

CLIENT SATISFACTION ON CONTRACTORS' WORK PERFORMANCE

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To my beloved husband and family

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ABSTRACT

Client satisfaction in the construction industry can be defined as how well a contractor meets the client's expectation. A contractor must have a detailed understanding of the customer expectations and be able to satisfy those expectations. The aim of this study is to identify the appropriate criteria in improving the measurement methodology of contractor performance for client satisfaction and continual improvement. The need of the identification criteria of client's satisfaction is to ensure that the contractor and the client are aiming at the same targets and perceptions. The objectives of the study are to identify the constituents of clients' satisfaction, criteria for assessment, and actual levels of satisfaction and performances, as perceived by clients. The study focused on the client satisfaction on contractor work performance in dealing with construction projects by Sunway Construction Sdn. Bhd. The respondents are among middle management level of the clients and consultants who directly involved with the monitoring of project at construction site. The data collected was analyzed using the Average Index methodology and qualitative analysis. The study shows that the very important criteria in assessing contractor work performance are related to the project planning, contract administration, construction, quality and safety. The main concerned of the areas of improvement by clients are staff competency, timely completion, resources supervision and monitoring, quality consciousness and safety compliance. The premise is that when those identified areas are improved, the continuous improvement shall be attained. The improvement of the measurement criteria of client satisfaction shall demonstrate the benefits of achieving client satisfaction which emphasizing on prevention method of do it right the first time to eliminate waste and rework. This turn will lead to an overall improvement of quality, productivity and competitiveness of the construction industry.

ABSTRAK

Kepuasan klien di dalam industri pembinaan dapat didefinisikan sebagai sejauh mana kebolehan sesebuah kontraktor memenuhi jangkaan klien. Kontraktor hendaklah mempunyai pemahaman yang terperinci tentang jangkaan klien dan mampu untuk memenuhi segala jangkaan mereka. Matlamat kajian ini adalah untuk mengenalpasti kriteria kepuasan klien yang bersesuaian di dalam memperbaiki kaedah penilaian persembahan kontraktor ke arah kepuasan klien dan pembaikan berterusan. Keperluan mengenalpasti kriteria kepuasan klien adalah untuk memastikan kontraktor dan klien bermatlamatkan target dan persepsi yang sama. Objektif kajian adalah untuk mengenalpasti sebahagian daripada kepuasan klien, kriteria penilaian dan tahap kepuasan dan persembahan sedia ada sebagaimana yang diertikan oleh klien. Kajian ini telah difokuskan ke atas kepuasan klien terhadap persembahan kontraktor melaksanakan projek pembinaan yang melibatkan Sunway Construction Sdn. Bhd. Responden terdiri daripada klien dan perunding golongan pengurusan pertengahan yang terlibat secara langsung di dalam mengawasi projek pembinaan. Data yang diperolehi telah dianalisa menggunakan kaedah Indeks Purata dan analisis kualitatif. Kajian menunjukkan kriteria yang paling penting di dalam penilaian terhadap persembahan kontraktor adalah melibatkan pengurusan projek, pentadbiran kontrak, pembinaan, kualiti dan keselamatan. Perkara yang menjadi kerisauan klien untuk diperbaiki adalah kecekapan pekerja, penyediaan di dalam waktu yang ditetapkan, penyeliaan sumber keperluan, kesedaran terhadap kualiti dan mematuhi peraturan keselamatan. Tujuannya adalah apabila perkara-perkara yang dikenalpasti itu telah diperbaiki, pembaikan berterusan akan dicapai. Pembaikan terhadap kriteria penilaian kepuasan klien dapat mendemonstrasikan faedah-faedah memenuhi kepuasan klien sekaligus menitikberatkan kaedah melakukan sesuatu dengan betul pada pertama kali bagi menghapuskan pembaziran dan pengulangan kerja. Ini akan menghalau ke arah kemajuan keseluruhan dari segi kualiti, produktiviti dan persaingan di dalam industri pembinaan.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Client satisfaction and continuous improvement are the fundamental goals of construction processes. Client satisfaction in the construction industry can be defined as how well a contractor meets the client's expectation. Satisfaction can be viewed in terms of a process of "expectancy disconfirmation" that is, the confirmation or disconfirmation of an expectation in which satisfaction is based largely on meeting or exceeding expectations (Maloney, 2002). An expectation is a belief or anticipation of what will happen as a result of an action. A client makes a decision to select a particular contractor to provide construction services. In making that selection decision, the client formulates expectations as to what will happen as a result of that decision.

Improving client's satisfaction has received considerable attention in recent years. Client satisfaction has become one of the key issues for companies in their efforts to improve the performance in the competitive marketplace.

The client's expectations of construction are a function of several factors, which includes the client's past or direct experiences with the contractor, verbal information about the contractor and the client's personal needs. It is necessary to establish the criteria used by the clients to measure satisfaction, or to assess the contractor's work performance in meeting their requirement. The knowledge of these criteria could guide in tailoring their offerings to meet clients' key needs and

by doing so, deliver satisfactory outcomes. This study would contribute knowledge area by identifying the constituents of clients' satisfaction, criteria for assessment, and actual levels of satisfaction and performances, as perceived by clients. The need of the identification and possible criteria of client's satisfaction is to ensure that the contractor and the client are aiming at the same targets and perceptions.

1.2 Problem Statement

The need to improve contractor's work performance in order to meet client's satisfaction is highly in demand. The client's expectation plays an important role in the evaluation of contractor's work performance. Contractors should periodically measure client satisfaction in order to learn how satisfied their clients are.

The worse thing is the contractor was unable to identify the weaknesses and key factors in improving the most important construction processes which resulting of failure in meeting client satisfaction. Once the attributes of a service or product affected client satisfaction are determined, they should modify their current offering in a way that would lead to maximum client satisfaction.

Further, there should be a paradigm shift from focusing solely on objective criteria (time, cost and quality constraints) to an empathetic posture of seeing things, not from the objective reality point of view, but from the client's perceptions of the objective reality. Adoption of this approach by contractor is envisaged to close the gaps in perceptions, between client's prioritization of their requirements and how far the contractor understands of these priorities. Therefore the delivery of the project within measurable parameters (i.e. time, cost and quality constraints) is not the ends in themselves, but could contribute to satisfaction depending on client's perceptions on them.

The key to understand is that the client is now a moving target – their expectations and requirements are constantly changing. To keep up with their ever-changing goals, the contractors need to have in place a system of identifying, measuring and continuously improving their tangible and intangible products or services.

1.3 Aim and Objectives

As mentioned earlier, client satisfaction should be considered as an additional and most crucial project objective (i.e in addition to time, cost and specification targets), which should be measured and monitored in the construction process. In specific terms, the aim of this study would be to improve the method of identification & measurement of contractor's work performance for optimal customer satisfaction and continuous improvement.

To achieve the aim of the study, three (3) objectives were set:

- 1) To investigate the existing level of Client Satisfaction towards contractor's performance;
- 2) to determine the suitable and appropriate criteria as a measurement tool for client satisfaction; and
- 3) to propose the possible ways of improving client satisfaction levels for continuous improvement

1.4 Scope of Study

The study is concerned with the investigations of client satisfaction towards contractor performance in completing construction project and to identify the appropriate criteria as a measurement methodology of construction processes for client satisfaction and continual improvement. The main thrust of this study will be

to identify “WHAT” are the processes that can be measured and “HOW” they are measured.

The scope of the investigations is limited to the main contractor performance towards client satisfaction that is defined to be among the consultants and clients’ perspective that are at the forefront of innovation in construction industry during construction process. The case study has taken place at Sunway Construction Sdn Bhd. as the contractor and the clients were among the clients and consultants who have involved with construction projects by the contractor. The selection of the contractor is based on the availability of data related to the client satisfaction and recommended for continuous improvement towards the successful of company surviving in the construction industry.

1.5 Methodology

Methodological approaches to client satisfaction assessment and measurement towards contractor performance in completing the construction projects are investigated based on the objectives determined earlier. There are four (4) methodological approaches involved which were from the archiving data, literature review, questionnaire and analysis of data.

1.5.1 Archiving Data

The existing level of client satisfaction for the past four (4) years were sourced through the archived data of yearly Sunway Construction’s Client Survey Report prepared by Quality Assurance Department of Sunway Construction Sdn. Bhd. which could be browse through the Sunway Group’s Portal.

