Abstract

The construction industry plays a central role in the creation of any nation’s wealth. For developing economies, it forms the backbone of most industries. However, cost escalation, schedule overruns and quality shortfalls on construction projects often offset the intended contribution of the industry to the economy. The aim of the study reported in this paper was to highlight major causes of cost escalation, schedule overruns and quality shortfalls in the context of the Zambian construction industry. Using a questionnaire survey, the results of the study confirmed the prevalence of cost escalation, schedule delays and quality shortfalls on construction projects in Zambia. Clients, consultants, contractors and financiers identified ‘insufficient initial analysis of costs’ and ‘change orders’ as the most frequent and severe factors that caused cost escalation. ‘Change order changes’ and ‘financial difficulties on the part of the contractors’ were ranked as the most frequent and severe causes of schedule overruns. On the other hand, ‘poor financial management’ was established to be the most common and severe factor that caused quality shortfalls on construction projects. Appropriate project management practices and training have been recommended for construction projects to be executed successfully, especially in developing economies like Zambia.

Keywords

Construction projects, cost escalation, schedule overruns, quality shortfalls, Zambia.

INTRODUCTION

The construction industry is a conglomerate of diverse fields and participants that are loosely lumped together as a sector of the economy (Hendrickson and Au, 2003). The industry plays a central role in national development. The importance of the industry lies in the function of its products that provide the foundation for industrial production. As such, the construction industry’s impact on national economies need not be measured by the value of its output or the number of persons employed in its activities alone (Ibid). Effective and efficient management of the industry is, therefore, important.