MACHAKOS UNIVERSITY

University Examinations 2016/2017

SCHOOL OF ENGINEERING AND TECHNOLOGY
DEPARTMENT OF BUILDING AND CIVIL ENGINEERING

THIRD YEAR FIRST SEMESTER EXAMINATION FOR DIPLOMA IN CIVIL

ENGINEERING

BCECD 110: ECONOMICS FOR ENGINEERS

DATE: 31/5/2017 **TIME: 8:30 – 10:30 AM**

INSTRUCTIONS

- *This paper comprises of* ***five*** *questions*
- *Question* ***one*** *is* ***compulsory*** *and carry 30 marks*
- *Answer any* ***other two*** *questions*

1. a) Outline the scope of economics (10 marks)

   b) Explain the main role of stock exchange (6 marks)

   c) Outline the following types of shares

      i. Equity

      ii. Cumulative preference shares

      iii. Irredeemable debentures (9 marks)

   d) Discuss two methods of marketing (5 marks)

2. a) Explain the following terms as used in the organisation structures of a firm ;

      i. Authority

      ii. Responsibility

      iii. Accountability

      iv. Lateral relationship (10 marks)

   b) Explain why it is important to delegate balanced authority and power and why it is not possible to delegate responsibility (5 marks)

   c) Discuss the function of a distributor and their relevance in marketing of the company products (5 marks)

3. a) Explain the evolution of money from exchange in commodity to the current use of plastic cards (10 marks)

   b) Explain 3 primary and 3 secondary functions of money (10 marks)

4. a) Outline the roles played by the central bank of Kenya (10 marks)

   b) Explain the following terms;

      i. Promissory notes
      ii. Capital market
      iii. Stock dealer
      iv. Bond
      v. Shares (10 marks)

5. a) Discuss what is meant by opportunity cost (5 marks)

   b) Draw a demand curve and outline the main influences of demand (10 marks)

   c) State 5 qualities of good money (5 marks)