A Preliminary Survey of Factors Influencing Project Cost Estimating Practice in the Klang Valley of Malaysia

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Abstract. The objective of the survey which was conducted in the Klang Valley of Malaysia was to prioritise factors that are considered by building contractors in estimating the construction cost of buildings. Respondents selected by simple random sampling have been asked to assign a one-to-five rating for each of the total of 79 cost factors identified from the literature review. The result of the preliminary survey of factors influencing project cost estimating practice of building contractors has indicated that only 35 cost factors have been regarded by the respondents from small, medium and large building construction companies as highly relevant for building construction projects. ‘Client requirements on quality’ was found to be the most significant cost factor influencing the construction cost of buildings.

Introduction

Cost is one of the critical success criteria for mass house building projects in developing countries [1]. Various factors influence the construction cost of buildings and to varying degrees. Prioritising cost factors is a useful basis for modelling and predicting construction cost. Past studies related to factors influencing project cost estimating practice were done in Nigeria [2], in the United Kingdom [3], in Singapore [4], in Germany [5,6], and in many other places around the world. Obviously, different countries will have different cost factors for consideration; thus, construction cost estimating process requires an appreciation of a country’s evaluation on the factors influencing the practice.

Literature Review

The seventy-nine cost factors being studied in this research were grouped into Akintoye’s [3] seven factor groupings: project complexity, technological requirements, project information, project team requirement, contract requirements, project duration, and market requirement. These groupings were adopted because they comprehensively covered all the criteria that need to be considered in the construction cost estimating process.

The first grouping, project complexity, was comprised of eight factors: (1) Expected project organization, (2) Type of construction, (3) Construction method/technology, (4) Rigidity of sequence, (5) Overlap of phases or concurrency, (6) Scale and scope of construction, (7) Complexity of design and construction, and (8) Degree of repetition with building.