

IEM PANEL DISCUSSION



ARE PROJECT MANAGEMENT COMPANIES (PMC) RELEVANT?

BY :-

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PRESIDENT,

CONTENT OF PRESENTATION

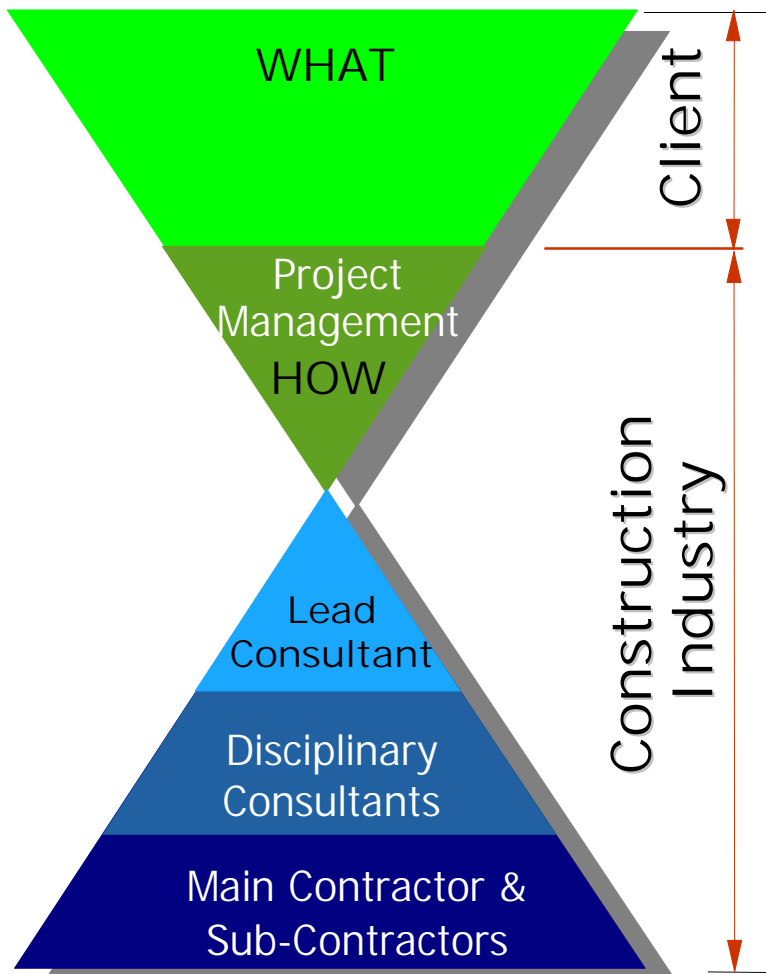


- **UNDERSTANDING THE CONCEPT & ROLES OF PMC**
- **ARE PMC RELEVANT?**
- **ENSURING/ENHANCING QUALITY**
- **ENHANCING EXPORT**
- **WHAT WENT WRONG?**
- **THE WAY FORWARD**