1.5.2 Literature review

Information shall be gathered through literature review of journals, reference books, research papers, magazines and also information via electronic sources such as internet and related websites. Further research shall be conducted to support the data collected and significantly helps in the analysis.

1.5.3 Questionnaire

A set of questionnaire was created to and distributed among the clients, consultants and contractor. Feedback from the questionnaire will be used as basis information to the data collection and analysis towards the findings which resulting in achieving the objectives determined.

1.5.4 Data Analysis

Subsequently from the data collected, analysis shall be done to conclude the findings of the study. As a conclusion, it is expected that the appropriate criteria of assessing the contractors' performance were identified with the proposed ways of improvement towards client satisfaction.

The methodological approached to each objective are summarized in Figure 1.1. The research methodology shall be discussed further in Chapter 3.

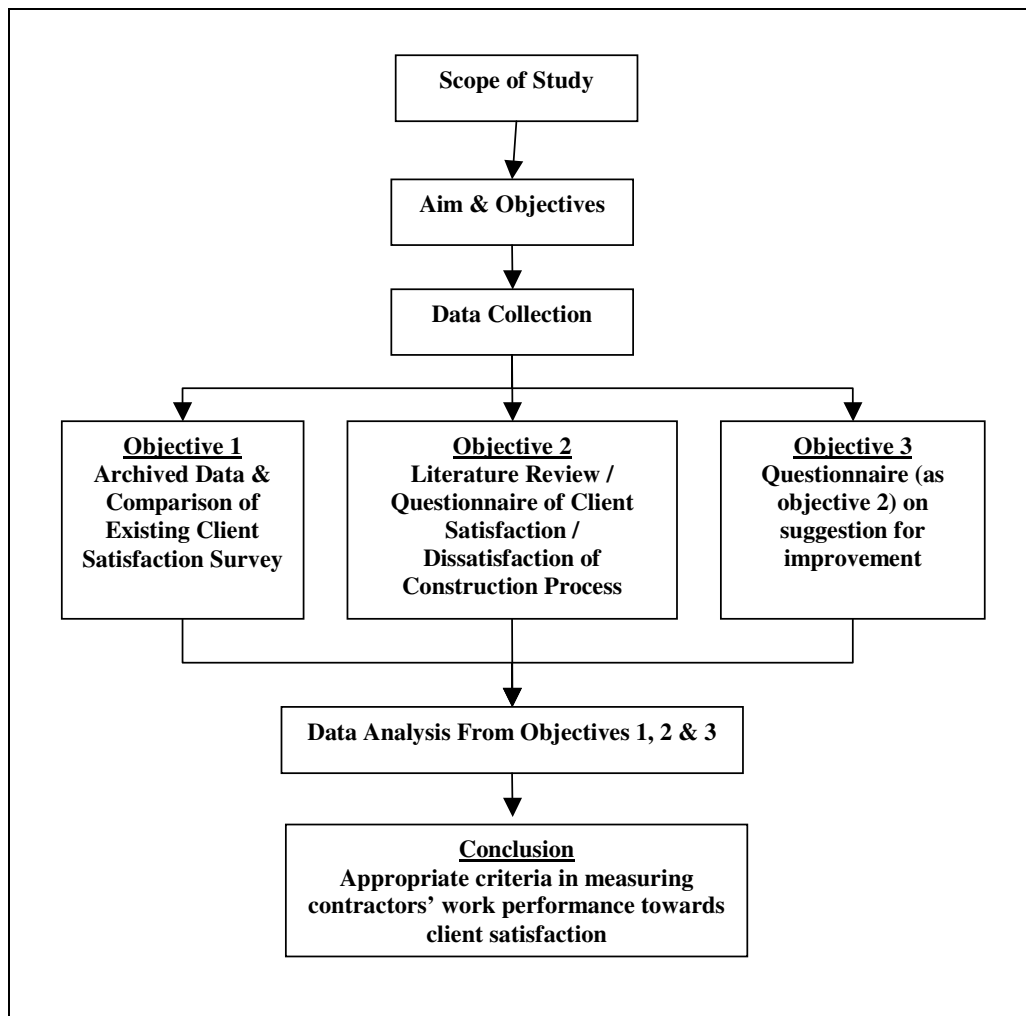


Figure 1.1: Research Methodology Flowchart