

# Benefits Realization Management And Its Impacts On Project Success

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**Abstract:** The current study investigates the role of Benefits Realization management and its impact on the construction industry because in construction realizing the time and cost of the project has some great contribution in making any project of construction quite successful. The reason behind the failure of any constructional project is that the organization does not meet the objectives and the goals like management of cost and time. For this paper the qualitative research method was utilized, the questionnaire was provided to the participants. The questionnaire has an association with "Benefits Realization Management and its Impact on Project Success in the field of construction", 46 factors were utilized in the following questionnaire. The summarization of the consequences that have an association with the Benefit realization method, time, and cost overrun in the construction project is represented in the following paper. The factors that affect the construction projects have been divided into seven different categories and these categories were ranked according to the opinion of the participant. In the end, this was concluded that if the unexpected weather change like sudden rainfall is not realized properly as a significant aspect along with inflation and disasters site management had some great contribution in the failure of construction projects.

**Index Terms:** Benefits Realization Management, time overrun, cost overrun, construction

## 1 INTRODUCTION

The projects are measured as temporary establishments to performing the desired task for achieving the goals [1]. The projects have a start and an end date with meeting all the requirements provided by the customers [2]. In the success of the project, Benefits Realization Management plays a significant role [3]. As BRM is a set of structured processes that consists of four key factors, such as project planning, project review, project implementation, and project strategy if even one factor fails, the project fails [4]. Benefits Realization Management is the method of organizing and managing the possible benefits occurring from a project that is achieved [5]. The construction industry has a great impact on the economy in all the country thus it is necessary to realize the possible benefits before initiating any construction projects and managing all possible requirements before the time as extra time and cost are required if the construction situation is too complicated [6-9]. In a construction project, the project success depends on different multiple variables, such as finalization of the project within the deadline and budgeted costs of the project [10]. Achieving project success is not a type of achievement for a project owner, client, and consultant because in construction the achievement is based on multiple issues such as completed project on time and budgeted cost without compromising the quality with proper benefit realization management [11-14]. In this paper it was aimed to explore the factors that influence the success of construction projects.

### 1.1 Aim and Research Questions

Q1: What is the connection between BRM and project success?

Q2: What are the primary causes of overruns?

Q3: What is the connection between time overruns and cost overruns on construction projects completion?

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## 2 LITERATURE REVIEW

### 2.1 Benefits Realization Management

Benefit Realization Method is one of the strategies that are utilized to gauge the presentation of the project management approach over the nations. The BRM technique is a wise solution for any nation [15]. It is one of the useful project answers for business systems and project achievement. This is finished by inspecting the idea of Success significance Factors [16-17].

### 2.2. Definition of Project Management

It is the practice of initiating, planning, executing, monitoring, and closing work for the team to reach a certain criterion for goal and success at a given time. The main task of the management of projects is to achieve all project objectives within these constraints [18]. This information is generally reflected in the project documents that were created at the start of the development process. The main constraints are scope, time, quality, and budget [19].

### 2.3 Causes of Cost Overrun

It is very common in construction that projects are failing to reach the objective of cost. It is the common project that related with most of the projects of construction the main causes of cost overrun in construction projects depending on several factors such as shortage of construction material, inflation, wrong estimation of cost in the beginning and etc. [20].



Figure 1: causes of cost overrun

### 2.4. causes of Time overrun

Delay is the most significant and a major problem which affect

the time of the construction project, despite advances in technology and a better understanding of project management, time constraints are still a key factor. It has been investigated that design differences, lack of materials, and ineffective planning were the key causes of time delays in construction projects [20].

**3 RESEARCH METHODOLOGY**

This phase of the research is focused on a case study which is the essential point of the thesis. For this study literature review was directed and a questionnaire was created, Literature reviews the main causes of time and overrun in construction was recognized by keeping an eye on BRM, then the causes of benefits realization management, cost overrun and causes of delay were categorized into 7 groups with 46 factors. A questionnaire survey was conducted to reveal the factors affecting delays and cost overrun issues throughout the construction projects.

**3.1 Phase 1: Understanding Context**

The first phase is related to understanding the main issues that the construction project faces. An extensive literature review on the issue of construction project process by different authors was conducted and based on the literature review the best tools and techniques which were considered most appropriate were filtered out.

