THE RELATIONSHIP BETWEEN GENERAL CONTRACTOR AND SUBCONTRACTOR

HEIDI DUMA

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Department of Quantity Surveying
Faculty of Built Environment
Universiti Teknologi Malaysia

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DECLARATION

I declare that this thesis entitled "The Relationship between General Contractor and Subcontractor" is the result of my own research except as cited in the references. The thesis has not been accepted for any degrees and is not concurrently submitted in candidature of any other degree.

[Signature]

Name: HEIDI DUMA
Date: 30.08.2012
DEDICATION

“To my beloved mother, brother, and all my family”

Thank you for your support, encouragement, prays and loves
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ABSTRACT

Subcontractor is vital part in the construction industry, he widely used by the construction companies to reduce some activities in the construction process. The general contractor commonly transfers some of risks involved in such construction project to their subcontractor in order to avoid those risks. The risks include financial, technical, contractual, and legal risk. The general contractor may suffer loss if he cannot provide an effective way in managing or controlling those risks thus it needs a good relationship between the general contractor and subcontractor. The relationship between the general contractor and the subcontractors starts from the process of the selection subcontractors. The aims of this study are to identify the most common criteria used by the general contractor in the selection of suitable subcontractor, to identify the cause of conflicts and interface problems which caused by the subcontractor, to identify their relationship with respect to contract and to give recommendations to improve their relationship. To reach the aims of this study, the data are used from the two projects of building construction and the questionnaires survey. The analysis of data indicated that the most criteria used in the selection subcontractor are adherence to the time schedule and the most commonly problem caused by subcontractor is poor of construction quality work. The written contract is used to govern their contractual relationship, which prepared by general contractor and contain certain specifications and penalty. To improve their relationship, there are several actions can be done by the general contractor such as the general contractor should select the subcontractor which adheres to the time schedule, has specialization in type of works, has commitment to quality standard and the others. Furthermore, the general contractor should be careful with the common problems created by his subcontractor such as poor of construction quality work, delay the works behind the time schedule, non compliance to time schedule and the others.