

**THE PRACTICE OF VALUE MANAGEMENT  
IN THE MALAYSIAN CONSTRUCTION INDUSTRY**



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## LAPORAN AKHIR PENYELIDIKAN "THE PRACTICE OF VALUE MANAGEMENT IN THE MALAYSIAN CONSTRUCTION INDUSTRY"

Merujuk kepada perkara diatas, bersama-sama ini disertakan 2 (dua) naskah Laporan Akhir Penyelidikan bertajuk "*The Practice Of Value Management In The Malaysian Construction Industry*" oleh kumpulan Penyelidikan UiTM Shah Alam untuk makluman pihak Tuan.

Sekian, terima kasih.

Yang benar

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## ABSTRACT

This study focuses on value management (VM) and its practices in the construction industry in Malaysia. VM, which is defined as 'a multi-disciplinary, team orientated, structured, analytical process and systematic analysis of function which seeks best value, via the design and construction process to meet the client's perceived needs', is a relatively new field of study in Malaysia.

As such, this study investigates the current developments and practices of VM applications in the construction industry in Malaysia. It then determines whether VM adheres to the procedures and protocols associated with 'value methodology'.

As the knowledge and application of VM in Malaysia is not as sophisticated as in many other countries, the interviews has been deemed appropriate in answering the questions posed. Furthermore, it has utilised the qualitative approaches to enhanced data collection and analysis.

This study has shown that the Malaysian construction industry needs a better approach in project delivery. The data obtained and analysed show that the construction industry should adopt VM methodology in order to enhance efficiency and to deliver maximum value to its clients. It has also demonstrated the need for the construction industry to be more proactive in its stance and for better and innovative solutions to be integrated into the construction processes.

# CHAPTER 1

## BACKGROUND OF THE RESEARCH

### 1.0 INTRODUCTION

Value Management (VM) in the Malaysian construction industry is the main thrust and focus of this study. VM, which is defined as 'a multi-disciplinary, team orientated, structured, analytical process and systematic analysis of function which seeks best value via the design and construction process to meet the client's perceived needs'.

This chapter fundamentally signpost the component parts of this research. It is in this context that the rationale for this research is discussed vis-à-vis the aims and objectives of the study. The theoretical framework and research design are discussed, to illustrate the conceptual framework of the study.

The details of the research and a brief outline of the research methodology employed are discussed here, so as to provide a better picture of the density of the study. In a most conventional tone, the significance and limitations of the study as discussed here, set out the ramifications of the study in as clear a pattern as possible, and pave the way for a more lucid understanding.

It also explains the context of the research, rationale for the study; focusing on the application of VM in the Malaysian construction industry associated with the clients, the process of decision making and the clients' perceived value. In an attempt to explore the concept of VM and its relationship with several other concepts, this research is designed to achieve the aims and objectives presented in the following sections. This chapter concludes by briefly discussing the structure of the study.