UNDERSTANDING THE CONCEPT OF PROJECT MANAGEMENT ROLES OF PMC



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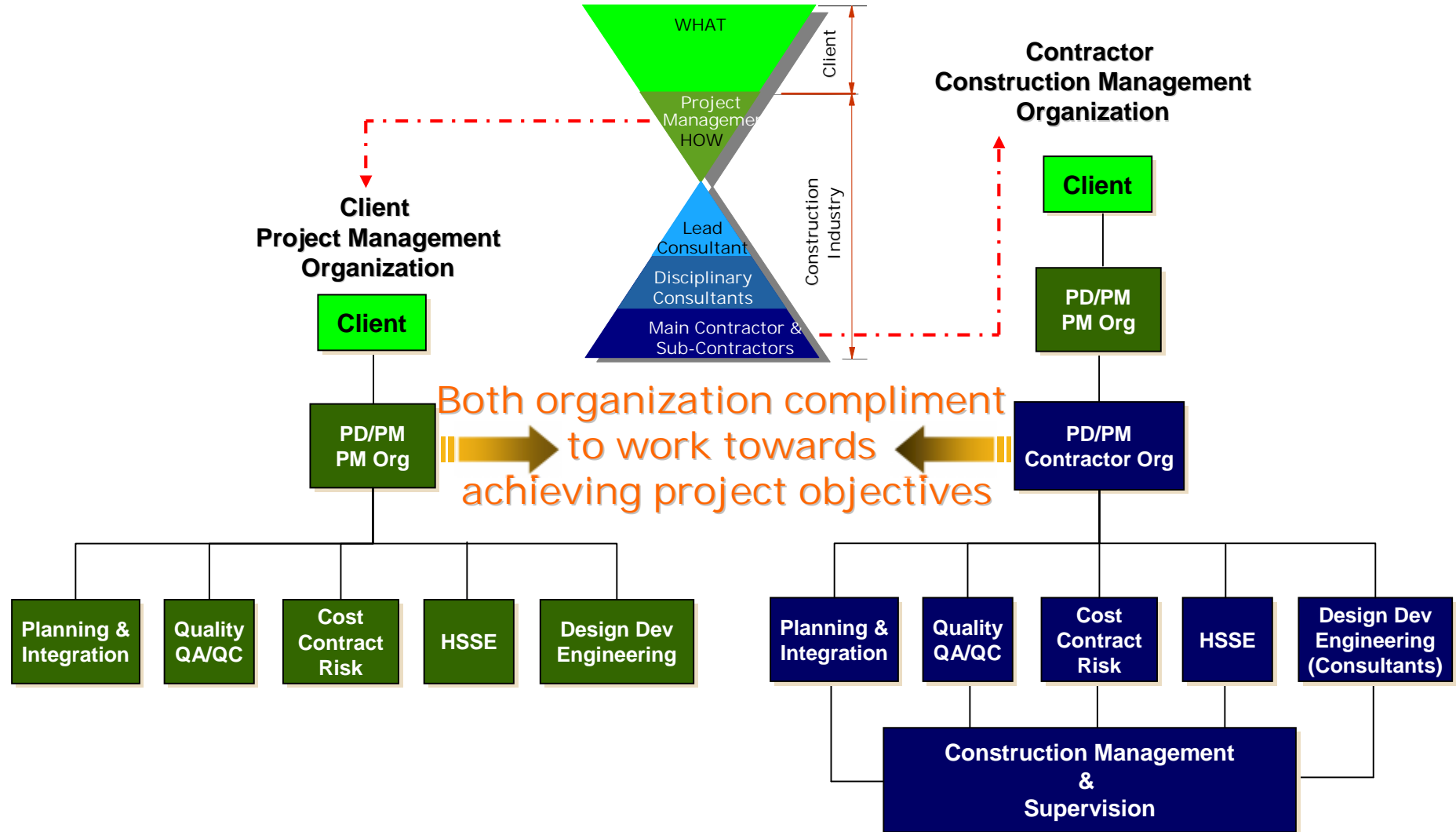


The Rightful Roles

- The Client determines the WHAT.
- The Construction industry determines the HOW.
- The Construction Industry is obligated to results, based on key role of Project Management in conceptual development, optimisation of know-how and innovative processes.
- Independent role of Project Management in protecting Client's overall interest is assured as it is the Project Managers main interest.
- Independent Project Management will result in the right balance throughout the Project between Budget, Quality, Time, Information & Organization forcing all involved Parties to clearly focused on Client's aim and objectives.
- The (non-technical) Client can focus on his principal role in the Project without placing a load on his organization. Thus, retaining his valuable resources for his Core Business.

PM AND CONTRACTOR CONSTRUCTION MANAGEMENT ORGANIZATION

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RATIONALE FOR CLIENTS TO OUTSOURCE TO PMCs



- **IMPROVE BUSINESS FOCUS & FREE RESOURCES FOR CORE BUSINESS –**
companies can focus on broader business issues by having outside experts to handle management of projects
- **ACCESS TO HIGH CAPABILITIES – PMCs**
brings experience & expertise, methodology, professionalism & best practices to ensure project success

ARE PMC RELEVANT?



