

Construction Industry Key Performance Indicators and the Client

What can a client expect when he embarks on a construction project? Data from Construction Key Performance Indicators, which have been published since 1999, give an insight.

The good (and somewhat surprising) news is that clients appear to be generally satisfied with both the product and the service that they receive. The Performance Indicators measure client satisfaction on a scale from 1 to 10, and the data show that there are very few scores below 5 and that the average score is around 8 out of 10.

This is surprising in view of other Indicators which show that less than 50% of construction projects are delivered on time and that cost overruns are to be expected, with 15% of projects experiencing cost escalation of over 10%.

On this basis it would seem that clients must approach construction projects with trepidation and low expectations, being prepared to accept a measure of delay and cost overrun as par for the course. Perhaps their relief at having got to the end of a project reasonably intact is mistaken for a feeling of satisfaction!

There are other possible explanations for the apparent client satisfaction. The quality of a client's new building may be significantly better than their old and their feeling of satisfaction may be the same as when you trade in your old car for a shiny new model with all the latest gizmo's. Or, heaven forbid, perhaps the client has changed his mind during the course of the works and he is really penitent because he has been constantly told by the construction *'team'* that the delays and cost increases are all his fault!

Whatever the reason, the Key Performance Indicators showing client satisfaction must not be a cause of complacency for those involved in the construction process. On the contrary every effort must be made to ensure that there is significant improvement in the Indicators relating to the predictability of construction cost and time.

At one level, the data from Key Performance Indicators is merely a record of past performance. To have real value the data must be used to benchmark current performance and as the basis for reviewing processes and procedures in order to learn lessons and to improve future performance. In relation to cost and time, the writer is firmly of the opinion that greater pre-planning is required to ensure that the client's requirements are properly defined and reflected in the initial designs and that risks are identified and effectively managed. Realistic programmes and budgets must be established at the outset.



ERROR: stackunderflow
OFFENDING COMMAND: ~

STACK: