younger brother, Mario, a student at a nearby university. After dinner, Mario approached Michael and Jill and suggested that they look into what business people called "project management". He had been briefly exposed to project management in his Business Operations class and felt that it might apply to their tour business.
