



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

DEPARTMENT OF BUILDING & CIVIL ENGINEERING

UNIVERSITY EXAMINATION FOR:
BACHELOR OF SCIENCE IN CIVIL ENGINEERING

HRD 2315: ECONOMICS FOR CIVIL ENGINEERS

END OF SEMESTER EXAMINATION

SERIES: DECEMBER 2013

TIME ALLOWED: 2 HOURS

Instructions to Candidates:

You should have the following for this examination

- *Answer Booklet*

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

This paper consists of **TWO** printed pages

Question One (Compulsory)

- a) (I) Draw a typical organization structure for a construction firm with a labour force of 120 employees and handling project in the range of kshs 200m to 500m annually:
- (II) From the chart drawn up above explain the following organizational relationships:
- (i) Authority and power
 - (ii) Accountability and responsibility
 - (iii) Delegation **(15 marks)**
- b) Discuss the factors which are central to elasticity of demand and explain the application of the concept. **(7 marks)**
- c) Outline the functions of the following parties in, before and during and immediately after a construction project:
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- (i) The architect
 - (ii) The quantity surveyor and contractor's estimator
 - (iii) The consulting engineer
- (8 marks)**

Question Two

Discuss the following terms central to the scope of economics:

- (i) Unemployment **(7 marks)**
- (ii) Regulatory aspects of the central bank of the economy **(7 marks)**
- (iii) Production and production factors **(6 marks)**

Question Three

- a) Discuss the following aspects as related to the issuing of equity: **(8 marks)**
- (i) Issue by prospectus
 - (ii) Issue by tender
 - (iii) Placings
 - (iv) Rights issue
- b) Outline the following types of shares: **(12 marks)**
- (i) Cumulative preference shares
 - (ii) Preference shares
 - (iii) Participating preference shares
 - (iv) Redeemable preference shares

Question Four

Discuss the following aspects important in sustaining or maintaining the operations of a construction firm in the industry:

- (i) New product development
- (ii) Product differentiation
- (iii) Informative and persuasive advertising
- (iv) Distribution
- (v) General advertising concepts **(20 marks)**

Question Five

- a) State the typical features of a matrix organization structure and with the aid of a chart, explain how it operates. **(14 marks)**
- b) Explain the following organizational facets:
- (i) Informal and formal organization
 - (ii) Bureaucracy **(6 marks)**