

EFFICIENT PROCUREMENT MANAGEMENT IN UK CONSTRUCTION PROJECTS

S. Binil Sundar*

ABSTRACT

The word “success” is liked by all; no wonder it means a favorable termination of endeavors. In construction industry too, it holds high place; where any project either big or small is started with hopes for success; which has been achieved but also failed many a times. Selection of right procurement strategy is vital in construction industry as it highly determines the end result of the project, whether it would be declared a success or a failure. Right selection of procurement is a combined effort of client’s clear brief and the delivery from the consultants and contractors. This report is an assessment of procurement options and important factors leading to selection of recommended procurement strategy for Robbington Leisure plc’s racecourse project at Hamchester. This report deals with appropriate Client’s objectives for the project. It briefly introduces the project and also gives small insight on British Race Course Authority. Work schedule as per Client and need for project is also highlighted in this part. Talking about Client’s objectives, it focuses on primary parameters such as Cost, Time and Quality along with factors like Risk and Responsibilities, Sustainability and future Relationship interest.

This report describes and evaluates different procurement methods. It deals with different procurement method, namely traditional method, design and build method, management system and partnering and how it fares on the important Cost, Time and Quality factor. It also illustrates the major advantages and disadvantages of each mentioned procurement strategy. Also it is about selected procurement strategy and the justification on the selection for the same. Since Strategic Partnering is recommended procurement strategy given in this report, it clearly identifies the objectives of the clients and how the given strategy can achieve it with win-win situation to all the stakeholders involved, and also importance of risk sharing in the process of Strategic Partnering.

Keywords: Procurement, Strategy, Cost, Time, Quality & Partnering.

* Asst Professor, Civil Engineering Department, B.S Abdur Rahuman University, Chennai, India.

1. Introduction:

1.1 Background

- A. Robbington Leisure plc like any other smart and active organizations believes in moving its business forward constantly. They are part of UK's largest operators of horse racing, and their operations includes six racecourses which stage 20% of all the racing fixtures held each year, clearly indicating their leading position.
- B. The Robbington race body of work includes one of the oldest classic races in the world. Besides that their portfolio also includes the St Dredger Stakes, as well as other high profile race meetings throughout the year.
- C. Conferencing and banqueting facilities are part of all of Robbington's racecourses capable of operating all days long in a year. The dynamism of the organization is also proved by the fact that their leisure offering includes 18-hole gold courses at two of their racecourse, one of which also provides a leisure club, and an integrated, branded hotel at a third racecourse.

1.2 Racecourses in Britain (British Horseracing Authority website)

- A. The variety of horseracing in Britain is unparalleled anywhere in the world. Britain horse racing is governed by British Horse Racing Authority. Racecourses throughout Britain are all individual in size and topography, all must adhere to common standards set by the British Horseracing Authority in order to obtain a license to race. The Racecourse Department therefore plays a vital role in the ongoing monitoring and improving of participant safety, welfare and workplace.
- B. British Horse racing Authority has also set out all of the regulations for the design and construction of racecourses within in the UK. It has also provided with certain Codes of Conduct to be followed by jockey, trainer, owner and staffs.

2. **Scope:**

2.1 Need for the project:

- A. Not only moving its' business forward, but adapting to the change in today's world is equally important. Therefore, Robbington are proposing a redevelopment racecourse at Hamchester.
- B. The project is to make substantial improvements to their front runner racecourse which hosts the St Dredger Stakes every year, with addition of more leisure activities. The proposal is divided into two phases, as such:

a. Phase I:

- i. Demolition of the existing grandstand
- ii. Construction of a new 5-storey grandstand to include an extensive conference and exhibition centre and associated external works.
- iii. Refurbishment of two existing stands.

b. Phase II:

- i. Construction of a new 120-bed hotel facility and casino.

2.2 Work Schedule:

<u>Phase</u>	<u>Requirement</u>	<u>Completion By</u>	<u>Budget</u>
Phase I	Demolition of the existing grandstand	2010	-
Phase I	5-Storey grandstand- with conference and exhibition centre	2010	£ 25 M
Phase I	Refurbishment of two existing stands	2010	£ 5 M
Phase II	Hotel and Casino	2011	£ 12 M

Table 1: Work Schedule

3. Client's Objectives:

3.1 Primary Objectives:

A. **Cost:**

a. The set budgets have been provided for the construction projects, for example:

i. Construction of a new storey grandstand includes conference and exhibition centre and associated external works: Budget 25M GBP.

ii. Refurbishment of two existing stands circa 100 years old: Budget 5M GBP.

iii. Construction of hotel facility and casino: Budget 12M GBP.

b. Any client, any stature always thinks of Cost control. Introducing of cost factor in a design and construction process always produces a better end product than what would be produced in its absence.

c. The most economic design is not necessarily the cheapest. It is on the other hand the one which gives the best value for money.

