CHAPTER 1

INTRODUCTION

1.1 Background of study

Construction known in general as an activity involve of clearing, dredging, excavating and grading of land and other activity associate with building, structure and other types of structure such as bridges, dams and roads. The construction industry today is different to the construction industry of the past. Nowadays, construction must deliver the product in the shortest time with the high quality attainable. The construction product must cost-effectively.

In addition, the construction industry contributes to the Malaysian economy. It is important to generating wealth and improving the quality of life for the future generations. Plus, the construction industry provides job opportunities for approximately 800,000 people. The average construction sector growth from 2000 to 2006 is 0.7% (Bank Negara Annual Report 2006).

A construction project is commonly acknowledged as successful when it is completed on time, within budget, in accordance with the specifications, and so to stakeholders satisfaction (Majid, 2006). In construction industry, contractors tend to maximize their profit to increase market share (Murat et al., 2013). It is widely accepted that the schedule of construction project plays a key role in project management due to its influence on project success (Luu et al., 2009).
In the real situation, every project of construction will face a delay. Delay is common thing that will happen on large project because it is involve of many parties. As a result, many major projects fail to meet schedule deadlines (Duran 2006). The common factor delay are late completion of the project, increased cost, disruption of work, loss of productivity, third party claims, disputes and abandonment or termination of contracts (Murat et al., 2013).

1.2 Problem Statement

Now days, Malaysian construction industry faces a challenging compared than before. The project today more complicate because it is involving larger capital investment, straight quality standard and widely dispersed project participants. The construction growth rates in Malaysia fluctuates between extremities that varies from as high as 21.1 percent in 1995 to as low as -24 percent in 1998. Since the 1990’s, the contribution of the construction sector to the GDP also fluctuated albeit at a more stable rate varying from a high of 4.8 percent in 1997 to an estimated low of 2.7 percent in 2005 (CIDB, 2008).

Plus, the demand from the clients is one of the problems that face in construction industry. The clients usually request a lower price with the high quality end project. To fulfill the demand from the client, many workers from Indonesia, Bangladesh, Sri Lanka and others work as labor. The result of the arrival laborers in the construction industry will increase number of unskilled workers.

As the process of construction project development is very complicated and combines various parties’ agenda, comprise many stages of work, and entail a long period until completion (Puspari 2006).
1.3 Research Aims and Objectives

The aim of this research is to identify the delay factors of construction projects on view of contractor and analyze these factors with the relative importance index method.

The objectives of the research are as following:

i. To identify the factor delay in construction project on view of contractor.
ii. Categorize the delay factors in construction project.
iii. Identify the factors and groups contributing most to delays.
iv. Suggest the recommendations in order to minimize or control delay in construction project.

1.4 Scope of Study

This study covered all activities involved in construction project correlated delays during construction. Scope of this study can be simplified as follows:

i. This study has been carried out around area of Selangor and Pahang.
ii. Information and data attained based on literature review and questionnaire survey.
iii. Main focus of respondent selected is contractor.
iv. Construction project that have been considered for this study are from government and private project which focus on building construction.
v. The relative importance index method (RII) is used to analysis data.