



## Project Management in the EU

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**December 2018**

This teaching material has been made at the University of Szeged, and supported by the European Union. Project identity number: EFOP-3.4.3-16-2016-00014



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## 2 INTRODUCTION

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At the Faculty of Economics and Business Administration, University of Szeged, several foreign students have been able to study in an English-language training programme called Business Administration and Management BSc programme for several years. One of the courses belonging to the scientific field they have to study during their three- and half--year programme is titled Project Management in the EU. The course is announced in the fifth semester, i.e. the students study it in their third year in Hungary.

Since these students have completed two-thirds of their training programme and have acquired a wide range of knowledge and skills, the Project Management in the EU course focuses on how to connect the different fields and how to provide more practical skills to the students which they can use in the labour market. Working with projects and working as a project manager, needs a lot of competences and a complex way of thinking (e.g. a student must be familiar with management terms, marketing and human resources issues, financial and accounting rules), so this course seems to be perfect to meet this aim.

In the era of globalization, international cooperation and networking are essential and a significant feature of the current world, so the Project Management in the EU emphasizes the EU's transnational cooperation programmes. With this, several challenges come up. Firstly, the vast majority of **students come from countries outside of the European Union** – they are mainly from Asian, African and Latin American countries. As a result, the students participating in this programme have very **limited knowledge about the European Union, especially on its operations**. Although the students will have learned about the EU in the global economy by their third year, but they still have no idea how the EU

actually operates (e.g. formal integrations, decision-making process, etc.). Secondly, since the vast majority of the students of this training programme come from countries outside of the EU and they plan to go back to their home countries, **the topics should concentrate on issues which will be useful for them in their future**. Thirdly, the new-comers of this training programme were born at the Millennium (or shortly before it), so they belong to the so-called **Y and Z generations**. Their main characteristic is that they live in a digital world which is natural for them, and they require multitasking. It has also been shown that traditional front-teaching is not effective in their case. Altogether, a lecturer should be well-prepared to handle this situation. Fourthly, there could be a **language gap** between the lecturer and the students since English is a foreign language for both parties. Lastly, regarding the above-mentioned concerns, there is no opportunity to incorporate any text book into the lectures.

This exercise book is based on my teaching experiences in this multicultural training programme and I also use my experiences on involving digital tools in education. **The main aim of this exercise book is to help students be well-prepared for a project manager work and help them better understand how projects work**. Thus, this exercise book provides several tasks which can help the students acquire the necessary knowledge. The exercises detailed in this book test not only the theoretical knowledge but support the questions of project implementation in practice. This exercise book takes into account the following challenges:

1. Multicultural background of the students;
2. Limited knowledge on the operations of the European Union;

3. Interesting and useful topics for the youth who go back to their home country (which is outside of the EU);
4. Special characteristics and needs of the young generations;
5. Language gap;
6. No available text book.

To whom is this exercise book useful? The structure of the book enables both a student and a lecturer to properly study the main questions of project management. It can be used at home for self-check, but in the classes, too, to deepen the knowledge or better explain a certain topic. The first part of the book contains theoretical questions, but in Chapter 8-13, there are really practical questions with real stories. Since there could be several good solutions of some questions (e.g. budget planning), a professor's control is necessary.

The present exercise book is structured as follows. The first part gives an overview of the structure of the Project Management in the EU course. The second part details the skills improved with this course. The remaining parts contains the different exercises and tasks which can be elaborated with the students. The last part of this exercise book gives examples for mid-term tests. I emphasize that these are only examples, and the topics and their contents should be adjusted to the needs of the students who are currently studying this course.

### 3 COURSE DESCRIPTION AND AGENDA

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In the followings I introduce a possible course description and agenda according to which the course can be taught and according to which this exercise book is prepared. The course description and tasks detailed in this exercise book completely meet the needs of the Y and Z generations. The topics are flexible enough to be changed according to the actualities. The course is built on three main parts (see the figure below): besides the general theories, the management issues in general are also emphasized. But the largest part is about the practical implementation of a project.



Concerning the complexity of a topic, it is advisable if the course takes place in blocks (i.e. longer classes twice in a month) in order to ensure enough time for discussion.

## PROJECT MANAGEMENT IN THE EU

### **Basic information on the course**

Lectures/week:	2 hours
Exam:	practical grade
Credits:	3
Lecturer:	Beáta Udvari, PhD
E-mail:	<a href="mailto:udvari.beata@eco.u-szeged.hu">udvari.beata@eco.u-szeged.hu</a>
Qualification:	scale of five grades (1-5)

### **Course description**

The course aims to give an overall picture of project management in the European Union, and gives an insight into the project cycle management phenomenon. As the course is really based on tasks, students learn how to design and implement a project.

### **Agenda**

Introduction

Basic management tools, projects, donor-financed projects

Project Cycle Management, common features of projects, SWOT and STEEP

Methods II. (brainstorming, stakeholder analysis, tree structures)

Methods III. (logframe)

Operational planning

Budget planning

From projects to applications

Activities and obligations during the implementation of EU-funded projects

### **Requirements:**

In order to get the final grade of the course, students must complete different tasks. **In case a student does not meet the minimum requirements of a part task, the course is not completed.**

During the semester, the students have to solve the following tasks:

- **Participation in the lectures:** A student has to participate in all lectures, only one absence is accepted but the student has to submit an official document proving the reason for absence. Participation is accepted if a

student takes part in the lecture in its whole duration. The students prove their own participation with their signature at the end of the class.

- **Group task:** maximum 50 points (minimum: 20 points). Details can be found later in this course description.
- **Mid-term exam:** maximum 50 points (minimum: 25 points). In case a student missed the mid-term exam, or could not achieve the minimum points, he or she must repeat this exam in a later time.