**3.2 Phase 2: a survey of study**

This phase of the research is focused on a survey, the participants of the survey were mostly consultant engineers, owners, construction managers, and from the management side. Next, recommendations were made to reduce the causes of construction delays and cost overruns by keeping an eye on BRM.

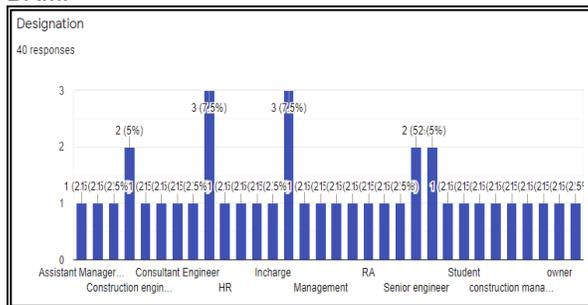


Figure 2: participants of the survey

**4 RESULTS**

Based on the questionnaire result, an index analysis was carried out and the factors causing time and cost overrun were classified as follows

**4.1. Significant Factors Affecting the Time overrun**

Table 1 shows that “Finacial difficulties of owners and inflation” are the most significant factors that cause time overrun.

RT	Causes	RIIT
1 <sup>st</sup>	Financial difficulties of owners	89.1%
2 <sup>nd</sup>	Inflation	79.4%
3 <sup>rd</sup>	Equipment availability and failure	78.2%
4 <sup>th</sup>	Poor supervision and poor site management	77.5%
5 <sup>th</sup>	Design and work allowance changes during development	76.9%
6 <sup>th</sup>	Poor and unpredicted site condition	76.2%

7 <sup>th</sup>	Political issues changes	75.6%
8 <sup>th</sup>	Equipment and manpower shortage and poor distribution on site	74.2%
9 <sup>th</sup>	Slow financial and payment dealings accepted by the customers	72.4%
10 <sup>th</sup>	Poor coordination with consultant and owner	71.7%

Table 1: Factors Affecting Time overrun

**4.2 Significant Factors Affecting the cost overrun**

Table 2 shows that “inflation” is the most significant factor that increases the cost of the project because it varies as the dollar varies.

RT	Causes	RIIC
1 <sup>st</sup>	Inflation	86.5%
2 <sup>nd</sup>	Design and work allowance changes during development	85.8%
3 <sup>rd</sup>	Poor and unpredicted site conditions	83.9%
4 <sup>th</sup>	Low productivity of labor	83.9%
5 <sup>th</sup>	Delay of material delivery to the site of the project	82.0%
6 <sup>th</sup>	Financial difficulties of owner	80.1%
7 <sup>th</sup>	Poor coordination with consultant and owner	79.4%
8 <sup>th</sup>	Unexpected climate problems such as Hot, Cold, Snow, Heavy rainfall	76.2%
9 <sup>th</sup>	Slow inspection of completed works	76.2%
10 <sup>th</sup>	Lack of protection for the equipment	75.6%

Table 2: Factors affecting cost Overrun

**4.3 Significant Factors Affecting both Times and Cost in Construction Projects**

Table 3 shows that “Financial difficulties of the owner” is the key factor that causes both time and cost in construction projects.

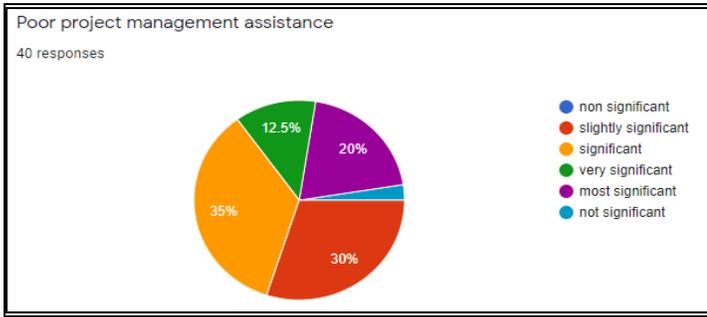
Rank	Causes	Avr
1 <sup>st</sup>	Financial difficulties of owner	84.6%
2 <sup>nd</sup>	Inflation	83.0%
3 <sup>rd</sup>	Design and work allowance changes during development	81.4%
4 <sup>th</sup>	Poor and unpredicted site situation	80.1%
5 <sup>th</sup>	Equipment availability and failure	76.2%
6 <sup>th</sup>	Poor coordination with consultant and owner	75.6%
7 <sup>th</sup>	Political issues-Changes	75.0%
8 <sup>th</sup>	Poor supervision and poor site management	74.6%
9 <sup>th</sup>	Low productivity of labor	74.0%
10 <sup>th</sup>	Unexpected climate problems such as Hot, Cold, Snow, and Heavy rainfall	73.7%

