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**STRENGTHEN THE INTERACTION AMONG MAIN
CONTRACTOR AND SUB-CONTRACTOR TO IMPROVE
CONSTRUCTION PERFORMANCE IN MALAYSIA**

Dissertation submitted in partial fulfilment
of requirement for the award of
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ABSTRACT

This research is about interaction among the main contractor and sub-contractor that can determine the result of the construction performance in Malaysia. Generally, construction and development projects will typically be initiated by construction parties such as builders, suppliers, architects, engineers, surveyors, and developers. Consequently, misinterpretation between the parties will still be present due to all of the parties concerned, from the experts to the workers. More consideration must be paid to the interaction between the main contractor and the subcontractor because they will be carrying out the overall construction. The major issues related to the relationship between the main contractor and sub-contractor are lack of communication and information, late progress payment from the main contractor to the sub-contractor, and lousy behaviour. Therefore, the aim of the research is to identify and analyse issues and ways to improve the interaction between the main contractors and sub-contractors for better construction performance in Malaysia. For the research objective, to investigate the issues of interaction between the main contractors and sub-contractors in Malaysia and to recommend the ways to improve the relationship among the main contractors and sub-contractors in Malaysia. The methodology method used to conduct this research was the quantitative method. The close-ended questionnaire survey was distributed among contractors in Klang, Selangor and the data collected was analysed using Statistical Package for Social Sciences (SPSS) version 28.0. There were 186 emails, and 93 private messages were delivered, and 73 responses were received at 26%. The most widely agreed-upon issue was contractor financial management. Regarding the variables of the recommendations, most of the areas will not be able to solve all of the issues associated to contractor interaction, but it will contribute to reduce issues that arise.

Keywords: *Main Contractors and Sub-Contractors, Construction Performance, Malaysia*

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TABLE OF CONTENT

ABSTRACT	i
ACKNOWLEDGEMENT	ii
TABLE OF CONTENT	iii
LIST OF FIGURES	ix
LIST OF TABLES	xi
LIST OF ABBREVIATIONS	xiii
CHAPTER 1: INTRODUCTION	1
1.1 BACKGROUND OF RESEARCH	1
1.2 PROBLEM STATEMENT	3
1.3 RESEARCH AIM	5
1.4 OBJECTIVES	5
1.5 RESEARCH QUESTIONS	5
1.6 SCOPE AND LIMITATIONS OF RESEARCH	5
1.7 METHODOLOGY	7
1.7.1 Study population and sampling method	8
1.7.2 Data collection method	8
1.7.3 Data analysis technique	9
1.8 SIGNIFICANCE OF RESEARCH	10
1.9 CHAPTER OUTLINE	10

CHAPTER 1: INTRODUCTION

1.1 BACKGROUND OF RESEARCH

The construction industry significantly affects the growth of all countries worldwide, including Malaysia. To achieve a developing country, Malaysia should have enough facilities and infrastructure to cater to the demand. According to Yunus and Zainuddin (2020), the construction industry contributes about 5% of the country's economy or an estimated RM1.3 trillion. It shows how crucial the construction industry is for the nation to preserve the sustainability of the economy.

Usually, construction activities and development will be initiated by construction parties such as contractors, suppliers, architects, engineers, quantity surveyors, and developers (Ahmad, 2011). Therefore, misinterpretation among the parties will always present due to many parties involved, from the professionals to the labourers. The relationship between the main contractor and subcontractor needs to be more observed because they will execute the overall construction. Mudzvokorwa, Mwiya, and Mwnanaumo (2020) stated that the sub-contractor performs 90% of the building's work with the main contractor's instructions.

To understand the relationship between the main contractor and the sub-contractor, the definition of both of them must enlighten. Abdullah (2019) defined the main contractor as a person or company whose tender works have approved or signed a contract for the project. In contrast, the sub-contractor means the person or company that is generally the specialist, merchant, tradesman, and other executing any work or services or supplying any materials to the construction project. All of the subcontractor's works will be supervised and accounted for by the main contractor (Chen, Okudan, and Riley, 2010)