B. **Quality:**

a. Robbington Leisure plc is a “dynamic” leisure group. The word “dynamic” reckons its force and magnetism hence first impression for achieving Quality.

b. Its portfolio includes the oldest classic races in the world, the St Dredger Stakes, as well as other high profile race. Besides that it is looking forward to enhancing leisure offering with golf courses, refurbishment of two existing stands, branded hotel and casino too.

c. The idea of race course's has changed over there, where in past it used to be simple place for relaxation watching evening races, now its much more beyond races, it's a place where many business do happen. Robbington Leisure wants to capture the exact essence of mixing pleasure with business.

d. These lines reinforce the idea of having prestige design. A design which would be talked about and add to their reputation.

e. The work is generally divided into two phases, giving opportunity to variations and flexibility.

f. Development is complex, specialized and technologically advanced because of the addition of new areas like hotel and casino hence equal focus on services to be provided in these areas too.

g. No construction can look and feel majestic unless and until materials are used of good quality and workmanship is given care of.

C. Time:

a. Race course must be used according to season, so basically Robbington Leisure must be targeting the earliest race season to cash in the popularity.

b. Besides that, it has been mentioned that:

- i. During Phase I, the 2009 St Dredger meeting and others will be relocated to other courses.
- ii. The 2010 St Dredger Stakes, scheduled for mid- September, must return to its original place, i.e. Hamchester.
- iii. Similarly, hotel and casino facility to be operational for the 2011 St Dredger meeting in mid- September.

c. All these points clearly indicate the importance of deadlines for the project.

d. Moreover, the division of project in phases also adds up to Time as an important factor.

3.2 Other Objectives:

A. Risk Avoidance and Responsibility:

a. Robbington is big project, and considering the focus on time, cost and quality, the client would definitely try to attain value for money. In between achieving so, major/ minor risks might surface during phase of project. Hence, risk must be considered while developing the procurement strategy.

b. Robbington operations consist of six racecourses, and they cannot fully concentrate on their Hamchester project all the way. So, the risk sharing can definitely be option for them. Risk sharing is generally achieved through mentioning it in the contract.

c. According to Morledge *et al.* (2006), some of the major examples of risks that may require attention during design of the procurement strategy are:

- i. External Risks: Economic, Legal or Political environments.
- ii. Financial Risks: Currency conversion, Funding.
- iii. Site Risks: Restricted/ Occupied, Access, Planning, Environmental Risks.
- iv. Client Risks: Lack of knowledge/ experience, Post contract changes.
- v. Design Risks: Inappropriate consultant team, poor brief, incomplete design, inadequate coordination, complex design.
- vi. Selection of inappropriate contractor: lack of clarity, bad and inadequate selection process.
- vii. Construction and Delivery Risks: weather, constructability, health and safety, availability of key resources.

d. Health and Safety can also be major risk on the site. So, it's equally important to think about Insurances and Claims beforehand.

B. Sustainability:

Sustainability can be one of the objectives, something which might or might not occur in the project, but just the idea of making the project sustainable gives the much needed enthusiasm. Making a Sustainable Racecourse can just add up to already glorious history of Robbington. Rowlinson and Walker (2008) has put

sustainable as important link to procurement. It gives motivation and needs, different perceptions of what success and project outcome should look like, a total combination of initiation, design and delivery.

C. Future Relationship Interest:

It's been known fact that Robbington is constantly investing in their venues and expect to expand the group and develop several facilities substantially over the coming years. So, as a client, a future relationship with the known set of team which has delivered well always act as bonus point, since there is level of comfort and experience needed.

4. Briefing:

Barret and Stanley (1999) described briefing as a:

“Process running throughout the construction project by which means the clients requirements are progressively captured and translated into effect”.

4.1 Nature:

- a. Client involvement either makes or breaks the Briefing process, his/her participation in the project and also the awareness of the project builds up the briefing process.
- b. Client's objectives should be cleared, i.e. the project constraints: time, quality, cost, etc. Similarly, sufficient time should be given to absorb and validate the brief. Throughout the briefing process, feedback should be provided from all the members associated in the project.