Table 3: Affecting both Time and Cost in Construction

**4.4 Customer Survey Feedback**

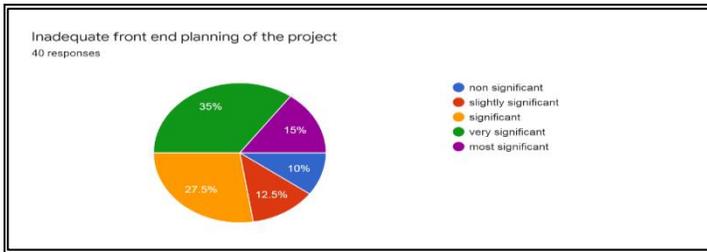
A detailed customer survey was also carried out based on the questionnaire. Interviews were conducted with owners, contractors, and site engineers. The customer feedback analysis is as below.

**4.4.1 Factors Related to BRM**



**Figure 3 poor project management assistance**

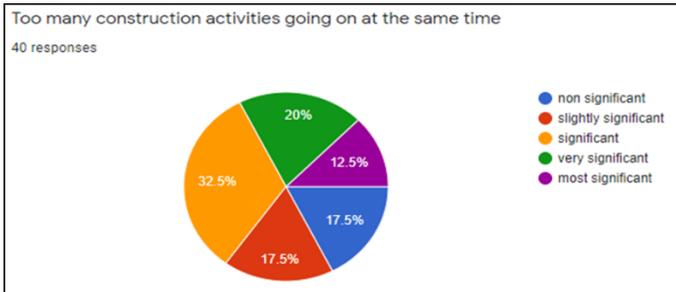
It shows that 35% of the participants thinks that failure depends on poor project management assistance.



**Figure: 4 inadequate front-end planning**

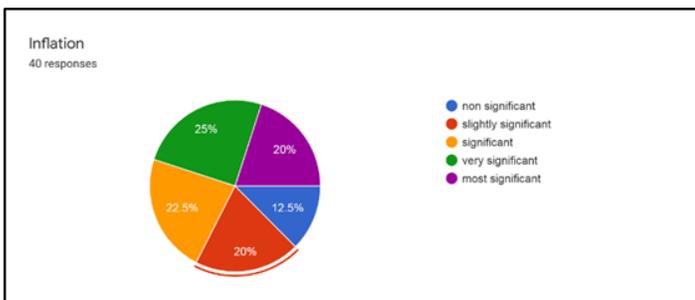
It shows that most people think that project failure depends on in-proper planning.

**4.4.2 Factors Related to Economic Issues**



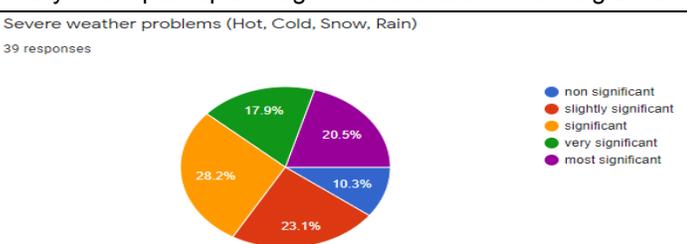
**Figure: 5 construction activities at the same time**

Most of the participants agreed that too many activities at a time cause Economic issues



