

A Overview: Study on Project Failure Factors for Building Projects in Gwalior Region

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Abstract:-Construction projects in Gwalior region undergo extensive failure. Systematic analysis of the factors causing failure of construction projects needs to develop an understanding among industry professionals is highly important. The higher number of projects failure indicates the presence of major disastrous failure factors, yet these factors are not recognized. From the past studies, the most critical failure factors for building projects are poor risk management, low level of leadership skills, communication gap, delays in payment, improper planning, and scheduling. This study takes an approach and analyzes the factors causing failure of building construction projects in Gwalior region.

Introduction

In India the construction industries play a vital role, it works as a job creator as it provides career eventuality in several departments. It is found that in 2011, there were slightly over five hundred manufacturing organizations of equipment across the India.

According to the new report, India Construction Equipment Market (2016-22), India has become a key global market for construction equipment. According to some researchers construction industry become a major investment which donates around seven percent to Gross domestic products of India. Ahead, it is expected that under some up coming years, the construction industry in India will be considered as third enormous all over the world. The project fails due to many factors but most of the authentication indicates that selective causes such as over budgeting, cost overrun and improper schedule, customer's satisfaction. In 2004 Hughes, Tippet and Thomas have concluded some factors of project failure, which comprise technical failure, improper supervision and execution and communicating gap.

Major projects association (2003) state that failure of projects occurs due to many causes. Project success fascinated with grabbing the knowledge from past experience and for achieving project success it is important to understand the factors due to which failure occurs. From the findings, most causes of failure of the project are the lack of experience, ambiguous goal, improper specification, unclear objectives, unrealistic targets, poor risk management, improper inventory management, shortage of the powerful stakeholder, lack of proper headship, lack of communication, inadequate project perspective.

Literature review

In 2014 Dubem I. Ikediashi, Stephen O. Ogunlana and Abdulaziz Alotaibi set a pattern to recognize and classify the factors due to which failure occurs. The projects failure factors amongst the condemned which were categorized into client, consultants, and contractors. The surveys were found to be significant for explaining building project failure. The following are the ten most highly ranked factors: (1) lack of evaluation of risk, (2) cost overrun, (3) poor communication management, (4) improper scheduling, (5) improper budget estimation, (6) insufficient cash flow, (7) changes in project designs, (8) lack of efficient change management, (9) inadequate project structure and (10) poor project management. Further, after some more studies these factors were grouped into eight factors that is: (1) project management deficiencies, (2) lack of risk management, (3) lack of teamwork, and (4) moral object, (5) interference of government, (6) duress generated through the sponsors, (7) improper scheduling and cash flow (8) customer's satisfaction. As a result of this analysis knowledge gradually increases regarding what build up major categories of project failure factors.

Ebeid (2009) note that the lack of experienced and efficient skillful manpower in the every stage of supervision and site manipulation among team workers in the project was considered as reasons for project failure. Lack of project team members such as contractors, skillful manpower field operators, hamper the capability of project stakeholders for beginning big construction projects with the standardized property of manpower.

Toor and Ogunlana (2008) the top ten rated factors through the survey some other factors are also found effective which causing failure of project these were insufficient material, lack of skilled labor, poor supervision and management (Toor and Ogunlana, 2008) Apart from these other factors, like delay in design providing, improper planning and scheduling, and scheduling deficiencies, variation in design and orders and a contractor's cash flow difficulties were also significant, causing project failures.

Similarly, in 2014 Nguyen, Ogunlana and Lan studied about big construction projects developing countries, they classified most rated factors into four groups such as incapable team members, budget overrun, instability in team members, ethical and technical problems, and old technology.

Mr. Salim S. Mulla, Prof. Ashish P. Waghmare. (Jan 2015) stated that here enough of technology which are used to reduce delay and under budgeting by which many of the construction projects are suffering. Many projects are facing problems due to delay from the side of the client to delay in proceed running bills which results in failure.

Erin mccunen (2007) examined that many actions fail due to the insufficiency of supervision. Generally, this occurs when the various team members do not agree on project objectives. Projects lack particular objectives when difficult adjustments are essential and project owners delay difficult discussions rather than tackling them up front. During the processing of project, the management might be following many features or disregarding essential functionality. The further project suffers from many issues delay in delivering budget overrun and affect the project schedule.

Delivery time, Budget overrun have also influenced the project failure (Peter F. Kaming, Paul O. Olomolaiye, Gary D. Holt, and frank C. Harris, Oct 2010). According to researchers the budget overrun take place repeatedly during the processing and therefore, it is being considered as a server problem as compared to delivery time. The major factors such as delivery time and design changes, poor labor productivity, improper planning and scheduling, and lack of material. Factors which have the impact on budget overrun and time are the increments in the rate of resources, improper estimation, and insufficient experience. In 1997 Kaming, olomolaiye, holt & harris have discussed the failure of the project from the contractor's view that due to the 'inadequate transportation of material' the budget overrun, 'increment in rates of material'. and "cost increase due to environmental restrictions". S. Shanmugapriya, Dr. K. Subramanian (2013), who noticed the reasons for cost overruns were high transportation cost, change in material specification, and increment in material price, frequent breakdown of construction plants and equipment's and rework.

Tan Phat Nguyen, and Nicholas Chileshe (2013) studies have investigated the causes of the failure factor of construction projects. It found that the main reasons for failure factor are knowledge and technical issues. Also, the most important factor that improper planning and scheduling, lack of experience in executing complicated projects, poor design capacity and the frequent design changes, lack of knowledge and ability in managing construction projects, lack of financial capacity of the owner.

Murali sambasivan and yau wen soon (2007) studies the causes and effects of delay in Malaysia. They found that influence of specific causes on specific effects. Cause and effects of delay related to the client's involvement in building projects, contractor performance, and consultant in performing an inspection. The most important causes and effects of delay are; (1) improper planning and scheduling in management issues, (2) poor site management and supervision by contractor, (3) lack of experience, (4) delay in running bill payment to the contractor, and (5) poor communication and coordination by client and other parties. And there are effects are; (1) time overrun (2) budget overrun, (3)Conflicts, (4) arbitration, (5) litigation and (6) total abandonment.

A.A. Aibinu, G.O. Jagboro (2002) studies the influence of construction projects of delay on project performance. The effects of delay budget overrun and time overrun. Budget overrun and time overrun are the most effective of delay in the construction projects. In this regard, poor communication and coordination between the clients and other parties are also the reason of project failure.

In another study on construction projects in Saudi Arabia, conducted by Sadi A. Assaf and Sadiq Al-Hejji (2006) analyzed the percentage of causes of failure which is found through the survey, according to their survey between ten to thirty percent time overrun occurs as comparing with given time, this view is given by seventy six percent of contractors whereas many other participants like consultant, owners indicate the twenty-five to fifty percent of time overrun. And client concludes that most of the delay and failure of the project depends on manpower.

Conclusion

The aim of this paper is to investigate the causes of failures from the literature review of past studies. The time and cost overrun have been found as major causes of failure by some researchers. But most of the researchers note that poor risk management is the major failure factor from which project suffers. There is value in investigating completed projects and identifying variables that influence projects failure factor for building projects. Improper planning and scheduling have also found as the major influencing factor which affects the ability of work and progress. The present study aimed at identifying the failure factors.

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