FEDERAL UNIVERSITY OF TECHNOLOGY, MINNA
SCHOOL OF ENVIRONMENTAL TECHNOLOGY
DEPARTMENT OF QUANTITY SURVEYING

FIRST SEMESTER EXAMINATION 2017/2018 SESSION

COURSE CODE: *QTS 414* **COURSE TITLE**: *CONSTRUCTION MANAGEMENT II*
TIME ALLOWED: $2^1/_2$ Hours **CREDIT LOAD**: 2 Units
INSTRUCTION: Attempt **All** Questions

QUESTION 1

a) Enumerate 4 conditions that would make hiring a plant a better option than buying of plant for a medium size company.
b) List 4 ways of carrying out maintenance on such plant.
c) What is Budget? What are the characteristics of a good budget?
d) Differentiate between Labour budget and cash budget? (20 Marks)

QUESTION 2

Plant and materials are essential resources in construction project, without these, completing construction projects within time and cost may be difficult to achieve. Hiring of plant and bulk purchase of materials without doubt will generally lead to save in time, cost and manpower and at the same time offer a better finish to work. However, costs can only be reduced through efficient management of these resources.

a. Itemise the factors involved in plant management.
b. List the factors to be considered by a plant manager when selecting plant and equipment for construction.
c. Highlight the advantages of effective material management to a project manager that desires to save costs through materials. (20 Marks)

QUESTION 3

a) Briefly explain the term Cash flow.
b) Enumerate six (6) qualities of a manager in a construction organization.
c) Outline five effects of poor cash-flow forecasting in a construction company.
d) Outline four (4) advantages of budgeting and budgetary control in a construction company. (20 Marks)

QUESTION 4

A construction company is experiencing difficulties in its control of wastages and loss of materials on site with adverse resultant effect on its project contract sum. As a Quantity Surveyor/material manager, you have been requested by the company to;

a. Briefly explain 6 management procedures for material procurement delivery to site.
b. Itemize 4 effects of poor material management.
c. Enumerate 6 ways by which an employee can be recruited in a construction company.
d. Define the following terms
   i. Budgetary control.
   ii. Contingency allowance.
   iii. Basic Time.
   iv. Rating. (20 Marks)

QUESTION 5

A precast concrete manufacturer is considering whether to increase production. In order to do so, a new and fully equipped factory is required at an estimated cost of N600, 000. The value of the increase in turnover is projected to be N5, 000,000 PA. Broken down as 40% materials, 35% labour, 15% administration, and the remaining 10% representing profit. On average the concrete units take 2weeks to produce, after which they are put into store until fully cured and ready for sale. The average period between completion of manufacture and sale is 2 months, and 2months credit is allowed for customers. 3months supply of raw materials will be kept in stock at all times, for which suppliers customarily allow one and a half months' credit.

Calculate/determine the capital required to equip the new business, plus the working capital to finance the normal transactions.

(20 Marks)