



***Ci3 India* - Consultants Round Table** **October 18, 2016**

Action Item #2 – Study on Construction Project Time & Cost

Background & Objectives of Action Item #2

- Two regional roundtables identified the need to identify and control critical factors that impact time and cost
- Action team#2 was formulated for this purpose
- Objectives of the action item
 - Identify factors impacting time and cost
 - Recommend best practices, mitigation measures and policy recommendations to mitigate factors impacting time and cost
 - Identify stage wise targets to reduce time and cost in construction projects

Highlight of actions to date...

Action	Description	Way forward suggested
1. Regional Roundtables (Chennai & Mumbai)	<ul style="list-style-type: none"> • Time and cost reduction - priority issue • Discussed and concurred on reducing time and cost in projects by setting stage wise targets. 	<ul style="list-style-type: none"> • Action team formulated
2. Conference call -1	<ul style="list-style-type: none"> • Concept paper on time and cost overruns were summarized sent to the participants to set the context. 	<ul style="list-style-type: none"> • General discussion on issues that impact time and cost. • Factors to be studied based on project phases namely – <u>Concept phase , Planning and Design phase, Execution and monitoring</u> (general issues are elaborated in the following slides)
3. Conference call -2	<ul style="list-style-type: none"> • Issues were identified in each of the three phases from literature. • Members were asked to comment on relevance of issues and recommend additional issues. 	<ul style="list-style-type: none"> • A total of 52 issues identified as relevant • Recommended to validate the issues by sending to broader set of owners.
4. Questionnaire survey	<ul style="list-style-type: none"> • A questionnaire survey was designed to understand owners perspective on the impact of issues 	<ul style="list-style-type: none"> • Received 28 responses (sent to around 45 members)
5. Analysis of response	<ul style="list-style-type: none"> • The responses analyzed using Relative importance index 	<ul style="list-style-type: none"> • Important issues were identified in each phase.