### **Evaluation:**

0 – 50 points:	fail (1)
51 – 63 points:	pass (2)
64 – 73 points:	satisfactory (3)
74 – 85 points:	good (4)
86 – 100 points:	excellent (5)

### **The group task:**

Students must work in groups with 4-5 members and they must work on a topic and design a project. The teams must be established at the beginning of the semester and they have report on the topic they chose on Coospace. A topic can be chosen by two groups! In case the team requires, the teacher tends to consult with the group in order that they can present a high-quality work.

Each team must nominate a **team leader** who is in contact with the teacher. The team leader is responsible for handling the team and conflicts, division of labour, contact with the teacher, preparation of the presentation and for the allocation of points among the team members. Hence, the team itself receives a point (maximum 30 points, but at least 10 points are required). This point will be multiplied by the number of team members, and this amount of points can be allocated among the team members according to their work on the presentation. It is not necessary to allocate all points to members! Students must comply with the following principles:

- 1) A team member can receive maximum 50 points;
- 2) In case a team member does not reach 20 points, his or her work cannot be accepted. (That is, both the team performance and the individual activities must reach at least 10 points!)



**Example1:** *There is a group consisting of 4 students, the members are A, B, C and D. The group received 40 points on the submitted document. Thus, the members can allocate  $4 \cdot 40 = 120$  points among themselves. The group decides that the team leader (A) worked the most therefore he receives the maximum of 50 points. The other members worked the same, so they allocate the 70 points ( $=120-50$ ) equally among themselves, and all of them receive 23 points. (Altogether 1 point remains unallocated.)*

**Example2:** *There is a group consisting of 4 students, the members are A, B, C and D. The group received 40 points on the submitted document. Thus, the members can allocate  $4 \cdot 40 = 120$  points among themselves. The group decides that the team leader (A) worked the most therefore he receives the maximum of 50 points. But B and C worked similarly, so they receive 35-35 points, but D did not work in the group, and he is given only 0 points. All 120 points were allocated. D member did not fulfilled the minimum criteria therefore he is not allowed to take an exam.*

**The team leader must inform the course teacher how the points were allocated among the team members.** It is the team leader's responsibility to inform the team members and it is the team leader's decision how the team allocates the points among the members. In case of disputes, the e-mail sent to the course teacher is the basis. If the team leader fails to send the e-mail about the allocation of points, 50% of the total points will be allocated equally among the group members.

**Deadlines for the team work:**

1. Team building and choosing the topic: **30 September – CooSpace**
2. Division of labour between the team members (= nomination of the project manager, financial manager, communication manager, extert(s) ): **30 September – CooSpace (submission a document)**
3. Decision on which interreg Europe call the team would like to work: **30 September – CooSpace** (submission a document)

4. Situation analysis (at least: SWOT, problem tree, objective tree) – **22 October – Coospace**
5. Activity plan, log-frame matrix, GANTT chart – **12 November – Coospace**
6. Budget plan – **19 November – Coospace**
7. Submission of the final application in one document, **10 pages** (situation analysis, activities, budget) – **3 December – Coospace**
8. Evaluation of the applications – **17 December – Coospace**

**Students with individual schedule:**

**Only students working abroad or learning abroad** do not have to comply with the requirements mentioned above. But they have to submit the final – official – decision on their individual schedule to the course teacher till 31 October 2016. In case this notification is not submitted till the deadline, these students must comply with the normal requirements. Students working in Hungary or having other obligations must meet the requirements mentioned above.

If the student submitted the notification, he or she must meet the following requirements:

- A topic offered for team work must be selected and **an essay of 10 pages** must be prepared individually. Maximum points: 30. The essay must meet the criteria of plagiarism regulation of the Faculty of Economics and Business Administration (uploaded to Coospace). Essays must be uploaded on Coospace.
- **Written exam:** maximum 50 point.

**Evaluation of students with individual schedule:**

- 0 – 40 points: fail (1)
- 41 – 51 points: pass (2)
- 52 – 60 points: satisfactory (3)
- 61 – 68 points: good (4)
- 69 – 80 points: excellent (5)

**Compulsory reading:**

Beyond lectures:

European Commission (1999): *Project Cycle Management. Training Handbook*. European Commission, Brussels.

European Commission (2004): *Aid Delivery Methods, Volume 1: Project Cycle Management Guidelines*. European Commission, Brussels. Downloadable: [https://ec.europa.eu/europeaid/sites/devco/files/methodology-aid-delivery-methods-project-cycle-management-200403\\_en\\_2.pdf](https://ec.europa.eu/europeaid/sites/devco/files/methodology-aid-delivery-methods-project-cycle-management-200403_en_2.pdf)

European Commission (2005): *ECHO Manual. Project Cycle Management*. European Commission, Brussels.

Imreh, Sz. (2008): *Management of EU-funded projects*. JATEPress, Szeged.

MDT Training: *Managing projects*. Downloadable: [bookboon.com](http://bookboon.com)

Passenheim, O. (2009): *Project Management*. Downloadable: [bookboon.com](http://bookboon.com)

Toolkit for Sports Development: *MDF Tool: Problem Tree Analysis* Downloadable: <http://www.toolkitsportdevelopment.org/html/resources/91/910EE48E-350A-47FB-953B-374221B375CE/03%20Problem%20tree%20analysis.pdf>

The official documents of the Danube Transnational Programme about project implementation – see here: <http://www.interreg-danube.eu/relevant-documents/documents-for-project-implementation>

This course description handles the above-mentioned challenges in the following way:

1. Multicultural background of the students: the group work prepares the students how to handle the different cultural background.
2. Limited knowledge on the operations of the European Union: this course gives a short introduction to the basic policies of the EU. It provides information on the cohesion policy and the transnational cooperation programs with details on the EU funds, too.
3. Interesting and useful topics for the youth who go back to their home country (which is outside of the EU): project management itself is a skill, so even though this course concentrates on EU-

funded projects, the project management skills acquired in the course can be used anywhere in the world.

