

DECLARATION

“I declare that this project entitled “The effects of procurement systems towards performance of the refurbishment projects” is the result of my own research except as cited in the references. The report has not been accepted for any degree and is not currently submitted in candidature of any other degree.

17 SEPTEMBER 2012

Date

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DEDICATION

To:
Lord Jesus,
And
My Beloved Family

Thank you for your love, guidance and support

ACKNOWLEDGEMENTS

First and foremost, I would like to extend my sincere appreciation to everyone who contributed to the accomplishment of this research. My research supervisor, Dr. Sr. Azlan Shah Ali of Faculty of Built Environment is specially remembered for his time, patience and efforts in guiding me and my thought processes. The completion of this research would not have been possible without his conscientious guidance and encouragement.

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ABSTRACT

Different procurement systems have been developed and applied in the construction industry to improve its performance. The different types of procurement systems have different methods and process of designs and constructions whereby it described different systems and different organization structures in terms of roles, responsibility and the authority of each member in the team. However, it's still inconclusive to what extent that different types of procurement systems could have different methods, process and organization structure would affect the performance of refurbishment projects. This study is conducted to identify types of procurement methods used in Malaysian refurbishment projects and what are the problems and difficulties encountered by contractor using different types of procurement systems. On top of that, the study also would examine relationship between problem and difficulties encountered by contractor using different types of procurements towards performance of refurbishment projects. Triangulation technique was used in the study. 410 closed-ended questionnaires were obtained from targeted respondents in which included site agents, project engineer, contract administrator, contract manager, project manager, and other parties who are working in construction company. From the questionnaire sent out, 368 questionnaires were found to be useful for data analysis, giving a final response percentage of 24.53%. Semi-structured interview has been carried out with 15 contractors to ensure the result is reliable. The findings shows that 54.3% of the projects are suing traditional procurement systems, 39.9% using design and build, 4.3% using management procurement, whereas 1.1% of the refurbishment project using turnkey system and 0.3% using built-operate-transfer (BOT) system. Refurbishment projects using traditional procurement systems were performing well if compare to others. Besides, out of seven contractor difficulties variables (independent) which are cash flow and financial, communication with client and consultants, client decision making, frequent change order by client, insufficient or discrepancies of contract documents, material price escalation and skill, expertise and experience tested were correlated with at least one refurbishment project performance variable (dependent). The findings would be useful for future references, especially to those stakeholders who involved in refurbishment projects in Malaysia.

ABSTRAK

Kaedah pemerolehan yang berbeza telah dibangunkan dan digunakan dalam industri pembinaan untuk meningkatkan prestasi. Jenis sistem perolehan mempunyai kaedah yang berbeza dan proses reka bentuk dan pembinaan di mana ia menyifatkan sistem yang berbeza dan struktur organisasi yang berbeza dari segi peranan, tanggungjawab dan kuasa setiap ahli dalam pasukan. Walau bagaimanapun, ia masih tidak meyakinkan sejauhmanakah bahawa jenis sistem perolehan boleh mempunyai kaedah yang berbeza, proses dan struktur organisasi akan menjejaskan prestasi projek membaik pulih. Kajian ini dijalankan untuk mengenal pasti jenis kaedah perolehan digunakan dalam projek membaik pulih Malaysia dan apakah masalah dan kesukaran yang dihadapi oleh kontraktor menggunakan jenis sistem perolehan. Selain itu, kajian ini juga akan mengkaji hubungan antara masalah yang dihadapi oleh kontraktor semasa menggunakan jenis perolehan yang berlainan terhadap prestasi projek membaik pulih. Teknik triangulasi telah digunakan dalam kajian ini. 410 soal selidik tertutup telah diperolehi daripada responden yang disasarkan di mana termasuk ejen tapak, jurutera projek, pentadbir kontrak, pengurus kontrak, pengurus projek, dan pihak-pihak lain yang bekerja dalam syarikat pembinaan. Dari soal selidik yang dihantar, 368 soal selidik telah didapati berguna untuk analisis data, memberikan peratusan respons akhir 24,53%. Separa berstruktur temubual telah dijalankan dengan 15 kontraktor untuk memastikan hasilnya boleh dipercayai. Dapatan kajian menunjukkan bahawa 54.3% daripada projek menyaman sistem perolehan tradisional, 39.9% menggunakan reka bentuk dan membina, 4.3% menggunakan pengurusan perolehan, manakala 1.1% daripada projek pengubahsuaian menggunakan sistem turnkey dan 0.3% menggunakan built-operate-transfer (BOT) sistem. Projek membaik pulih menggunakan sistem perolehan tradisional telah menunjukkan prestasi yang terbaik jika dibandingkan dengan perolehan yang lain. Selain itu, daripada tujuh pembolehubah (bebas) iaitu kesukaran kontraktor seperti aliran tunai dan kewangan, komunikasi dengan perunding dan kilen, kepantasan klien membuat keputusan, perubahan perintah kerap oleh klien, tidak mencukupi atau percanggahan dokumen kontrak, kenaikan harga bahan dan kemahiran, kepakaran dan pengalaman diuji telah dikaitkan dengan sekurang-kurangnya satu pembolehubah prestasi membaik pulih projek (bergantung). Hasil kajian ini amat berguna untuk rujukan masa depan, terutama kepada pihak yang berkepentingan yang terlibat dalam projek membaik pulih di Malaysia.

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LIST OF ABBREVIATIONS

- CIDB - Construction Industry Development Board
- BOT - Built-Own-Operate-Transfer

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