



THE MOMBASA POLYTECHNIC UNIVERSITY COLLEGE

(A Constituent College of JKUAT)

Faculty of Engineering & Technology

DEPARTMENT OF BUILDING & CIVIL ENGINEERING

**BACHELOR OF ENGINEERING IN BUILDING & CIVIL ENGINEERING
(BEBC)**

[Institutional Based Programmes]

HRD 2315: ECONOMICS FOR CIVIL ENGINEERS

END OF SEMESTER EXAMINATION

SERIES: DECEMBER 2012

TIME: 2 HOURS

Instructions to Candidates:

You should have the following for this examination

- *Answer Booklet*

This paper consists of **FIVE** questions. Answer any **THREE** questions

Maximum marks for each part of a question are as shown

This paper consists of **TWO** printed pages

Question One (30 marks)

- a) Discuss the consumer sovereignty concept stating what it entails and the conditions for its validity
(9 marks)
- b) Explain the terms power, authority and responsibility stating clearly the sources of power and authority in an organization structure.
(8 marks)
- c) Discuss why it is imperative to delegate authority and power and yet it is not possible to delegate responsibility.
(6 marks)

d) Outline the dimensions of a market. (7 marks)

Question Two (20 marks)

a) Define the following terms as applied in organization structure:

- (i) Line and staff managers
- (ii) Scalar principle
- (iii) Span of control and conditions which influence it. (8 marks)

b) (i) State the merits and demerits of use of an organization chart.
(ii) A well established construction firm has four projects each worth more than 180m located in different geographical locations about 200km apart. Draw a management organization structure for the firm. (12 marks)

Question Three (20 marks)

a) Explain the following aspects with respect to developing and sustaining a business concern in a competitive environment.

- (i) New product development
- (ii) Market segmentation
- (iii) Pricing
- (iv) Informative and persuasive advertising (12 marks)

b) Discuss the significance of distribution in promoting sales. (8 marks)

Question Four (20 marks)

a) Outline the following types of shares:

- (i) Equity
- (ii) Preferential participating shares
- (iii) Redeemable preference shares. (10 marks)

b) Distinguish between a public share issue and shrib and right issue (4 marks)

Question Five (20 marks)

a) State the objectives of a feasibility study. (6 marks)

b) Outline the main components of a feasibility study. (14 marks)