



TECHNICAL UNIVERSITY OF MOMBASA  
**Faculty of Engineering &  
Technology**

DEPARTMENT OF BUILDING & CIVIL ENGINEERING  
UNIVERSITY EXAMINATION FOR DECREE IN:  
**BACHELOR OF SCIENCE IN CIVIL ENGINEERING (BSCE)**

HRD 2315: ECONOMICS FOR CIVIL ENGINEERS

**END OF SEMESTER EXAMINATION**

SERIES: APRIL 2015

**TIME ALLOWED: 2 HOURS**

**Instructions to Candidates:**

You should have the following for this examination

- *Answer Booklet*
- *Pocket Calculator*

This paper consists of **FIVE** questions. Answer question **ONE (COMPULSORY)** and any other **TWO** questions

Maximum marks for each part of a question are as shown

Use neat, large and well labeled diagrams where required

This paper consists of **TWO** printed pages

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**Question One (Compulsory)**

- a) Outline the functions of the Local Authority from commencement to the completion of a construction project and dictated by the building code **(8 marks)**
- b) Discuss the role of a Quantity Surveyor in a construction project **(8 marks)**

- c) Use hypothetical figures to illustrate the certification process of a construction project costing kshs 750m, and draw up the final accounts for the project **(14 marks)**

### Question Two

- a) Explain with the aid of typical examples, the following types of advertising:  
(i) Persuasive  
(ii) Informative **(6 marks)**
- b) Discuss the significance of the following aspects in marketing:  
(i) Pricing of goods  
(ii) New product development  
(iii) Market segmentation **(7 marks)**
- c) Outline general issues the management of a firm should consider to market the firm and ensure its success in the competitive construction field **(7 marks)**

### Question Three

- a) Distinguish between the co-ordination and organization process **(6 marks)**
- b) Explain the following terms as used in the organization structure:-  
(i) Authority  
(ii) Power  
(iii) Lateral relationships  
(iv) Functional relationships  
(v) Bureaucracy **(8 marks)**
- c) Explain the concepts of:  
(i) Delegation of power and authority  
(ii) Span of control **(6 marks)**

### Question Four

- a) Discuss the merits and demerits of organizational charts in organizations **(6 marks)**
- b) Describe the lien and staff organization chart, and draw a typical organization chart for a construction firm with a annual turnover of kshs 500m **(14 marks)**

### Question Five

- a) Discuss the various options a firm has to source capital **(5 marks)**
- b) Distinguish between the followign types of shares:  
(i) Preference shares  
(ii) Participating preference shares  
(iii) Cumulative preference shares  
(iv) Redeemable shares **(8 marks)**
- c) Explain what a debenture is and outline the following aspects pertaining to debentures:  
(i) Fixed charge and floating charge  
(ii) Debenture trust deed