4.2 Significance:

- a. Briefing is very crucial to the success of the project, especially the client's role in the briefing process. Salisbury (1990) summed up briefing as:

“Briefing is the most important contribution the client can make to the building project. It is a creative as anything the architect or any other designers subsequently do. This does not mean that it is a short term activity to be got out of the way quickly.”

b. The briefing for Robbington Leisure plc takes up the following issues clearly from all the stakeholders’ point of view in the briefing process only:

- i. Clearly identified purpose of the project.
- ii. Business strategy of the client.
- iii. Needs to be met in the project.
- iv. Agreed best options what meets the requirements.
- v. Economic feasibility of the project.
- vi. Risk factors in the project

4.3 Process:

a. Clients making out clear the project constraints. Also give important focus to stages of the project. Stages gates can either be “hard” or “soft”, that is soft gate is the phase where project process can be viewed and reviewed again and again, while hard gate is the phase which comes once the soft gate has be cleared through and it’s the time to move forward with the project.

b. A balanced and able team performance is needed for successful projects; hence the need of appropriate team building based on skills and consistency, where in focus should be on goal achievement with long and clear vision.

c. Knowledge of clients business and guidance on such by project manager. Also the authorization of the finances in the project and

obtaining necessary approval and support from the required authorities and decision makers also gives out client's duty in briefing.

d. In the nutshell, Briefing generally consists and clears the air about:

- i. Scope of the project
- ii. Role Statement
- iii. Activity Statement

5. Stakeholders:

Rowlinson and Walker (2008) define Stakeholder as: Individuals or groups who have an interest or some aspect of rights or ownership in the project; and can contribute to, or be impacted by, either the work or the outcomes of the project. Identification of the Stakeholders in the project at Hamchester can be divided into Internal and External Stakeholders:

5.1 Identification:

A. Internal Stakeholders:

a. Demand Side-

- i. Robbington Leisure plc- Client
- ii. Financiers & Investors
- iii. Robbington Leisure plc's Employees
- iv. Robbington Leisure plc's Customers
- v. Robbington Leisure plc's Tenants & Suppliers

b. Supply Side-

- i. Architects
- ii. Engineers
- iii. Contractors
- iv. Sub Contractors
- v. Suppliers

B. External Stakeholders:

- i. General Public
- ii. Racecourse Association- Racecourses and Racecourse Groups
- iii. Racing Charities
- iv. British Horse Racing Authority- Governing and Regulatory Bodies
- v. Overseas Racing Organizations
- vi. Racehorse Owners' Association

5.2 Influence:

a. Cleland (1999, p.151) offers a process for managing stakeholders: identifying appropriate stakeholders; specifying the nature of the stakeholder's interest; measuring the stakeholder's interest; predicting what the stakeholder's future behavior will be to satisfy him/her or his/her stake and evaluating the impact of stakeholder's behavior on the project team's latitude in managing the project.

b. In Robbington Leisure plc project, the influence of the Stakeholder can be divided into economic, technological, social and political terms. For example, in terms of Consultant and Design team comprising of architects, engineers, contractors and suppliers has to access to necessary technology and also Robbington as a client itself influences on cash flow or influence on profits.

5.3 Stakeholder as Supply Chain:

a. Ayers (2006) define Supply Chain and Supply Chain Management as:

“Supply Chain: Product life cycle processes comprising physical, information, financial, and knowledge flows whose purpose is to satisfy end-user requirements with physical products and services from multiple, linked suppliers.”

“Supply Chain Management: Design, maintenance, and operation of supply chain processes, including those that make up extended product features, for satisfaction of end-users needs.”

b. Rowlinson and Walker (2008) have divided Supply Chain in any construction project as Upstream and Downstream Stakeholder. Upstream generally consists of architects, engineers, main contractors, whereas downstream stakeholders comprises sub-contractors and suppliers that are often small or medium sized enterprises. They also emphasize that “Supply chain members working in well integrated projects share access to systems, knowledge and motivation to cooperate as seamlessly as possible to the extent that they appear to be one organization rather than an integrated flow of separate organizations.”

