INVESTIGATION OF RISKS IN UNSOLICITED ROAD PROJECTS IN SRI LANKA

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ABSTRACT

Investigation of Risks in Unsolicited Road Projects in Sri Lanka

Risk management is an important factor in project success. It is the process of identifying, classifying, analysing and assessing of inherent risks in a different stage of the project. Due to the nature of the construction projects which specify in road development works consists of many related operations, may risk sources and events will contribute in project duration.

The aim of this research is to consider the very useful matter, which is the risk of the current construction industry with special reference to unsolicited road project in Sri Lanka. The risk management plan, at first step is to identify and classify with the key risk sources which effects on project objectives in stages of construction project. Where the problems are determined and considered reasonable solution due to various manners of risk handling in the road construction industry. Therefore the concept of unsolicited proposal is applied to new era of the procurement method in construction industry in Sri Lanka.

The involvement of the project risk management in unsolicited road projects are considered the cases of four road projects in the National road list of Road Development Authority and allocation and handling of project risks are categorized with the sixteen risk events are described with objectives namely, identify the key stages in the management process for the unsolicited road projects in Sri Lanka, identify the risk events associated with the pre contract stage of unsolicited road projects in Sri Lanka, investigate the risks allocation and responses of contractual parties in unsolicited road projects.

The sample of the present research was consisted with sixteen participants and selected through the officers in unsolicited road projects with the category of Client and Contractor and data of respondents were collected with documents and semi structured interviews with the response rate task more than 75% by the researcher.

Referring the findings of case studies, the most significant risk events are identified to the process of current unsolicited road project in Sri Lanka namely possession of site, Dealing with utility agencies and Improper Estimates. The conclusion and recommendations of this research stated that the influence of finding of the risk handling work of the unsolicited road projects to forecast the different field of construction industry.

Keywords: Risk Sources, Risk Allocation, Risk Handling, Construction of unsolicited road projects

DEDICATION

To my family members

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List of Abbreviations

BII – Bureau of Infrastructure Investment

BOI – Board of Investment

BOO – Build Own and Operate

BOQ – Bill of Quantities

BOT – Build – Operate and Transfer

BOT – Build Operate and Transfer

CANC – Cabinet Appointed Negotiating Committee

CCEM – Cabinet Committee on Economic Management

GOSL – Government of Sri Lanka

IA – Implementation Agreement

ICE – Institution of Civil Engineers

ICTAD – Institute of Construction, Training and Development

PC – Project Committee

PET – Percent Expected Time – overrun

PFI – Private – Finance Initiative

PMBOK – Project Management Body of Knowledge

PMI – Project Management Institute

PPC – Percent Plan Completed

PPI – Private Participation in Infrastructure

PPP – Public – Private Partnership

RDA – Road Development Authority

RFP – Request for Proposal

RFQ – Request for Qualification

RMPs – RISK Management Processes

SBD – Standard Bidding Document

SCAPC – Standard Cabinet Approval Procurement Committee

SWOT - Strength, Weak, Opportunity and Threat

TOR of PC - Terms Of Reference of Project Committee

USP – Unsolicited Proposal

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