4. Special characteristics and needs of the young generations: the course is built on the entire engagement of the students, and there are a lot of simulation games. The active – and role – games provide experiences for the students.
5. Language gap: with the continuous discussion, the students with poorer English can also catch up.
6. No available text book: The text book is substituted with slides and oral presentations. The tasks are prepared and submitted to the students in a written form.

## 4 SKILLS IMPROVED WITH THIS COURSE

The Project Management in the EU course aims to improve several skills of the students in line with the official regulation on competencies. Since the course is taught in an interactive way (using individual tasks, small-group and large-group tasks) and requires creativity from the students, all competency areas (knowledge, skills, attitude and autonomy) are expected to be improved. The following table details how the course meets this requirement and which competencies are targeted to be developed.

<b>Knowledge</b>	<b>Skills</b>	<b>Attitude</b>	<b>Autonomy</b>
<i>The student knows and keeps the rules and ethical norms of cooperation and leadership as part of a project, a team.</i>	<i>The student assumes the role of leader and organiser in project- and group work after acquiring the necessary practical know-how and experience while also carrying out assessment and evaluation tasks.</i>	<i>The student is accepting of the opinions of others and the values of the given sector, the region, the nation and Europe (including social, ecological and sustainability aspects).</i>	<i>The student takes responsibility for his/her work and behaviour from all professional, legal and ethical aspects in connection with keeping the accepted norms and rules.</i>
<i>The student has mastered the professional and effective usage of written and oral communication along with the presentation of data using charts and graphs.</i>	<i>The student can uncover facts and basic connections, can arrange and analyse data systematically.</i>		
<i>The student knows the essential methods of collecting information.</i>	<i>The student is capable of planning, organising, leading and overseeing economic activities, mainly projects.</i>	<i>The student is open to new information, new professional knowledge and new methodologies.</i>	<i>The student takes responsibility for his/her analyses, conclusions and decisions.</i>
<i>The student is familiar with digital and other office appliances designed to aid economic processes.</i>	<i>The student can calculate the complex consequences of economic processes.</i>	<i>The student behaves in a proactive, problem-oriented way to facilitate quality work.</i>	<i>The student completes his/her tasks independently and responsibly as a member of team tasks.</i>

<p><i>The student is familiar with the EU's funding system.</i></p>	<p><i>The student can cooperate with others, and the student can present conceptually and theoretically professional suggestions and opinions well both in written and oral form.</i></p>	<p><i>The student is open to take on task demanding responsibility in connection with both solitary and cooperative tasks.</i></p>	
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## 5 SELF-TESTS

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Please answer the following test questions!

- List the main international financial flows to developing countries!
- Who are the main beneficiaries of the EU's international development cooperation?
- What do ACP and EYD refer to?
- Which are the main financial sources of the EU's international development cooperation?
- Who are the main beneficiaries of the EU's cohesion policy?
- What are the main financial sources of the EU's cohesion policy?
- What are the basic requirements of projects?
- What is an activity plan?
- Please list the methods of situation analysis! Choose one out of them and describe this method in details!
- Please detail the role of a project manager!
- What does SMART stand for? Explain each letter in one sentence!
- List the types of reports which must be prepared during and after a project in the case of EU-funded projects! Choose one out of them and describe it!
- Compare evaluation, monitoring and control!

## 6 INDIVIDUAL PRACTICAL WORK

### A) Basic requirements of a project

#### 1) Please determine the four basic requirements of the following projects!

- There is a castle on an isolated island
- You plan to expand the family with children
- Your plan is to get a degree at the University of Szeged

#### 2) Please decide whether the following project implementations are successful. In your answer give arguments in 1-2 sentences! Your task is to argue in all cases and not only to decide whether it is successful or not.

**The project:** Our main project aims to introduce a training program in which we would employ 5 trainees in our company for 9 months and help them get professional (and practical) knowledge with participating in the real life of our company. Our target group is students with secondary education but without tertiary education and the company will provide mentors who help their professional improvement and give continuous control and feedbacks. In order to be able to employ them, we have to purchase 5 computers and 5 phones. The project duration is between 1 January 2016 and 30 September 2016. The planned budget is EUR 20 000 which covers the cost of employment, the additional salary of the mentors and the purchase of equipment.

#### **Scenarios:**

*a) By 30 September, we could employ 4 students but we bought 5 computers and 5 phones. Altogether, we did not exceed the cost limit.*

*b) By 30 September, we employed 5 students who all received a computer and a phone for their own work. However, the computers and phones became more expensive than we had expected, and as a result, we spent EUR 22 000 on our project.*



c) *By 30 September, we employed 5 students, 4 of them did not participate in tertiary education, but the fifth student attends a university in Szeged.*

d) *By 30 September, we employed 5 students only with secondary education. We purchased five computers and five phones to enable them to work by their own. We provided 2 mentors who helped their professional improvement and who evaluated their work at the end of the training program. The total cost of the project was EUR 19 456.*

## **B) Situation analysis**

**1) Below you can find several factors from a SWOT table. The factors describe a company. Please, decide to which part of the SWOT table these factors belong. As an answer, write the appropriate letter of SWOT (S, W, O, T) next to the statements.**

- Well-designed and successful marketing strategies
- Strong customer relationships
- Too much stock in inventory and higher inventory costs
- High cost of rental for the office
- Customers in the market are loyal
- Seasonal high demand of the product
- A competitor opening new shop in a nearby location
- A lot of competitors in the market with similar products

**2) Below you can find several factors from a SWOT table. The factors describe a town. Please, decide to which part of the SWOT table these factors belong. As an answer, write the appropriate letter of SWOT (S, W, O, T) next to the statements.**

- The share of low added value agricultural activities is very high.
- The education in the town takes place in grammar schools and vocational schools.
- Building a fast road, better logistics of the town
- Lower investment interests due to unfavourable economic policy factors
- Unemployment in the town is two times higher than the national average
- There is international cross border place in the region
- Needs for alternative forms of tourism are increasing

- National and environmental values are decreasing due to the lack of ecological approach and due to the pollution coming from abroad

**3) The following table contains the statements of two problem trees. Please prepare the two problem trees, then transform them into objective tree.**

Food production on hills decreasing <b>(1)</b>	Soil fertility on hill slopes is decreasing <b>(1)</b>	Poor maintenance of irrigation facilities <b>(1)</b>
Food shortages <b>(1)</b>	Soil erosion on hill slopes <b>(1)</b>	High immigration rates <b>(1)</b>
Ethnic clashes in neighboring districts <b>(1)</b>	Irregular supply of inputs for rice production <b>(1)</b>	Irrigation water does not reach fields in desired quantity <b>(1)</b>
High incidence of malnutrition <b>(1)</b>	For every 1,000 children five years old and younger, there are 166 deaths in Ethiopia <b>(2)</b>	Approximately 34% of the rural population in Ethiopia has access to an improved water source <b>(2)</b>
Canals are blocked <b>(1)</b>	Preventable diseases, including Malaria, account for at least 60% of health problems in Ethiopia <b>(2)</b>	Ethiopia's main source of income comes from its agricultural economy that is often affected by drought. <b>(2)</b>
Rice production in low lands decreasing <b>(1)</b>	78% of Ethiopians struggle with an income below US\$2 a day <b>(2)</b>	Almost two-thirds of its people are illiterate <b>(2)</b>
The life expectancy of the average Ethiopian was 59 years old in 2011 <b>(2)</b>	Agriculture accounts for more than half of Ethiopia's economy, and employs 80% of its population.	The State Health expenditure is approximately \$3 per person in Ethiopia <b>(2)</b>
Dikes are degraded <b>(1)</b>		

**4) Please create the problem tree and objective tree of the following problems! The trees must have 3 levels.**

- Institutional development for fruit production Country: Barbados
- Training of health care employees in Tanzania to fight against HIV/AIDS
- Making the town more attractive for tourists
- Establishing facilities for university students to have fun (sports or parties)
- Improving the air quality in "Black Hollow" by introduction of trolley buses
- The unemployment rate in Szeged is above the Hungarian average.
- The mayor of Szeged realizes that parents in the town do not prefer local schools but parents take their children to other towns and children attend school there.

## C) Logframe matrix

**1) The following statements are from a logframe matrix of a project implemented in Barbados. The project title is: Institutional development for fruit production, the estimated Duration of Project: 18 months. Please, put the statements in the right place in the logframe matrix.**

### Statements:

1. Agricultural policy will be modified in favor of fruit crops.
2. Annual increases in the number of farmers in Barbados growing fruit on a commercial scale.
3. Annual reports of each farmer organization documenting volume of sales through input outlets.
4. Complementary project to strengthen farmer organizations financed.
5. Develop distribution program through farmer organizations for farm inputs and planting materials.
6. Effective system for distribution of farm inputs and planting material.
7. Full-time managers working in three farmer organizations.
8. Improve the specific production and marketing services available to fruit producers in Barbados.
9. Improved institutional structure for services in credit, technical assistance, research, nurseries, and distribution of farm inputs.
10. Increase the domestic supply and exports of good quality fruit from Barbados
11. Market prices will remain favorable.
12. Ministry of Agriculture annual survey of farmers.
13. Ministry of Trade export statistics.
14. National production and exports of paw and two other priority fruits will increase by 10% between July 1989 and July 1992
15. Satisfactory marketing infrastructure will be in place.
16. Three farmer organizations with input supply centers and planting material.
17. Training - \$9,000; travel costs - \$6,000; materials -\$5,000.
18. Vouchers.

	<b>Indicators</b>	<b>Sources</b>	<b>Conditions</b>
<b>OVERALL OBJECTIVES</b>			
<b>OPERATION PURPOSE</b>			
<b>RESULTS</b>			
<b>ACTIVITIES</b>	<b>MEANS</b>	<b>COSTS</b>	
			<b>PRE-CONDITIONS</b>

## 2) Plan the project and build the logframe matrix!

The setting:

Salim is a senior manager in a non-governmental organization.

Among its activities, the organization provides training on food security to practitioners from several developing countries.

Because of the increasing number of requests for training from different countries, Salim is considering the option of including e-learning in the organization's training plan.

### Additional information:

- The EU offers support from ESF to implement eLearning projects.
- Project duration: 1-3 years
- Support: 30.000 – 60.000 EUR

## D) Indicators

### 1) Put the numbers of the following indicators in the right place!

1. Greater financial allocation by government to monitor and address human rights abuse
2. Number and type of wells installed
3. Percentage of women with increased disposable income, expanding their options towards diverse social and economic roles
4. Number and category of people given training or other types of support
5. Retention or increase in forest areas
6. The number and proportion of population with sustained availability of clean water for proper domestic use
7. Reduction in ill health and mortality
8. Number of loans given and repaid as agreed
9. Improved economic control, choice and status with respect to men
10. Number of species planted properly and surviving
11. New areas reforested and sustainable agricultural practices applied
12. More transparent, accountable state behaviour with reduction in political arrests

Project Indicator	Water supply	Women's empowerment	Environment	Human rights
Output				
Result				
Impact				

## E) Complex project

**The setting:** There is a newly formed group of ambitious young people who are full of ideas and are very creative. They are also very up-to-date in information and communication technologies, they have a vivid social life, and they are fully open-minded. They have seen an advertisement on a news portal that has raised their attention: a once fancy but now shabby facility of 25,000 square meters, previously used for military purposes but closed for more than 8 years now, is intended to be reutilized in the form of brown-field investment(s). A call for proposals on possible forms of reutilization is now open. The facility lies in a semi-developed rural area in the Eastern part of the EU outside the Eurozone.



- Define the basic requirements of the project (goal, start, close, budget)
- Mention the activities needed during implementing the project
- Prepare the logframe, activity plan and the GANTT chart

## 7 GROUP WORK

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The following situations contains basic ideas for preparing a project. You have to imagine the situation than try to find out a project idea, and a final project. In order to do that, you have to be able to present at least:

- Problem tree – objective tree
- SWOT analysis
- Logical framework matrix
- The project itself

During the solution, you can be as creative as you can but you can collect real data from Internet, too. The final evaluation is based on the logic of your work and how much your project is proved by the situation analysis. You have to convince the other students that your project is appropriate and feasible.

### **Situations:**

- 1) You are working for a pets' clinic. The doctors informed the head of the clinic that there are a lot of problems with the health care of dogs, the owners of dogs do not pay enough attention to feed and wash dogs in the district. The head of the clinic asked you to work out a project with the duration of two years to improve this situation and decrease the preventable cases.
- 2) You are working for Taita Foundation. This Foundation supports orphan children in Kenya. So far the Foundation could regularly provide food to these children, but because of several reasons (educational problems, health issues), the head of the Foundation decided to help children more and in a longer term. The head of the Foundation asked you to work out a 3-year long project.
- 3) There is a civil organization in Argentina which compromises the Hungarian migrants in Buenos Aires. The civil organization pays attention to prevent the Hungarian culture in this small community, therefore the main aim is to help children born in Argentina but have Hungarian parents improve their Hungarian language skills and feel the Hungarian roots. The head of the civil organization asked you to find out a 3-year long project which aims to realize these goals.
- 4) The prime minister of Hungary realized that the main disadvantage in Hungary's competitiveness is that students do not choose natural sciences (mathematics, engineering, physics, chemistry...) when they decide about their higher education. As a result, there is a small number of professionals in these fields. It is found out that the intervention must happen in grammar school. The prime minister asked you to work out a 4-year long project to achieve these goals.
- 5) The prime minister of Hungary realized that the main disadvantage in Hungary's tourism competitiveness is that most people in Hungary do not speak any language. Therefore the government tries to improve the

language skills of adults working in the tourism sector. You as representatives of a language school have to work out a 4-year long project to achieve these goals.

- 6) Hungary is always known as a very pessimistic country and people smile neither in hospitality nor in official offices. It decreases the judgment of Hungary and has impact on tourism. You as a creative and smart group working for a civil organization in Szeged decided to work out a 2-year long project which contributes to a higher level of happiness.
- 7) Humbug is a small city in East Hungary. You are working for the mayor in the city. The mayor was informed that small- and medium-sized companies (SME-s) are unable to develop on your own because of the lack of entrepreneurial and economic skills. As SME-s are the engine of the city's economic growth, the mayor thinks that this problem must be handled somehow. The mayor asks you to design a 4-year project to handle this situation.



## **8 PRACTICAL PROJECT MANAGEMENT: TEST YOUR KNOWLEDGE**

The following questions can be discussed in the class but can use as a self-test, too. If one decides to practice in the class, the following scenario may work:

1. Please divide the whole group into smaller groups. Ideally two students work together.
2. Please ask the students to get any paper on which they can take notes. Or electronic devices can be included (e.g. Google Doc/Excel, or taking notes on smart phone)
3. The students can use anything when they answer the questions: they can open the study materials or can browse on the internet.
4. Please show the questions as a slide show to the students and they should answer them.
5. At the end of the questions, please start again and discuss the answers together.
6. The professor should not only tell the correct answer but give details and tell additional stories to better understand the logic.

### **Proposed questions**

Please fill in this (online Google excel) with the relevant information on the EU's transnational cooperation programmes:

	<b>Central Europe</b>	<b>Interreg Europe</b>	<b>Danube Transnational Programme</b>	<b>Interreg MED programme</b>
Eligible countries				
Supported areas				
Actors who can apply				

## Test questions

1. What does DTP refer to?
2. What is the basic rule on establishing a DTP consortium?
3. Can entities from non-EU members be a member of a DTP consortium? On what condition?
4. What does ASP refer to?
5. Which EU fund(s) support(s) DTP projects?
6. How large is the intensity of support in a DTP project?
7. Which of the followings is a budget line?
  - a. Staff costs
  - b. Overhead costs
  - c. Travel and accommodation
  - d. External expert
  - e. Equipment
8. In which currency do you have your budget?
  - a. EUR
  - b. National currency
  - c. USD
  - d. The Beneficiary can decide whether EUR or national currency
9. Which exchange rate must be used?
  - a. National Bank of Hungary
  - b. ECB
  - c. EC
  - d. Fed
10. Which of the followings are non-eligible costs?
  - a. Occurred before the project implementation
  - b. Paid within 30 days after project closure
  - c. Paid interest
  - d. Purchase of land

- e. Alcohol
  - f. Tip
  - g. Paid services which was provided by another member of the consortium
11. What does a reporting period mean?
12. What is the role of a partner report which a partner must submit at the end of each reporting period?
13. What are the two main parts of a partner report?
14. Overheads is calculated on a flat rate basis. What does this mean?
- a. Overheads can be 15% of the staff costs, no papers (invoices) must be submitted to the control organization.
  - b. Overheads can be 15% of the staff costs, but supporting documents (e.g. invoices) must be submitted to the control organization.
15. How would you explain the „supporting documents” term?
16. What can be the supporting documents of organizing a workshop?
17. What can be the supporting documents of staff costs?
18. What can be the supporting documents of travel?
19. What can be the supporting documents of employing an external expert for printing 100 copies of a handbook?
20. Do you have to implement a public procurement if you employ an external expert?
21. What is the role of a lead partner in a consortium?
22. What does a Work Package leader do?
23. What is a work package?
24. What do the other partners do who are neither a lead partner nor a work package leader?
25. To whom can a work package leader turn if there is any problem with any partner’s performance?
26. What does JS stand for? What kind of institution it is?
27. What does FLC stand for?
28. Who prepares the project progress report?



Please list the documents with which you have to be familiar if you work as a project manager:


## 9 PRACTICAL PROJECT MANAGEMENT: SIMULATION OF THE PARTNER REPORT

*Tip for the lecturer: At the end of the semester, the students who worked in groups should submit a partner report which meets the form of the real partner report as much as it can. The students should submit it with the relevant supporting documents. The professor may create groups and each group checks another group's solution.*

Please fill in the following partner report template and detail what work you completed in the semester. Please note that this partner report is similar to the real partner report and you have to convince the national first level controller (FLC) institution that all costs occurred in the reporting period are in accordance with the Application Form and the activities you did in the semester. Please submit all supporting documents, too.

### **Partner Progress Report: Improving Capacities for Enhancing Territorial Attractiveness of the Danube Region**

#### **Progress report identification**

Partner's name	
Programme name	
Project title	
Project acronym	
Project ID	
Reporting period (starting and closing date)	

**Summary of Partner's work** (max. 2000 characters)

**Target groups reached** (number, status, how you reached them)

**Work Package 1 – Management**

**Description of implemented Activities and the contribution of the PP**  
(max. 2000 characters)

**Problems Description Justification** *(if any, max. 200 characters)*

**List and description of supporting documents** *(max. 500 characters)*

**Work Package 2 – Communication**

**Description of implemented Activities and the contribution of the PP**  
*(max. 2000 characters)*

**Problems Description Justification** *(if any, max. 200 characters)*

**List and description of supporting documents** *(max. 500 characters)*

**Work Package 3 – National attractiveness**

**Description of implemented Activities and the contribution of the PP**  
*(max. 2000 characters)*

**Problems Description Justification** *(if any, max. 200 characters)*





**List and description of supporting documents** (*max. 500 characters*)

## 10 PRACTICAL PROJECT MANAGEMENT: SIMULATION OF THE GENERAL FINANCIAL RULES

The other part of the partner report is the financial report. Please carefully read the guidelines of the DTP eMS to understand what you should write to each cell. After it, please prepare an excel sheet with the cells mentioned in the template and fill in the table with the costs occurred in the semester in your organization. Please put:

1. Staff costs
2. Overhead costs
3. Travel and accommodation costs
4. External expertise

Template of the financial report:

Budget Line	Wp	Inv No	Inv Date	Paym Date	Description1	Description2	Partner Comment	Currency	Total Val Item	Vat	Declared Amount Org Currency	Conversion Rate	Conversion Rate Date	Declared Amount Euro
Staff costs	M Management	WP1/Staff /Period 03	30.06.2018	28.06.2018	Agneska Jani: January - June 2018	Gros salary and social contributions (19.5% + 1.5%)		HUF - Hungarian forint	286620	0	286620	319,57	25.06.2018	896,89
Office and administration	M Management	FR	N/A	FR				EUR - Euro	134,53		134,53			134,53
Travel and accommodation	M Management	18/105963	23.04.2018	24.04.2018	Travel cost - plane ticket Agneska Jani Flight from Budapest-Bucharest-Sofia, and Sofia-Budapest	Event: 4th Steering Committee Meeting Destination: Sofia (Bulgaria) Date of the meeting: 22-23 May 2018 Start and end date of the mission: 21-24 May 2018		HUF - Hungarian forint	146900	0	146900	319,57	25.06.2018	459,68
External expertise and services	C Communication	4PRO-2018/000186	28.03.2018	03.04.2018	Promo item (pendrive)	Order: 26 February 2018 Company: 4PRO Kft.	This is the second instalment - the half of the amount was paid in advance (the relevant invoice number is: 4PRO-2018/000105)	HUF - Hungarian forint	57682	11332	57682	319,57	25.06.2018	180,49

Please determine the relevant exchange rate for the following situations using the European Commission's exchange rates (please find them here: [http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/inforeuro/index\\_en](http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en)).

[cfm](#)). Please follow the rules of the project implementation and how the official exchange rate is calculated.

Budget line	Date of issue of the invoice	Amount	Original currency	Submission month of the partner report	Date of the exchange rate	Exchange rate	Amount in EUR
Staff cost	29 December 2018	539,000	HUF	January 2019			
Travel costs	6 December 2018	12,420	CZK	January 2019			
External expert	21 May 2017	3000	EUR	July 2017			
Staff cost	30 November 2017	49800	HRK	January 2018			
Travel costs	2 June 2017	1359	BAM	August 2017			

**Please detail how you can mark on a certain invoice that it belongs to this project.**

**Why do you have to mark on the invoice that it belongs to a certain project?**

## 11 PRACTICAL PROJECT MANAGEMENT: STAFF COSTS

You are implementing a 30-month long project. You have the following budget on staff cost in WP1 break-down. Please prepare a plan how you divide this staff cost among your project members during the project implementation period, and determine how much their monthly salary is. Please note that you have to pay 21.5% social contribution based on the gross salary, and the total staff cost in the project must cover the social contributions, too.

	EUR				
WP1	17 800				
WP2	17 800		Social contributions:	21.5%	
WP3	17 800				
WP4	17 800				
WP5	17 800				
<b>Employees</b>					
project manager (who also participates in thematic implementation)					
communication manager					
2 thematic experts					

At the end of each reporting period, each partner has to submit a summary on the paid staff cost (=gross salary + social contributions). Please fill in the table as a summary of the paid staff costs per Work packages below based on the following information:

1. Reporting period: July-December 2018, submission date of the partner report is January 2019.
2. The social contribution is 21.5% for each salary. In the instructions below only the gross salary is detailed.
3. The monthly salary of the project manager is 150,000 HUF. The project manager – besides the management activities (accounts for 80% of her activities) – worked on WP3, too.
4. The communication manager earned 98,000 HUF per month. She worked only on communication activities.
5. The first thematic expert earned 550,000 HUF, from which 450,000 HUF was spent on his WP3 activities, the rest for WP4 activities.
6. The second thematic expert's monthly salary is 300,000 HUF. 90% of his work was on WP4 activities, while the rest on communication activities.

<b>Employee</b>	<b>WP1</b>	<b>WP2</b>	<b>WP3</b>	<b>WP4</b>	<b>Total</b>
Project manager					
Communication manager					
1 <sup>st</sup> thematic expert					
2 <sup>nd</sup> thematic expert					
<b>Total (in HUF)</b>					
<b>Exchange rate</b>					
<b>Total (in EUR)</b>					

Based on the table above please answer the following questions:

- How much was the total staff cost in HUF?
- How much money (in EUR) was totally spent on WP2?
- How much was the total staff cost (in HUF) of the project manager in this period?

Please list the supporting documents of staff costs:


## **12 PRACTICAL PROJECT MANAGEMENT: TRAVEL AND ACCOMMODATION COSTS**

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When you travel abroad (e.g. you participate in a project meeting), you have to fill in a travel order which summarizes the main aim of your travel and the costs occurred in connection with the travel. Besides the invoices, you have to submit the travel order as a supporting document to the FLC.

In connection with solving these tasks please read carefully the relevant part of the DTP project implementation handbook (travel and accommodation costs). Please note that the calculation of the exchange rates happens in accordance with the official rules of the organization, but in this simulation we use the European Commission exchange rates. Please see the exchange rates here:

[http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/inforeuro/index\\_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm)

Please fill in a travel order to the following scenarios:

1. The project manager of your team travelled to Prague (CZ) to the 5<sup>th</sup> steering committee meeting. The meeting was held between 23-24 November 2018, but in order to arrive in time, the project manager left one day before and arrived back a day after the meeting. He had to pay for the flight (50,000 HUF), he used public transport from and to the airport (40 CZK/way). The accommodation was 4,000 CZK for the whole period.
2. The project manager and the communication of your team travelled to Ptuj (SLO) to the mid-term event and the 3<sup>rd</sup> steering committee meeting. The meeting was held between 23-24 November 2017. They travelled by car and they submitted the invoices on fuel. Besides, they only paid for the accommodation which was totally 300 EUR for the whole period.
3. The project manager and the communication manager of your team travelled to Budapest (HUN) to the kick-off meeting and the 1<sup>st</sup> steering committee meeting. The meeting was held between 23-24 February 201u, but in order to arrive in time, the project manager and the communication manager left one day before and arrived back a day after the meeting. He had to pay for the flight (50,000 HUF), he used public transport from and to the airport (40 CZK/way). The accommodation was 4,000 CZK for the whole period.



Travel Expenses and Cash Advance		YOUR LOGO	
<b>Surname:</b> Sample	<b>Name:</b> John	ID 12345	
<b>From:</b> 2015.01.01	<b>To:</b> 2015.01.06		
<b>Purpose:</b> Excel Course			
<b>Cash Advance:</b> 123	<b>USD</b>		

**Expense Oversea**

Description	Account	Cost Center	Amount (local currency)	Exchange Rate	EUR
test 1	50000 Customer Visits	Sales	100,00	0,5000	50,00
	50000 Customer Visits	Management	200,00	0,3000	60,00
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
<b>Subtotal in USD</b>					110,00

**Spesen Inland**

Description	Account	Cost Center	USD
trade show	51000 Exposition / trade show	Sales	200,00
	21000 Energy Electric		
<b>Subtotal USD</b>			200,00

Private Vehicle are reimbursed 0.5 USD per mile

Negative amount will be taken from next salary payment or can be paid to HR directly.  
 Positive amounts will be paid during the next salary payment.  
 Sign it, get it signed by your supervisor and send it to Human Resources

<b>Total USD</b>	310,00
<b>./ Cash Advance</b>	123,00
<b>Total USD</b>	187,00



Please list the supporting documents of travel costs (the case: participation in a meeting abroad):


Please prepare all supporting documents which are needed for the travel costs.



## **13 PRACTICAL PROJECT MANAGEMENT: EXTERNAL EXPERTS**

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In the followings you will see several cases. Please list (mainly mark) the supporting documents which prove the necessity of employing an external expert and which you should submit to the FLC.

### **Case1**

You organized a so-called capacity building seminar in Szeged. You invited a lot of people from the University of Szeged to participate in the meeting. In order to attract more people, you also offered light lunch to the participants, and there was a coffee break, too. The lunch and the coffee break were provided an external company. You also had to pay for the room where the whole meeting took place.

### **Case2**

You employed an external expert who prepared you a study on walkability. He also conducted some interviews which was also included in the report. This report was 89-pages long.

### **Case3**

You employed a famous professor to have a training on the STIR method. This activity contained two parts. Firstly, the professor prepared some e-materials which were sent to the potential participants for reading before the training. Secondly, the professor came to Szeged to lead the training on the method. All project partners participated in this training. The professor received the money for both work. In the training, you also employed a catering company which provided drinks and meals in the coffee break and for lunch.

### **Case4**

You employed a company to translate a handbook from English to Hungarian. After the translation, you employed another company to print 100 copies from this handbook. You also required graphical visualization.

### **Case5**

In order to motivate people to walk, you planned to develop an app for smart phones with really nice functions. You employed an IT company who developed this app based on the specification you submitted them. The app is now available in the Google Play and Apple Store.

**Supporting documents – please mark with 'X' if the mentioned supporting document is necessary in the certain case.**

	<b>Case1</b>	<b>Case2</b>	<b>Case3</b>	<b>Case4</b>	<b>Case5</b>
Invoice					
Contract					
Certificate of performance					
Declaration of the expert that the study is his own work					
Bank statement on the payment					
Agenda					
Invitation					
Attendance sheet					
Photos					
The prepared study/presentation					
EU logo					
Funding sentence					

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## **14 EXAMPLE – MID-TERM EXAM 1**

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### **Mid-term exam I. – Project management in the EU**

**1. Please list the main international financial flows to developing countries! (3 points)**

**2. Who are the main beneficiaries of the EU’s international development cooperation? (1 point)**

**3. What do ACP and EYD refer to? (1 point)**

**4. Which are the main financial sources of the EU’s international development cooperation? (1 point)**

**5. Who are the main beneficiaries of the EU’s cohesion policy? (1 point)**

**6. What are the main financial sources of the EU’s cohesion policy? (1 point)**

**7. What are the basic requirements of projects? (2 points)**

**8. Please list the project phases and define each of them in one sentence! (1 point)**

**9. Please decide whether the following project implementations are successful. In your answer give arguments in 1-2 sentences! (4 points)**

**The project:** Our main project aims to introduce a training program in which we would employ 5 trainees in our company for 9 months and help them get professional (and practical) knowledge with participating in the real life of our company. Our target group is students with secondary education but without tertiary education and the company will provide mentors who help their professional improvement and give continuous control and feedbacks. In order to be able to employ them, we have to purchase 5 computers and 5 phones. The project duration is between 1 January 2016 and 30 September 2016. The planned budget is EUR 20 000 which covers the cost of employment, the additional salary of the mentors and the purchase of equipment.

*a) By 30 September, we could employ 4 students but we bought 5 computers and 5 phones. Altogether, we did not exceed the cost limit.*

*b) By 30 September, we employed 5 students who all received a computer and a phone for their own work. However, the computers and phones became more expensive than we had expected, and as a result, we spent EUR 22 000 on our project.*

*c) By 30 September, we employed 5 students, 4 of them did not participate in tertiary education, but the fifth student attends a university in Szeged.*



*d) By 30 September, we employed 5 students only with secondary education. We purchased five computers and five phones to enable them to work by their own. We provided 2 mentors who helped their professional improvement and who evaluated their work at the end of the training program. The total cost of the project was EUR 19 456.*

## 15 EXAMPLE – MID-TERM EXAM 2

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### Mid-term exam II. – Project management in the EU

**1. Please list the methods of situation analysis! Choose one out of them and describe this method in details! (3 points)**

**2) Below you can find several factors from a SWOT table. The factors describes a town. Please, decide to which part of the SWOT table these factors belong. As an answer, write the appropriate letter of SWOT (S, W, O, T) next to the statements. (4 points)**

- The share of low added value agricultural activities is very high.
- The education in the town takes place in grammar schools and vocational schools.
- Building a fast road, better logistics of the town
- Lower investment interests due to unfavourable economic policy factors
- Unemployment in the town is two times higher than the national average
- There is international cross border place in the region
- Needs for alternative forms of tourism are increasing
- National and environmental values are decreasing due to the lack of ecological approach and due to the pollution coming from abroad

**3. Please prepare a problem tree then an objective tree based on the following situation. The trees must contain at least 3 levels (including the top level, too). (4-4 points, totally 8 points)**

**Situation:** The mayor of Szeged realizes that parents in the town do not prefer local schools but parents take their children to other towns and children attend school there.

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## 16 EXAMPLE – MID-TERM EXAM 3

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### Mid-term exam III. – Project management in the EU

**1. Please detail the role of a project manager! (5 points)**

**2) What does SMART stands for? Explain each letter in one sentence! (5 points)**

**3) List the types of reports which must be prepared during and after a project in the case of EU-funded projects! Choose one out of them and describe it! (3 points)**

**4) What are the main differences between evaluation, monitoring and control? (3 points)**

**5) Put the numbers of the following indicators in the right place! (4 points)**

13. Greater financial allocation by government to monitor and address human rights abuse
14. Number and type of wells installed
15. Percentage of women with increased disposable income, expanding their options towards diverse social and economic roles
16. Number and category of people given training or other types of support
17. Retention or increase in forest areas
18. The number and proportion of population with sustained availability of clean water for proper domestic use
19. Reduction in ill health and mortality
20. Number of loans given and repaid as agreed
21. Improved economic control, choice and status with respect to men
22. Number of species planted properly and surviving
23. New areas reforested and sustainable agricultural practices applied
24. More transparent, accountable state behaviour with reduction in political arrests





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<b>Project Indicator</b>	<b>Water supply</b>	<b>Women's empowerment</b>	<b>Environment</b>	<b>Human rights</b>
<b>Output</b>				
<b>Result</b>				
<b>Impact</b>				