

*Strategies in Dealing with Cost Overrun Issues: Perspective of Construction Stakeholders*

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Construction industry in Malaysia is one of the main contributors to economic growth, yet there are still issues related to construction cost overrun. Many factors have triggered the cost overrun issues that might have high possibility to ruin the overall performance of a construction project. To cope with these issues, determination of strategies is essential to ensure effective cost management in construction projects. This study attempts to identify strategies for current construction industry in dealing with cost overrun issues. Literature review and quantitative approach were employed to achieve objectives of the study. Questionnaires were distributed to three key construction stakeholders that are client, contractor and consultant in Penang state, Malaysia. The data obtained from the respondents were analyzed by using Relative Importance Index (RII) method. The findings indicate that the current industry stakeholders have different point of view and opinion in dealing with cost overrun issues. In conclusion, the result of this study serves as a guideline in dealing with the issue of cost overrun.

Cost Overrun; Construction Industry; Related Important Index; Project Management