

CHAPTER 1

INTRODUCTION

1.1 Background of Study

“You may delay but time does not delay”, Benjamin Franklin. There is an opportunity in every day which new things, ideas, and products will be presented to the world. In a high market price condition, a businessman grabs a chance without any delay to sell and promote their new product in order to gain high benefits.

Delay is a period of time of something should be done being postponed or late which may cause losses and construction delays usually occurred in building industry and many claims arise with a few ending up in litigation (Fong, Wong, & Wong, 2006). According to Hamzah et al., (2011), the delay is defined as time extension to the project completion and mentioned that construction delays cannot be avoided especially in public agencies in Malaysia.

Time is money which also means the lifeblood of any economy that will affect the total cost of the project (Aziz & Abdel-Hakam, 2016a). Delay in construction may cause an escalation of the overall cost of the project as there are some additional costs, increase in direct, indirect and impact cost. Increasing project cost will definitely cause a loss for a contractor. This will affect their project objectives which to maximize the benefits and minimize the cost of the project.

An achievement of a project is when people, equipment, money, materials, and schedules organized and completed within agreed time, cost and scope of the project. The success of a construction project depends on a methodology that requires sound engineering judgement (Odeh & Battaineh, 2001).

A project delay is the cause and effects of all parties involved in the project as one project for all. Therefore, all parties involved in a construction project should have the sense of belonging to the project and work together as a team to make sure the project will successfully complete.

1.2 Problem Statement

In utmost cases, this can point to a situation which instead of the contractors planned to gain benefit, they acquire losses. In addition, untimely completion of the project exerts an impact on the contractor's image on construction market means the perception of their credibility (Głuszak & Leśniak, 2015).

Construction industries are growing industries in Malaysia. Essentially, construction activities are derived from the local economic activities in Malaysia. According to Hamzah et al., (2011), construction of non-residential and residential building contributed between 40 to 55 percent of the total construction reached approximately \$7.21 billion in 2008 and 46.67 billion in 2008, and it potentially hit the \$9.00 billion mark by 2015.

The problem of delay in the construction industry is a global phenomenon and the construction industry in Malaysia is no exception (Murali Sambasivan & Soon, 2007). Malaysia is a developed country, so it is significant to study the causes of delay in the construction industry in Malaysia.

There are 30 large construction projects in Malaysia were identified facing a delay in construction. Out of 30 projects, 17 (56.67%) projects were delayed 1-100 days, 5 (16.67%) projects were delayed 101-200 days, 5 (16.67%) projects were delayed 201-300 days and 3 (10%) project were delayed for above 300 days (Aftab Hameed Memon et al., 2011).

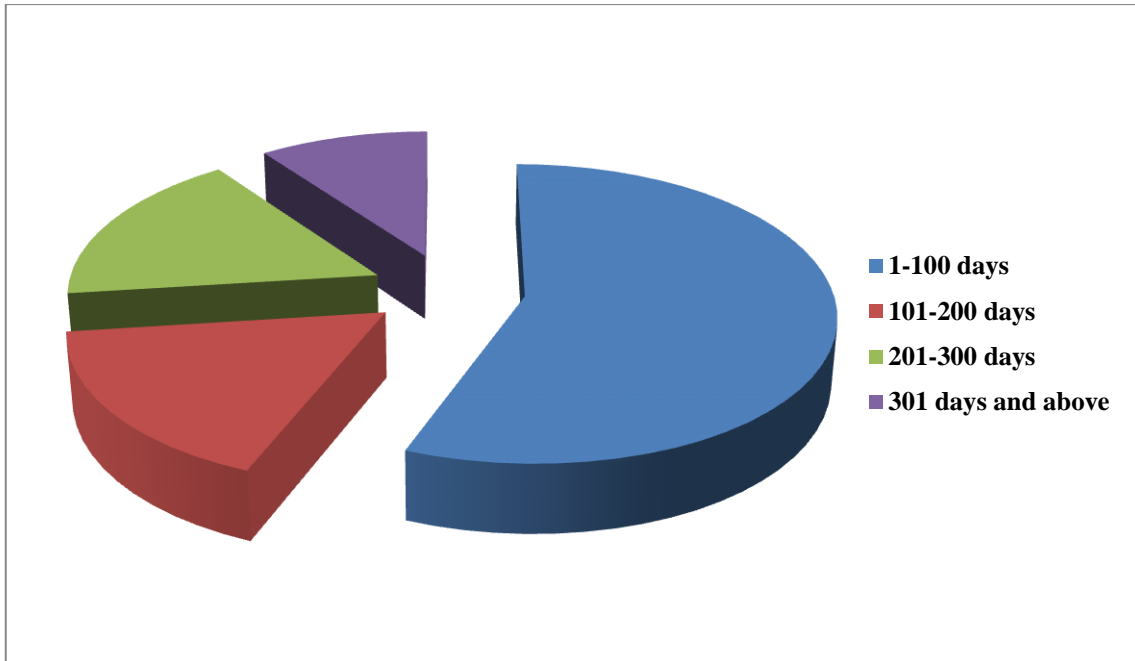


Figure 1.1: Percentage of project facing time overrun in term of days

To avoid these issues, very first and most important step is to identify and rank the major causes of delay in government construction project. Hence, the purpose of this study is to identify the causes of delay for government construction project in Kuching, Sarawak.

1.3 Research Objectives

The purpose of the study is to analyse and study the causes of delays in the public construction industry. The study only focused on the clients, contractors, and consultants in Kuching area. The main objectives are as follow:

1. To identify the factors that lead to delay of a government project in Kuching, Sarawak.
2. To rank to the top 5 most critical causes of delay of a government project.
3. To propose some approved recommendation from expertise in the field in order to avoid delay to occur.