

Building trade divided over productivity, measures

Study by contractors' association finds firms differ over what it means, how to measure it. They also dispute some official figures and a number have no productivity policies at all

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A RECENT study on construction productivity has recommended that companies adopt better practices in project planning and management for productivity improvement.

It also said construction companies should measure productivity at trade, project and firm levels to be able to set corporate and project targets, monitor their work and assess performance.

This was after 110 of the 3,032 members of the Singapore Contractors Association Limited (SCAL) or approximately two in 50 participated in the electronic survey, giving a response rate of 3.62 per cent.

The study was initiated by SCAL and the Singapore Chinese Chamber of Commerce and Industry (SCCCI) last year to find and recommend ways to help the industry improve productivity and enable the government to devise better policies and programmes.

Led by Professor George Ofori from the National University of Singapore, it set out to understand factors underlying construction productivity in Singapore, ascertain how agencies and construction firms measure it, and explore the best way of measurement that would help the government draw up policies to enable firms to improve their productivity performance.

SCAL president Kenneth Loo said:

"While we adopt new technologies and construction methods, we also need to address how processes can be improved, and minimise duplication, rework and delays.

"Only then can we have a holistic approach to productivity improvement in construction."

The detailed findings of the study, *Construction Productivity in Singapore: Effective measurement to facilitate improvement*, was revealed at a Construction Productivity Conference, held on Wednesday.

According to the study, to two in three of the respondents, productivity meant output per person employed, placing importance on setting reasonable project schedules.

Another significant portion

thought it meant time saved and unit cost of work, placing emphasis on the need to consider cost as a key productivity indicator.

More than half of the respondents said productivity in the construction industry increased between 2010 and 2015, while three in 10 felt it had fallen.

To the majority, the government, followed by contractors, was considered to be "paying adequate attention" to productivity; under half considered consultants to be doing the same and even fewer thought clients did so.

Over half of the participants did not agree with official data that showed in most years, construction productivity growth was the lowest

for all sectors, citing the following reasons for their views: that the construction industry comprises many segments which are best considered separately; that productivity can be measured in many ways; and that construction should not be treated like other sectors of the economy.

Those surveyed felt the main contractor is the most important party influencing productivity and that the top five factors for low productivity, but are outside companies' control, were: delays in information given to contractors; delays caused by compliance with regulations; changes in design; priority given to other project parameters such as cost, quality and safety; and complexity of the project.

When it came to their own firms,

fewer than half had written policies on productivity improvement on their projects, and almost three in five indicated that their firms did not have productivity policies at all.

Two in three respondents said their firms measure productivity of their projects "to help them carry out projects and to meet business and regulatory needs". But a significant proportion of firms do not measure productivity at any level.

The study recommended that in order to enhance the productivity of Singapore construction firms and practitioners, there is a need to create strategies to have firms compete through performance improvement and have productivity targets and attainments in line with all sectors of the economy.