

<b>Identification</b>	<b>Subject</b>	ENGR310, Economics of Construction, 6 ECTS	
	<b>Department</b>	Engineering and Applied Sciences	
	<b>Program</b>	Bachelor	
	<b>Term</b>	Fall, 2025	
	<b>Instructor</b>	Arzu Rahimov	
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	<b>Phone:</b>		
<b>Prerequisites</b>	Economics of Construction		
<b>Language</b>	English		
<b>Compulsory/Elective</b>	Compulsory		
<b>Textbooks and course materials</b>	Slides and the lectures will be shared by group e-mail on the instructor’s dropbox. As the text books, reference can be made to the followings: 1. Gerard De Valence “Modern Construction Economics” New York, USA, 2011 2. I.A.Mahdiyev, V.M.Shiraliyev “Economics of Construction” Baku, 2005 3. Nataliya Grigorievna Verstina <sup>1</sup> , Elena Mikhajlovna Akimova <sup>2</sup> , Tatiana Nikolaevna Kisel, Elena Yurievna Chibisova, Vitaliy Aleksandrovich Lukinov “Financial Planning at Small Construction Enterprises at the Formation Stage”, 2015 4. Responding to the Economic Crisis, Fostering Industrial Restructuring and Renewal, Industry and Innovation July 2009 5. David Pearce “The Social and Economic Value of Construction”, 2014		
<b>Teaching methods</b>	<b>Case analysis</b>		x
	<b>Group discussion</b>		x
	<b>Lab</b>		
	<b>Lecture</b>		x
	<b>Course paper</b>		x
	<b>Others</b>		
<b>Evaluation Criteria</b>	<b>Methods</b>	<b>Date/de adlines</b>	<b>Percentage (%)</b>
	<b>Midterm Exam</b>		30
	<b>Case studies</b>		
	<b>Class Participation and Activity</b>		10
	<b>Quizzes</b>		20
	<b>Project</b>		
	<b>Presentation</b>		
	<b>Laboratory Work (Assignments)</b>		
	<b>Final Exam</b>		40
	<b>Other</b>		
	<b>Total</b>		100%
<b>Course objectives</b>	The subjects of Economics express certain limited resources for product produce and divided among different groups of people. Therefore, Economics of Construction is a science that realizes		

	<p>them in every inside of the enterprise. The Science of Economics Construction learns the theoretical basis of the interaction mechanism of the economic activity aspects and practical forms of the market structure activity in construction field. The learning object of the Economics of Construction is the area of construction which is specific for national economy.</p>
<b>Learning outcomes</b>	<p>Economy and its basic principle, The subject of economy theory, Economy concepts and laws, Main principles of scientific technical progress in the economic sector, Pricing in construction: The main functions of price, require and offer, The economic objects of the main funds, Senescence (depreciation) of main funds, Grouping of expense elements and estimated costs, Payment and normalization of labor, Progressive forms of labor payment, Circulation resource of construction enterprise, Defining of requirement to circulation resources, The financial resources of construction enterprises, Credit system and the lending forms of construction enterprises, Business plan of construction enterprise, Cost, benefit and profitability of construction enterprises, The economic role of freelance workers in the construction industry, The relevance of human capital, The labor force in the construction industry, Training and skills structure, The health of the construction labor force, Responding to the economic crisis – Fostering industrial restructuring and renewal, The crisis and creative destruction, Impact of the crisis on innovation and industrial renewal, Impacts on firm entry and exit, Impacts on innovation in large firms, Impacts on knowledge flows and global value chains, The crisis and construction industries, The economic crisis from the perspective of construction industry, Impacts on supplying industries,</p>
<b>Course outline</b>	<p>Theoretical and Practical methods of construction and Economic aspects of construction. Every other week, series homework's will be assigned, to be completed within subsequent two weeks.</p>
<b>Policy</b>	<p><b>Preparation for class</b>  The structure of this course makes your individual study and preparation outside the class extremely important. The lecture material will focus on the major points introduced in the text. Reading the assigned chapters and having some familiarity with them before class will greatly assist your understanding of the lecture. After the lecture, you should study your notes and work relevant problems and cases from the end of the chapter and sample exam questions.</p> <p><b>1. Withdrawal (pass/fail)</b>  This course strictly follows grading policy of the School of Engineering and Applied Science. Thus, a student is normally expected to achieve a mark of at least 60% to pass. In case of failure, he/she will be required to repeat the course the following term or year.</p> <p><b>2. Cheating/plagiarism</b>  Cheating or other plagiarism during the Quizzes, Mid-term and Final Examinations will lead to paper cancellation. In this case, the student</p>