c. Stakeholder Mapping (Newcombe 2003)

i. Power/ Interest Matrix

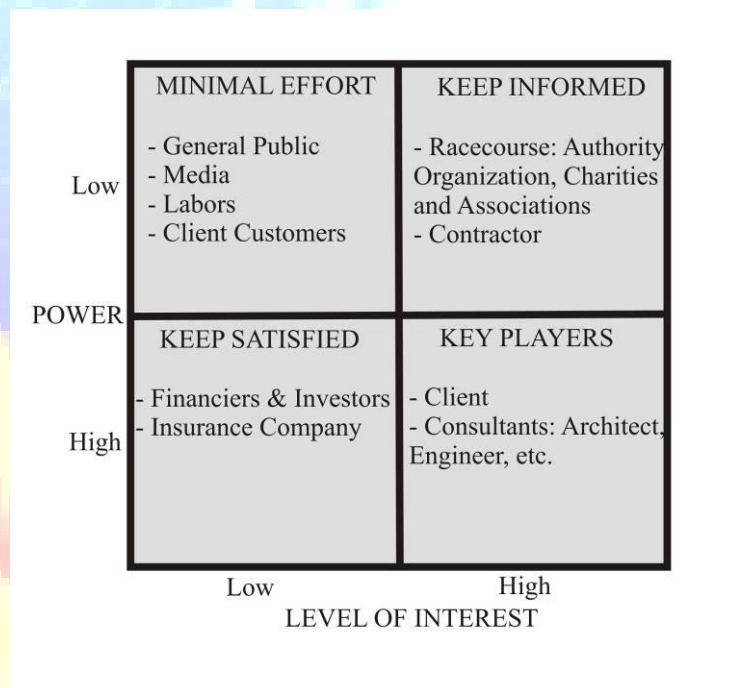


Figure 1: Power/ Interest Matrix

ii. Power/ Predictability Matrix

		Low	High
POWER	Low	<p>FEW PROBLEMS</p> <ul style="list-style-type: none"> - Racecourse: Authority, Organization, Charities and Associations - Contractor 	<p>UNPREDICTABLE BUT MANGEABLE</p> <ul style="list-style-type: none"> - General Public - Media - Labors - Client Customers
	High	<p>POWERFUL BUT PREDICTABLE</p> <ul style="list-style-type: none"> - Financiers & Investors - Insurance Company 	<p>GREATEST DANGER/ OPPURTUNITIES</p> <ul style="list-style-type: none"> - Client - Consultants: Architect, Engineer, etc.
		Low	High
		LEVEL OF PREDICTABILITY	

Figure 2: Power/ Predictability Matrix

6. Procurement:

6.1 General Idea

A. Lenard and Mohsini (1998; p.79) defined:

“Procurement is a strategy to satisfy client’s development and/ or operational needs with respect to the provision of constructed facilities for a discrete life cycle.”

B. According to Masterman (2001) client satisfaction is of utmost importance and hence the selection of the most appropriate procurement methodology is vital since it governs the success of the project within the client’s desired objectives; failure to select an appropriate procurement approach is now well recognized as primary cause of project failure.

C. Procurement Methods analyzed for Robbinton Leisure plc project at Hamchester:

a. Traditional Method

- b. Design and Build Method
- c. Management System Method
- d. Partnering

D. Rowlinson and Walker (2008; p.39) mention that:

“Projects are procured both internally (within an organization) as well as externally (to an outsourced entity). “

6.2 Traditional Procurement Method

- A. Masterman (2001), describes Traditional Method as Separated & Cooperative Method, considering the fact that responsibility of both design and construction parts are separated and it allows cooperation between the clients and contractors.
- B. Project delivery is sequential process, it goes through the phases such as preparation of design brief with clear client's objectives, designing, preparing and obtaining tenders and construction of project, giving ample time to view and review the project during whole project phases.
- C. Quality: Quality level is always highly rated for traditional procurement system considering the fact that it's been widely suitable for the project which is complex requiring high appearance.
- D. Cost: If design is fully developed before contractor selection, the costs was be within the limit but if against so and design is into constant change, cost increase can be noticed.
- E. Time: Due to the sequential process, traditional method is considered slowest method of all procurement methods
- F. Advantages:
 - i. Tried and tested way of procurement system.

- ii. Uniform basis for tenders and also provides fair base tendering contractor's competition.
- iii. Client is confident enough as this procurement method gives certainty about cost before commitment to contract.
- iv. Quality is a major advantage; as greater control over design and also changes are easy to arrange where designs need to be changed.

