

UNIVERSITI TEKNOLOGI MARA

**A FRAMEWORK OF SIGNIFICANT
CLAUSES IN THE STANDARD
FORMS OF CONTRACT FOR
INDUSTRIALISED BUILDING
SYSTEM (IBS) IN MALAYSIA**

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ABSTRACT

The Industrialized Building System (IBS) was introduced over 10 years ago in Malaysia, with well-documented benefits and strong support from the government. Unfortunately, the pace of IBS adoption is still slow and below the government's target. Construction players are still facing various issues and challenges when adopting IBS, particularly on contractual aspects, which contribute to the low adoption of IBS in Malaysia. As of to date, there is still a lack of provision in the significant clauses in the Malaysian standard form of contract to suit the IBS construction. Therefore, this research aim is to develop a framework of factors for the improvement of the significant clauses in the standard form of contract for the IBS construction in Malaysia was underpinned using the Deming's Theory. The objectives of this research are to investigate issues in the contractual aspects of the IBS construction approach in Malaysia, to examine the current lack of provision in the significant clauses in the existing Malaysian standard form of contract with designated countries in relation to the IBS construction, to analyse the significant clauses identified that are used in the existing Malaysian standard form of contract in relation to the IBS construction and to propose the improvement factors for the significant clauses in the existing contract for a project in relation to the IBS construction. This research used a multi-method approach to achieve the research aim and objectives. This includes an extensive literature review, document analysis, preliminary survey, questionnaire survey and semi-structured interviews. The data collected were analysed using various statistical tests via SPSS software and content analysis via Nvivo software. The research revealed that there are six significant clauses with important factors that can be improved in the existing Malaysian standard form of contract in relation to the IBS construction. The research also develops a framework that will be able to assist the policy and decision-makers in understanding what the improvement factors that need to be considered in the significant clauses in the standard form of contract in relation to the IBS construction. The research output (the framework) was validated by the prominent industry players on the practicality, suitability to its purposes for the related stakeholders. The framework developed might be able to accelerate the adoption of IBS construction in parallel with the initiatives (P3) in the Construction Industry Transformation Programme (CITP).

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