THE COMPARISON ON THE MILESTONE AND MONTHLY PAYMENT OF PROJECT PERFORMANCE IN PUBLIC WORKS DEPARTMENT

SHUKRI BIN ISHAK

A capstone project report submitted in partial fulfillment of the requirements for the award of the degree of Master Project Management

Faculty of Civil Engineering
Universiti Teknologi Malaysia

JANUARY 2015
To my parents, dearest wife, Dr. Nor Asma Musa, my children Shafiq, Arif, Amalina and Aina

Thank you for your support and never ending love
ACKNOWLEDGEMENT

In the name of Allah, Most Merciful, Most Gracious. All thanks and praise are due to Allah, whereas blessings and peace be upon His messenger.

Firstly, I would like to express my special appreciation and thanks to my supervisor Dr. Norazli binti Othman, you have been a tremendous mentor for me. I would like to thank you for encouraging my research. Your advice on both research as well as on my career has been priceless.

I would also like to express my gratitude to the Dean of Razak School of Engineering and Advanced Technology and also Dean of Civil Engineering, for allowing me to pursue my study in the field of Project Management. Your professors and lecturers have been a great resource through the learning process of this research.

My appreciations also go to all PWD Officers and all parties involves in this research. Their honest information, opinions and comments are very useful indeed. All of you have been there to support me when I recruited the participants in my survey, who have willingly shared their precious time during the process of interviewing and collecting data.

Words cannot express how grateful I am to my parents, sisters and family in law for their continuous support and there is no way that this would have happened without their love and support. Your prayer for me was what sustained me thus far. To my lovely wife Dr. Nor Asma, Shafiq, Arif, Amalina and Aina, I feel you all with me every day. You all are forever my promise of better things to come.
ABSTRACT

Payment is very crucial factor to make sure projects are performing better and to be delivered according to quality, time and within the original cost allocated. In order to minimize complaints from clients and also to increase project performance, Public Work Department (PWD) has introduced one alternative payment concept known as the Earned Value Milestone Payment (EVMP). This research’s main objective is to compare the project performance between EVMP and MPP method in PWD projects. The specific objectives of this study are firstly to identify the performance issues related to MPP and EVMP projects, secondly to evaluate the critical performance factors in term of quality, cost and time and to propose the best payment method to be implemented in PWD projects. This study was conducted by using a qualitative and quantitative approach. Data were collected through survey questionnaire, case study, documents pertaining the project performance and also by conducting interviews with the relevant project stakeholders. The study found that 77% of the respondents agreed that EVMP is good method to make sure the projects can be completed in time, quality and cost allocated if been implemented properly with competence project team members. Positively the case studies revealed that EVMP projects scored the excellent remark for quality of site management, administration, planning, facilities given and also excellent quality of infrastructure works. This research is very important as it will change the future way of payment method in PWD projects. With regard to the benefits and advantages of EVMP method, it is timely and the right move for PWD to make it mandatory in all projects throughout the country in order to enhance the project performance in the future.
ABSTRAK