G. Disadvantages:

- i. Acceleration is possible but resulting in less cost and time certainty.
- ii. Since the contractor is chosen after design process, there is hardly any suggestion or input by the contractor. Also clients paying directly to consultants and gains complete ownership.
- iii. Does not make client to take firm or early decisions.

6.3 Design and Build Procurement Method

A. Morledge *et al.* (2006; p.116) tell about Design and Build that it is a fast track strategy, wherein construction can start even before full detailed design in complete. Masterman (2001) also describes it as a package deal, calling it an integrated system where one organization, generally a contractor, takes all the responsibility of managing the design and construction of the project.

B. Lump- sum is the keyword here; as the sole responsibility is taken on basis of lump sum fixed price and even reimbursement is through it.

C. Quality: One of the major point where Design and Build comparatively scores less, it has been widely believed that Design and Build project lacks quality and it is also because of limited control over detailed design. However, it can be suited if brief is carefully studied and also presence of skill based boards on the project.

- D. Cost: If client's requirements are properly mentioned beforehand and no major changes are likely in the project, price certainty is achieved. If client changes the project scope time and again, it can be expensive.
- E. Time: Due to the integration of design and construction phase, the speeding of the project happens leading to completion of project within set amount of given time, hence giving it an edge over traditional procurement method.

F. Advantages:

- i. Time and speed of construction majorly forms the biggest addition point.
- ii. Because of above mentioned factor, the faster project generally means cheaper project and more economic designs.
- iii. Sole responsibility means lesser headache to clients considering the fact that he/ she has to deal with one organization. Leading to better communication in the whole project phase.

G. Disadvantages:

- i. Initial difficulty for preparing a detailed brief and strong concept design for choosing able contractor. Similarly, high cost of tendering is another point.
- ii. Perceived as poor quality and variations are also considered expensive.
- iii. Comparisons of tenders are equally difficult.

6.4 Management Procurement Method

A. Management Procurement Method is generally divided into three parts:

Management Contracting, Construction Management and Design and Manage.

B. Masterman (2001; p.56) defines Management Contracting as:

“A process whereby an organization, normally construction based, is appointed to a professional team during the initial stages of the project to provide construction management expertise under the direction of contract administrator.”

C. Masterman (2001; p.64) further describes process of Construction Management as where:

“The Construction Manager adopts the consultant role with direct responsibility to the client for the overall management of the construction project, including liaising with design consultants, to meet agreed objectives.”

D. Difference between Management Contracting and Construction Management is the direct linkage of Client with Works Package Contractors and Suppliers in Construction Management.

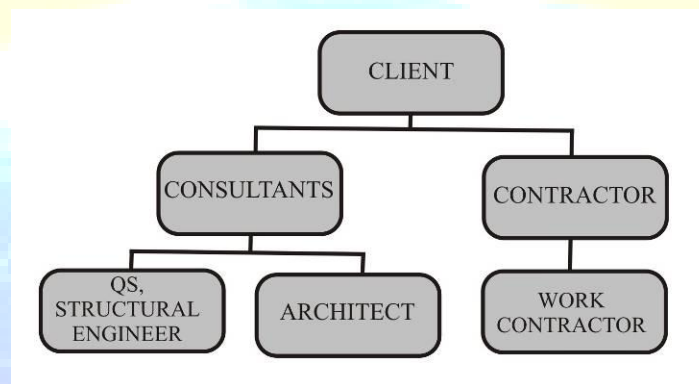


Figure 3: Management Contracting- Morledge *et al.* (2006; p.115)

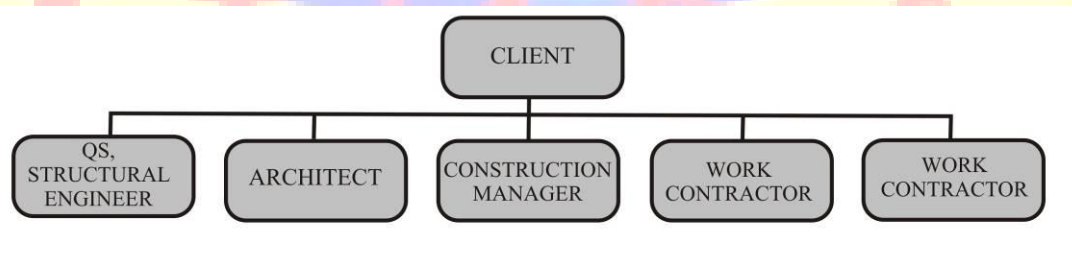


Figure 4: Construction Management- Morledge *et al.* (2006; p.113)

- E. Quality: If during early stage; a good discussion with all the parties involved and also including the advance details coming in the project can be well thought of, a very economical, speedy and good quality finish product can be achieved.
- F. Cost: This one has uncertainty of price and generally causes more profit to contractor in most of the cases than the client. Though in Construction

Management; client has direct contact with work package contractors, hence can control over costs issues to some extent.