**Figure: 6 Inflation**

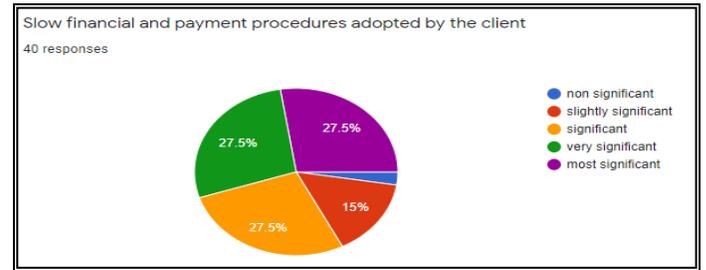
Many of the participants agreed that inflation is the significant



factor that increases the cause of project

**4.4.3 Factor Related to owner-client**

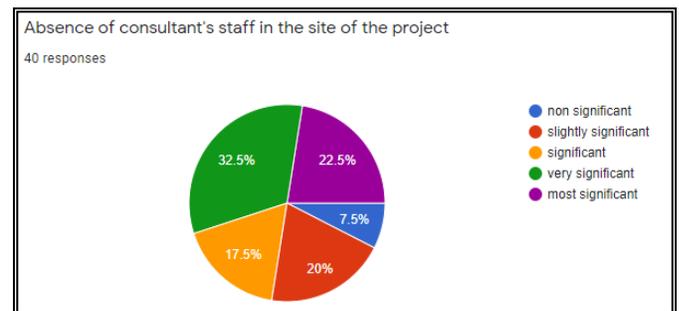
**Figure: 11 Severe Weather Condition**



**Figure: 7 slow Financial Payment Procedure by Clients**

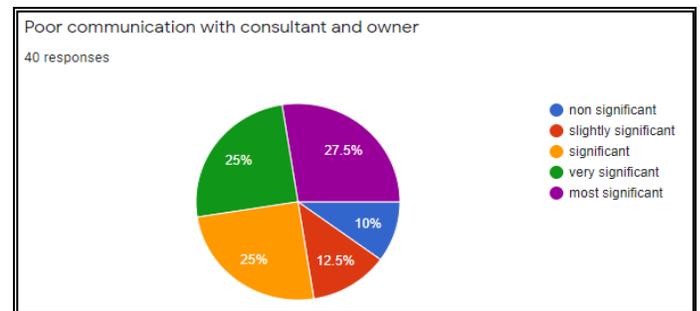
Most of the participants agreed that payment procedures increase the time of the projects.

**4.4.4 Factor Related to Consultant**



**Figure: 8 Absence of staff at project site**

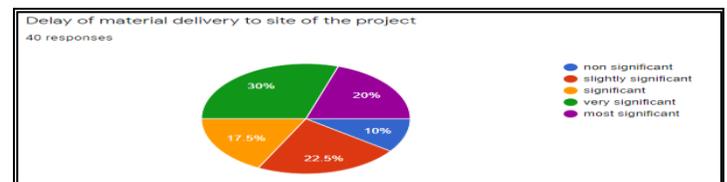
**4.4.5 Factor Related to Contractor**



**Figure: 9 Poor Communication with Consultant and Owner**

Most of the participants agreed that poor communication is the main factor in projects.

**4.4.6 Factors Related to Material, Manpower and Equipment's**



**Figure: 10 Delay of Material Delivery to Site of the Project**

#### 4.4.7 External Factor

This is one of the main surveys in which user highlighted that most of the false realization occurs due to unexpected weather construction when we are focusing on construction site

#### 4.5 Overall Analysis concerning Survey and Case Study Result

The overall analysis from Customer's survey is summarized below in table 1 concerning frequency

NO	Factors Name	Factors categories	Frequency
1	Unexpected climate problems such as Hot, Cold, Snow, Heavy rainfall	External Consultant	12
2	Design and work allowance changes during development	Consultant	11
3	Inflation	External	9
4	Slow financial and payment procedures accepted by the customers	Owner/Client	7
5	Inaccurate initial projects scope and cost estimate	BRM	4
6	Political issues-Changes	External	4
7	Financial difficulties of owner-Client	Owner/Client	4
8	Poor and unpredictable site situation	External	4

**Table 4:** Customer Survey Analysis

## 5 CONCLUSIONS

The following study aimed to discover the significant reasons behind the failure of the projects of constructions in Pakistan. The disastrous management and the overrun of time are the usual aspects that play a significant role to let the cost overrun in construction projects. The study classifies the main reason behind the failure of many projects was due to not realizing the benefits before starting the project. According to the result of the questionnaire the relationship between BRM and construction project is negative. According to the opinion of participants that factor exceeding time and cost of the projects are

1. Inflation
2. Unexpected weather condition
3. Disastrous site management due to no realization of site condition properly.

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