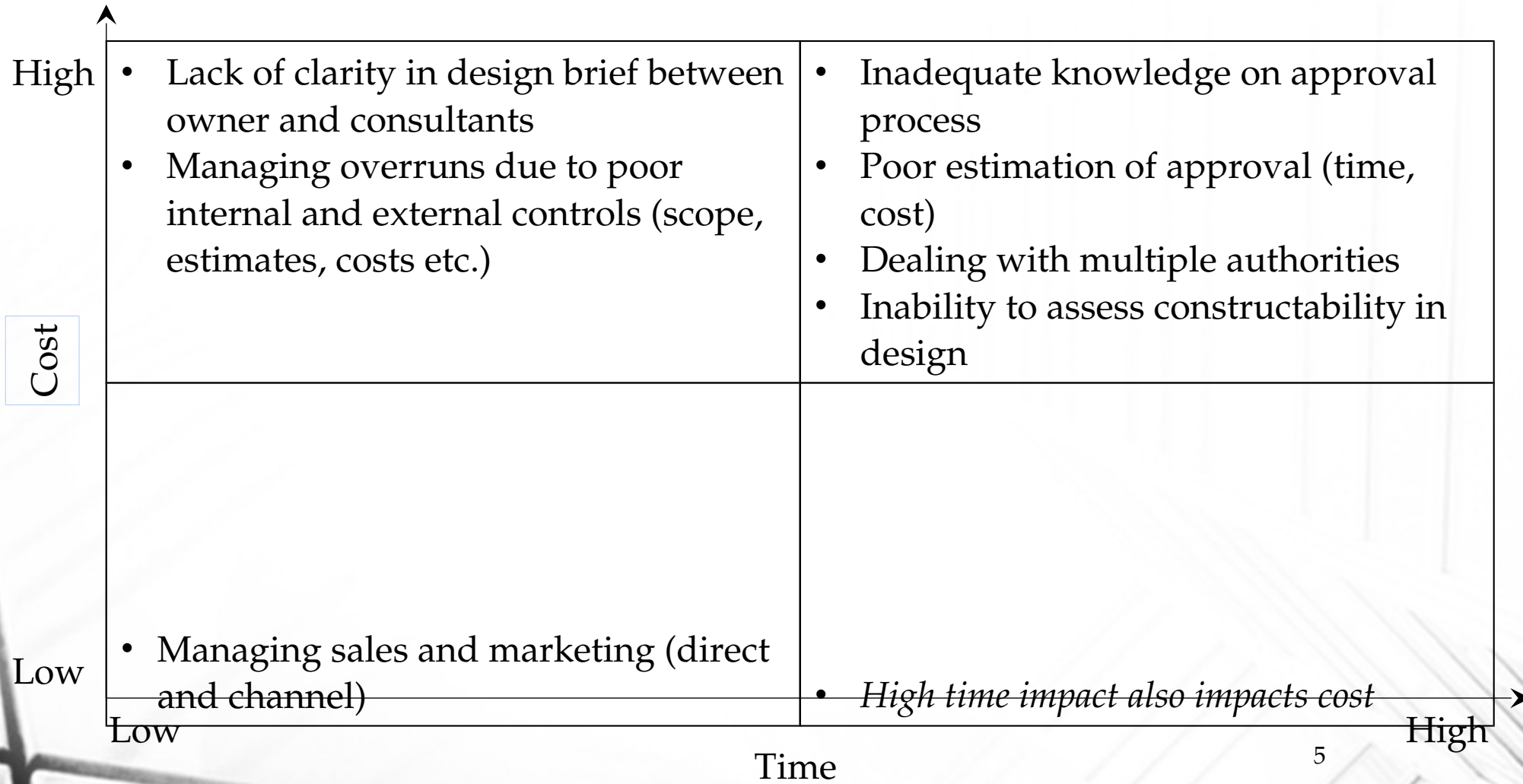
Concept Phase

Significant Issues Impacting Time & Cost

<p>High</p> <p>Cost</p>	<ul style="list-style-type: none"> • <i>High cost impact also impacts time</i> 	<ul style="list-style-type: none"> • Clearing encroachments and rehabilitation • Lack of skilled people and data for preparation of DPR and financial models
<p>Low</p>	<ul style="list-style-type: none"> • Identifying time for project launch • Adhering to new land acquisition acts 	<ul style="list-style-type: none"> • Land related - getting fair market value • Obtaining change of land use • Getting fair market value
	<p>Low</p>	<p>Time</p> <p>4</p> <p>High</p>

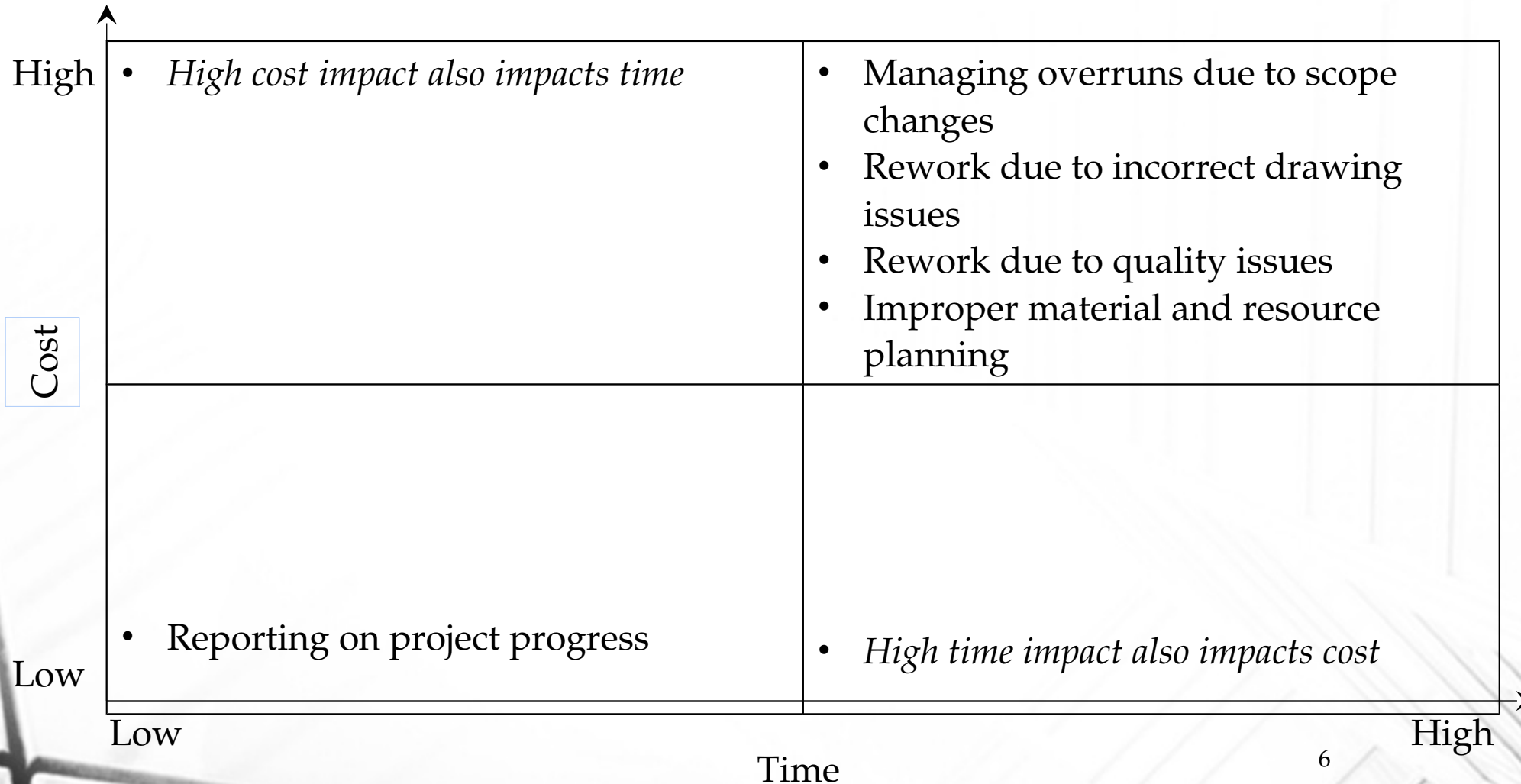
Planning Phase

Significant Issues Impacting Time & Cost



Execution Phase

Significant Issues Impacting Time & Cost



Discussion

- Feedback on survey results from participants

Next Steps

- Benchmark with real data
 - Collect actual information (time & cost) on original baseline vs actual on time and cost for each of the three phases
 - Compare the quantitative data with qualitative analysis
 - Recommend targets for reduction
 - Recommend potential intervention strategies



Thank You