

# IMPLEMENTATION OF COST PLANNING AND COST CONTROL IN THE MALTESE CONSTRUCTION INDUSTRY

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## Problem Statement

Projects in Malta, vary a lot from the estimated cost plan to the final sum. This research explores the main and common industrial problems associated with planning and control. This could be done appropriately in isolation from exploring the successful factors and possible improvement required.

## Research Approach

- The aim is achieved by conducting qualitative research, which utilises grounded theory with clear, philosophical assumptions of epistemology and axiology.
- The information will be gathered through an open-ended, one-to-one, semi-structured, interview.
- Qualitative method has been used because it has gathered more information from the participants, rather than sending a closed-ended questionnaire.

## Project Overview

The management of construction projects has been heavily criticised by government institutions, academics and practitioners, for delays, cost overruns and suboptimum performance. Numerous studies have been identified, project planning being the main problem. Both the management methodology and conventional project planning techniques, deemed insufficient. It has been established that only fifty per cent of the planned work is completed as scheduled.

This research explores operational problems associated with project planning and control, and develops an innovative and holistic planning and control system to deliver sustainable construction projects.

Given the criticisms of qualitative research, as methodologically is so weak, this study develops a research process that addresses the specific objectives of the study.

## Methodology



### Method 1: Interviews

This means that semi-structured, one to one interviews will be held to collect data for the said research, mentioned in the caption. This comprises the choice to pilot the process with professional architects, professional chartered quantity surveyors and experienced contractors, as these individuals are all aware of the project delays and cost overruns.