	<p>will automatically get zero (0), without any considerations.</p> <p><b>3. Professional behavior guidelines</b></p> <p>The students shall behave in the way to create favorable academic and professional environment during the class hours. Unauthorized discussions and unethical behavior are strictly prohibited.</p> <p><b>4. Ethics</b></p> <p>Students should not arrive in late to class. All cell phones must be turned off and stowed away before entering class. Use of any electronic devices is not allowed in the classroom and violators will be punished accordingly.</p> <p>Lessons are conducted in English that's why questions and their answers must be in English.</p>
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#### **Tentative Schedule**

<b>Week</b>	<b>Date</b>	<b>Topics</b>	<b>Textbook/Assignments</b>
1		Economy and its basic principle The subject of economy theory, Economy concepts and laws	Gerard De Valence "Modern Construction Economics" New York, USA, 2011 I. A. Mahdiyev, V. M. Shiraliyev "Economics of Construction" Baku, 2005
2		The main directions of scientific and technological development in the construction sector Construction pricing. Price as functions of demand and supply	I. A. Mahdiyev, V. M. Shiraliyev "Economics of Construction" Baku, 2005
3		The economic essence of fixed assets Depreciation of fixed assets	I. A. Mahdiyev, V. M. Shiraliyev "Economics of Construction" Baku, 2005
4		The grouping of expense elements and the structure of estimated cost  Payment and normalization of labor	I. A. Mahdiyev, V. M. Shiraliyev "Economics of Construction" Baku, 2005
5		Payment and normalization of labor (Calculation) Circulation resource of construction enterprise	I. A. Mahdiyev, V. M. Shiraliyev "Economics of Construction" Baku, 2005
6		Defining of requirement to circulation resources The financial resources of construction enterprises	I. A. Mahdiyev, V. M. Shiraliyev "Economics of Construction" Baku, 2005 Nataliya Grigorievna Verstina <sup>1</sup> , Elena Mikhajlovna Akimova <sup>2</sup> , Tatiana Nikolaevna Kisel, Elena Yurievna

			Chibisova, Vitaliy Aleksandrovich Lukinov “Financial Planning at Small Construction Enterprises at the Formation Stage”, 2015
7		<b>Midterm Exam</b>	
8		Credit system and the lending forms of construction enterprises The principles of lending on the scope of manufacturing enterprises	I. A. Mahdiyev, V. M. Shiraliyev “Economics of Construction” Baku, 2005
9		Profits and profitability of construction companies The economic role of freelance workers in the construction industry	I. A. Mahdiyev, V. M. Shiraliyev “Economics of Construction” Baku, 2005 Responding to the Economic Crisis, Fostering Industrial Restructuring and Renewal, Industry and Innovation July 2009
10		The relevance of human capital The labor force in the construction industry	The Social and Economic Value of Construction, The Construction Industry's Contribution to Sustainable Development 2003
11		Responding to the economic crisis – Fostering industrial restructuring and renewal The crisis and creative destruction	Responding to the Economic Crisis, Fostering Industrial Restructuring and Renewal, Industry and Innovation July 2009
12		Impact of the crisis on innovation and industrial renewal Impacts on firm entry and exit	Responding to the Economic Crisis, Fostering Industrial Restructuring and Renewal, Industry and Innovation July 2009
13		Designing of new enterprise Impacts on innovation in large firms	I. A. Mahdiyev, V. M. Shiraliyev “Economics of Construction” Baku , 2005 Responding to the Economic Crisis, Fostering Industrial Restructuring and Renewal, Industry and Innovation July 2009

14		Impacts on knowledge flows and global value chain The crisis and construction industries	Responding to the Economic Crisis, Fostering Industrial Restructuring and Renewal, Industry and Innovation July 2009
15		The economic crisis from the perspective of construction industry Impacts on supplying industries	Responding to the Economic Crisis, Fostering Industrial Restructuring and Renewal, Industry and Innovation July 2009
16		<b>Final Exam</b>	