

THE OPEN UNIVERSITY OF SRI LANKA  
Department of Civil Engineering  
Construction Management Programme - Level 7  
Post Graduate Diploma / Stand Alone Courses



**CEX7104/CEP 2104/CEE 7107 -Estimating Tendering & Marketing in the  
Construction Industry**

FINAL EXAMINATION - 2006

Time Allowed: Three (03) Hours

Date: 13-03-2007 (Tuesday)

Time: 0930 - 1230 hrs.

Answer *Four (04)* questions with at least one *(01)* question from each section.

**SECTION A: ESTIMATING AND TENDERING**

**Q1.**

The tendering document for construction of a multi-storey apartment complex stipulates the construction period as 600 calendar days. The tender sum of the lowest evaluated tender is Rs. 1,147,500,000/-. Another bidder offers to complete the work in 520 calendar days but at a tender price of Rs. 1,220,000,000/-. If the owner seeks your advice regarding awarding of the contract to one of the above bidders, outline the factors you would consider in determining the successful bidder.

(Marks 25)

**Q2.**

Pricing preamble of the tender Bill of Quantities states that, the rates for reinforcing steel shall include the cost of labour, transport, handling within the site, all wastage, rolling margin, chairs, spacer blocks etc. If the price of reinforcing steel is Rs. 72,000/- per tonne compute the basic cost of reinforcing steel per tonne for fabricating and positioning in an isolated RC roof beam.

(Marks 25)

**Q3**

- (a) Name three times related items in the standard Preliminaries Bill
- (b) Describe the manner in which the amount quoted by the contractor could be adjusted in the case of a delay period mainly due to extension of time granted by the Engineer for additional work entrusted to the contractor.

(Marks 25)

Q4

The Main Contractor is entitled to quote a Lump Sum price or a percentage on Provisional Sums allowed in bidding documents for work to be entrusted to Nominated Sub Contractors. Explain the work, services or facilities that the Main Contractor is obliged to provide under the Attendance Fee on Nominated Sub Contract work in respect of;

- (i) Quality of work
- (ii) Delay in finishing sub contract work
- (iii) Disputes

(Marks 25)

#### SECTION B: MARKETING

Q5.

- (a) Explain with the aid of the product 'house' how the marketing concept is different from other alternative concepts under which organisations conduct their marketing activities.

(Marks 06)

- (b) Enumerate and explain the nature of marketing functions. Illustrate your answer using the product 'house'.

(Marks 14)

- (c) Explain what is understood by customer orientation.

(Marks 05)

Q6.

- (a) Describe in detail what is understood by market research. Explain how local contractors could use market research for survival in the face of fierce competition.

(Marks 12)

- (b) There are many approaches a firm can take in selecting a target market. Describe each approach and support your answer with diagrams.

(Marks 06)

- (c) Write a short descriptive note on 'Segmenting Consumer Markets'.

(Marks 07)