G. Time: Time- saving potential for the project as the overlapping of design and construction processes; even early input from the contractors involved makes unnecessary difficult work easy to follow later during construction.

H. Advantages:

- i. Contractor expertise available to design team in crucial pre construction period.
- ii. Detailed design can be well thought of as well as degree of variations throughout the project, although it can go spectacularly wrong.
- iii. Early start on site; fast track procurement.

I. Disadvantages:

- i. Uncertainty of price.
- ii. Client needs to be informed and active to operate such procurement strategy.
- iii. Good brief is equally important to design team.
- iv. Lot is also dependant on issues like trust and mutual agreement.

6.5 Partnering

A. The Construction Industry Board- CIB (1998) has provided definition of Partnering as:

“Partnering is a structured management approach to facilitate team working across contractual boundaries. Its fundamental components are **mutual objectives**, agreed **problem resolution** methods and an active search for **continuous measurable improvements**.”

B. Masterman (2001) has further elaborated on these three fundamental elements:

- i. All the parties involved in the project, or series of projects, including subcontractors and suppliers, work together in partnership to ensure that *mutual project objectives* are met by improving the performance of all the participants.
- ii. Methods of *problem resolution* are agreed at the commencement of the project.
- iii. Every effort is made by all of the participants to ensure that the performance of the project tam is *continuously and measurable improved*.

C. Partnering can be divided into

- i. Project Partnering
- ii. Strategic Partnering- a series of projects for one client.

D. Keywords: Trust, Win-Win Solutions, Sharing

E. Quality: In Westminster University Report; Barlow *et al.* (1997) suggests that three out of five clients have claimed about improvements in construction quality.

F. Cost: Studies have showed that partnering results in lower cost than traditional methods.

G. Time: Due to reduced design times, early start on site and short construction periods has made partnering a less time consuming procurement method.

	Cost	Time
Traditional approaches	100	100
First generation partnering	70	60
Second generation partnering	60	50

Table 2: Comparison between traditional, 1st and 2nd stage Partnering; Source: Benett and Jayes (1998)

H. Advantages:

- i. All the three main objectives: Cost, Time and Quality can be well achieved. Second generation partnering: Strategic Partnering has specially achieved the above mentioned objectives as researches have been mentioning so.
- ii. Repeat of good practice learned on earlier projects.
- iii. More communication and fewer disputes.
- iv. Positive point to those clients who have similar projects coming up in the future, giving more scope for continuous improvements in cost and quality.

I. Disadvantages:

Wood (2005) reports about the relationship between the clients and the contractors and difference aroused on cultural and economic issues.

- i. Issues like trust and honesty are not easy to obtain and takes time.
- ii. Risk/ reward sharing is appropriate method but still proof of disproportionate risk sharing.
- iii. Confusion over contractor's margins to be kept high or low.

7. Selection of the Procurement Method:

7.1 Selection

A. Benett and Grice (1990) emphasized the importance of procurement by saying that the choice of the most appropriate procurement strategy has been widely recognized as a major decisive of project success. Newcombe (1992) further added that the selection of the procurement path has much more deeper meaning than simply establishing contractual alliance.

B. Robbington Leisure plc project at Hamchester will crave for the primary objectives of Time, Cost and Quality to the fullest. The addition and

redevelopment of a front runner racecourse makes the Client focused is on growth of business in near future.

- C. Redevelopment of a racecourse which is already considered flagship amongst their all racecourses implies the fact of something grand and quality product which gives total value of money. Similar constant growth of the business in coming years means more such projects and opportunities. Hence, such a procurement process is necessary which delivers.
- D. Delivers in the sense it fulfills Robbington Leisure's focus of Time, Cost and Quality along with other objectives such as Risks and Responsibilities; wherein each and every objective is no less important than other.
- E. A procurement strategy which can achieve this well enough is Strategic Partnering.
- F. Office of Government Commerce; OGC (2007; p.6) describes
- G. Strategic Partnering involves the integrated supply team and the client organization working together on a series of construction projects to promote continuous improvement. Strategic Partnering can deliver significant savings, of up to 30% in the cost of construction. With this kind of arrangement a contract or framework agreement is awarded to an integrated supply team for a specified period of time; the team prices individual projects within the contractual agreement.