## Research Propositions

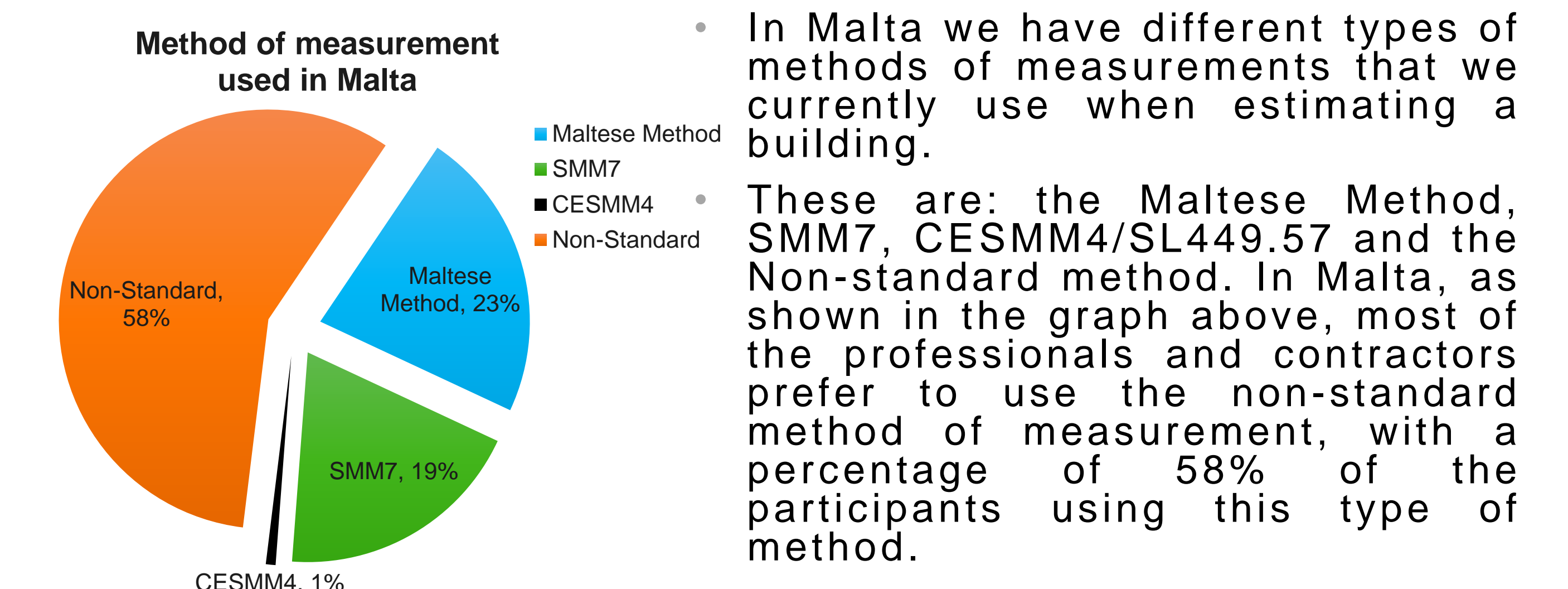
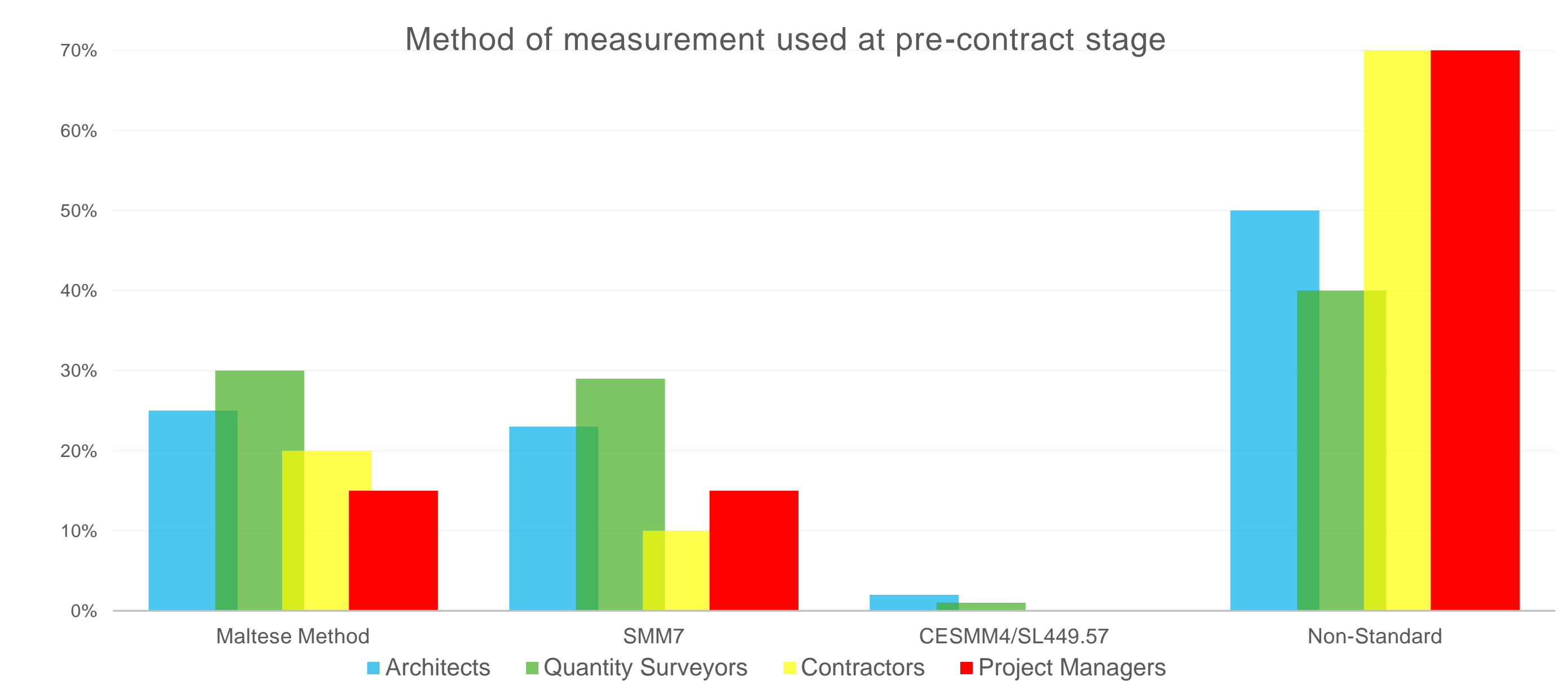
The problems associated with construction planning and control were analysed as well as the causes of delays. It was concluded that the main problems associated with construction management include ineffective project planning when using method of measurements, improper risk identification, unrealistic objectives, delays and lack of integrated techniques.

In contrast, four factors were established for problems associated with planning and control. These factors include inadequate techniques, improper risk identification, lack of understanding of project complexity and unrealistic planning including information flow and resource.

## Research Objectives

- Identify the requirements, factors and task flow for project planning and control.
- Empirically investigate the understanding and definition of a construction project and other projects in order to conceptualise the construction project management managerial process.
- Empirical investigation of industrial problems associated with project management, and planning and control.

## Findings and conclusions



- In Malta we have different types of methods of measurements that we currently use when estimating a building.
- These are: the Maltese Method, SMM7, CESMM4/SL449.57 and the Non-standard method. In Malta, as shown in the graph above, most of the professionals and contractors prefer to use the non-standard method of measurement, with a percentage of 58% of the participants using this type of method.

The problem that was encountered during the analysis of the dissertation, is that every professional and contractor have their own non-standard method of measurement. This will cause misunderstanding of the bills of quantities, especially when estimating and also when tendering. This will lead to more disputes between the parties involved in the contract. In Malta, we have no documented standard method of measurements. Remedies for this issue is to introduce the most reliable method.

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