

1410/203
PROJECT DEVELOPMENT MANAGEMENT,
ECONOMICS AND ADMINISTRATION
June/July 2019
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

NATIONAL CERTIFICATE IN SOCIAL DEVELOPMENT

PROJECT DEVELOPMENT MANAGEMENT, ECONOMICS AND ADMINISTRATION

3 hours

INSTRUCTIONS TO CANDIDATES

*This question paper consists of TWO sections; A and B.
Answer ALL the questions in BOTH sections in the answer booklet provided.
Candidates should answer the questions in English.*

This paper consists of 4 printed pages.

Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.

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SECTION A (40 marks)

Answer ALL the questions in this section.

1. Explain the meaning of the term 'project area analysis' as used in project development and management. (2 marks)
2. The market price of products and services is determined by the forces of demand and supply in the market. Highlight **three** reasons for government intervention to influence the market price. (6 marks)
3. Identify **two** differences between 'management' and 'administration'. (4 marks)
4. Outline **two** distinctions between 'recurrent expenditure' and 'development expenditure' as used in financial management and administration. (4 marks)
5. Explain the meaning of each of the following markets as used in economics:
 - (a) monopoly; (2 marks)
 - (b) perfect. (2 marks)
6. Explain **three** reasons for project evaluation in project development and management. (6 marks)
7. Explain the function of each of the following funds in relation to employees:
 - (a) National Social Security Fund (NSSF);
 - (b) Widows and Children Pension Scheme (WCPS). (4 marks)
8. Identify **four** functions of the Central Bank of Kenya. (4 marks)
9. Explain **two** reasons for ensuring community leaders participate in project development and management. (4 marks)
10. Identify **two** barriers to effective communication in an organization. (2 marks)

SECTION B (60 marks)

Answer **ALL** the questions in this section.

11. (a) Project implementation requires an effective and efficient human resource. Describe six steps followed in the recruitment process. (12 marks)
- (b) Identify **three** sources of income for the Government of Kenya. (3 marks)
12. (a) Explain five possible solutions to the problem of unemployment in Kenya. (10 marks)
- (b) Describe each of the following styles of leadership:
- (i) democratic; (1 mark)
- (ii) autocratic; (2 marks)
- (iii) bureaucratic. (2 marks)
13. (a) Highlight **three** reasons for Human Resource Planning (HRP) in project planning. (6 marks)
- (b) Vijana Enterprises is a youth project which operates a restaurant in Nairobi. The following information relates to receipts and issuance of potatoes from the stores of Vijana Enterprises for the month of January 2017.

2017

January 1: Balance of potatoes in the stores was 12 bags which had cost Kshs. 800

January 2: Issued out 5 bags to the restaurant

January 10: Bought 2 bags of potatoes at Kshs. 700 per bag

January 15: Issued 8 bags of potatoes to the restaurant

January 25: Bought 7 bags of potatoes at Kshs. 750 per bag

January 31: Issued 3 bags of potatoes to the restaurant

Prepare a stock ledger card using the First-In-First-Out (FIFO) method to record the information above. (9 marks)

14. (a) Describe **four** roles of commercial banks in economic development. (8 marks)
- (b) Explain the meaning of each of the following terms as used in personnel management:
- (i) on-job training; (2 marks)
 - (ii) job description. (2 marks)
- (c) Highlight **three** factors that affect demand of a given product or service. (3 marks)

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