7.2 How it works?

A. Ronco, W. and Ronco, S. (1996) states that

“Partnering is an organized effort to improve communications in design and construction projects. If designed and implemented well, it can improve project communications, profitability, and quality while reducing costs, conflict and exposure to litigation.”

B. For achieving Time, Cost and Quality in project at Hamchester, Strategic Partnering can provide with effective solution.

C. Office of Government Commerce; OGC (2007) further elaborates why partnering is worth doing which can be totally related with Project at Hamchester. It says that:

D. Long term collaborative relationships (Strategic Partnering) can promote better value for money by encouraging clients and suppliers to work together as an integrated project team to:

- i. Quality- improvements in design, more economical including major issues like health and safety performance, also measurable targets for sustainability.
- ii. Cost- minimization of the need for costly design changes, also risk of costly disputes.
- iii. Time- a timely way of construction.
- iv. Also identification of incentives to deliver definite improvements in the quality of construction and reductions in time and whole life cost.

E. Risk and reward sharing, a critical success factor. While risks are allocated an allocated, while rewards can be shared so that all parties in the team benefit.

F. Defined roles and responsibilities for design and construction.

G. Open book accounting with rigorous auditing.

H. These Strategic arrangements typically last for the period of 3-7 years. Repeat good practices learned on earlier projects can further improve and target on achieving something better next time. Strategic partnering offers good value for money, but at the same time no procurement options is perfect in all respect. For partnering arrangement to

be successful, all parties must be committed to making the relationship work with timely check of performance just to ensure the strategy is achieving what it was set up to do. Workshops can be really helpful in knowing the team members well, discuss about project and during various stages of project at both Phase I and Phase II.

I. Table3 : Table of benefits to stakeholders through Partnering; Hellard (1995; p. 42)

i. Conception and Design Phase:

Benefits to project owner	Benefits to design consultants, project architect, engineer and consultants
<ul style="list-style-type: none"> ○ Reduced exposure to litigation ○ Lower risk of overrun- time, cost ○ Better quality product ○ Potential for time and cost reduction ○ Efficient resolution of problems ○ Lower administrative costs ○ Better opportunity for innovation (value engineering) ○ Greater opportunity for financial success 	<ul style="list-style-type: none"> ○ Reduced exposure to litigation ○ Reduced exposure to document deficiencies by early identification of problems and their resolution ○ Enhanced role in decision making and problem solutions ○ Reduced administrative costs are eliminating defensive case building ○ Greater opportunity for profit through equity involvement as stakeholder

ii. Implementation Phase:

Benefits to project contractor	Benefits to sub contractors
<ul style="list-style-type: none"> ○ Reduced exposure to litigation ○ Better productivity ○ Expedited client/ design decisions ○ Better overall time and cost control 	<ul style="list-style-type: none"> ○ Reduced exposure to litigation ○ Improved cash flow under contract ○ Equity involvement improves ○ Opportunity for innovation and value

<ul style="list-style-type: none"> ○ Lower risk of overrun- time, cost ○ Lower overhead costs ○ Greater profit potential ○ Enhanced repeat business 	<ul style="list-style-type: none"> ○ engineering ○ Involvement in decision making avoids costly claims ○ Reduced overhead costs ○ Better and more reliable programming ○ Greater profit potential ○ Enhanced opportunity for repeat business
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8. Recommendation:

A clear focus of taking business forward and constant growth of group in future gives insight of Robbington Leisure plc. The project at Hamchester itself is divided in two Phases which carries through till 2011, and fact cannot be neglected that such projects might come up in future from the Client considering expand of the group over the coming years.

A procurement strategy which fulfills such criteria of delivering time and again along with basic and important objectives of Cost, Time and Quality with complete Value for Money along with factors like Risk and Responsibilities should be chosen. The one which comes close to delivering all the requirements and bringing total win-win situation for all the parties and involved in the project is Strategic Partnering.

Office of Government Commerce; OGC (2007) states that Partnering offers good potential to enhance the value for money of construction.

The effective way for a successful project delivery through Partnering lies in the fact that all the parties involved in the project are committed to focus and achieve the goal and make the alliance work.

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