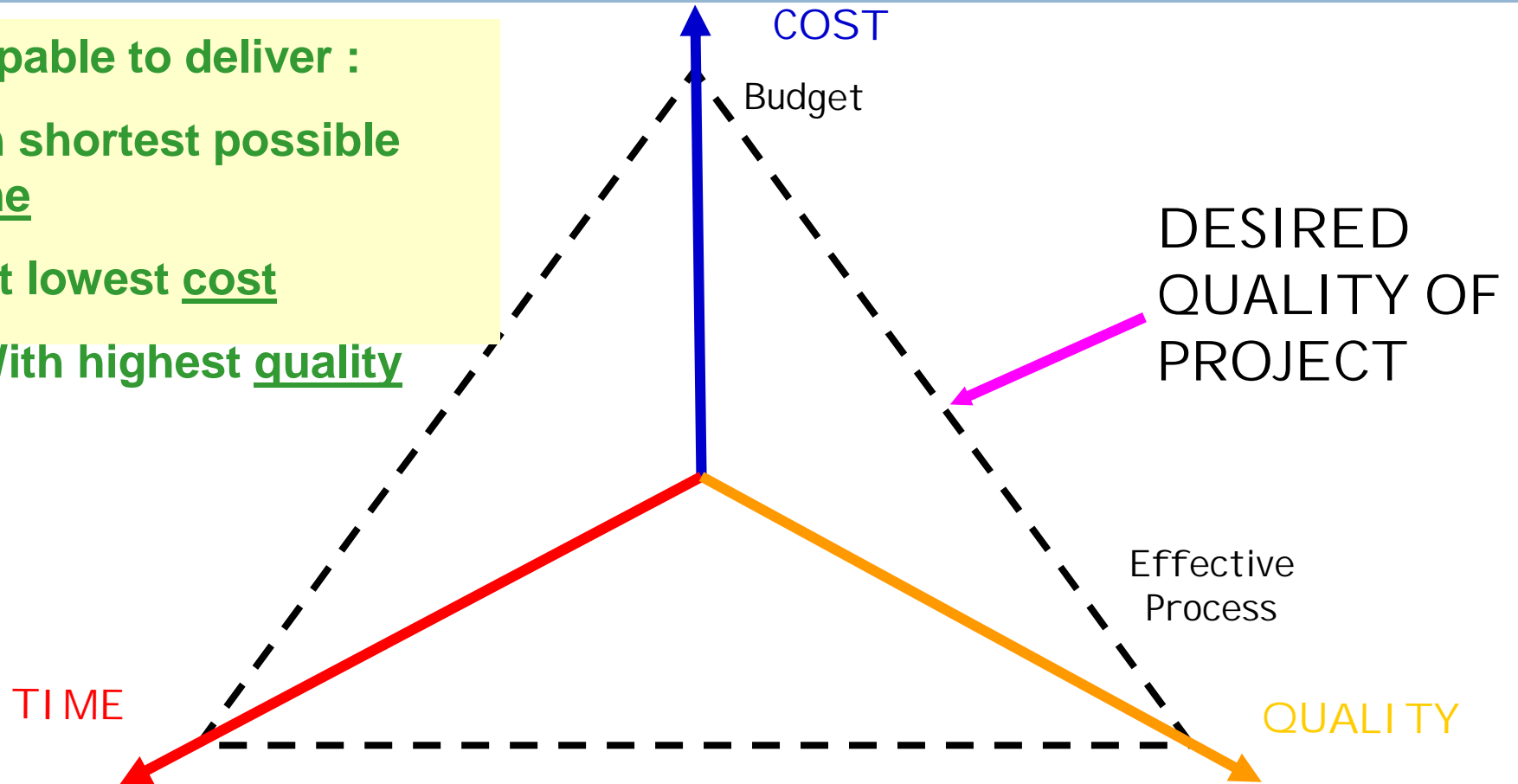
- **YES, INDEED!**
- **FOR 2 MAJOR REASONS :-**
 - **ENSURING/ENHANCING QUALITY OF PROJECTS**
 - **ENHANCING EXPORT**

THE PROJECT BALANCE

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Capable to deliver :

- In shortest possible time
- At lowest cost
- With highest quality



PROJECTS & PROJECT MANAGEMENT

- ↪ **Projects are projects whether they are small or mega – project life-cycle is more or less the same.**
- ↪ **The difference lies in the **complexity of scope, size and scale.****
- ↪ **When time is a factor, **always is!**, complexity increases even for small**



PROJECT MANAGEMENT GOALS

↪ **The application of Project Management
at:**

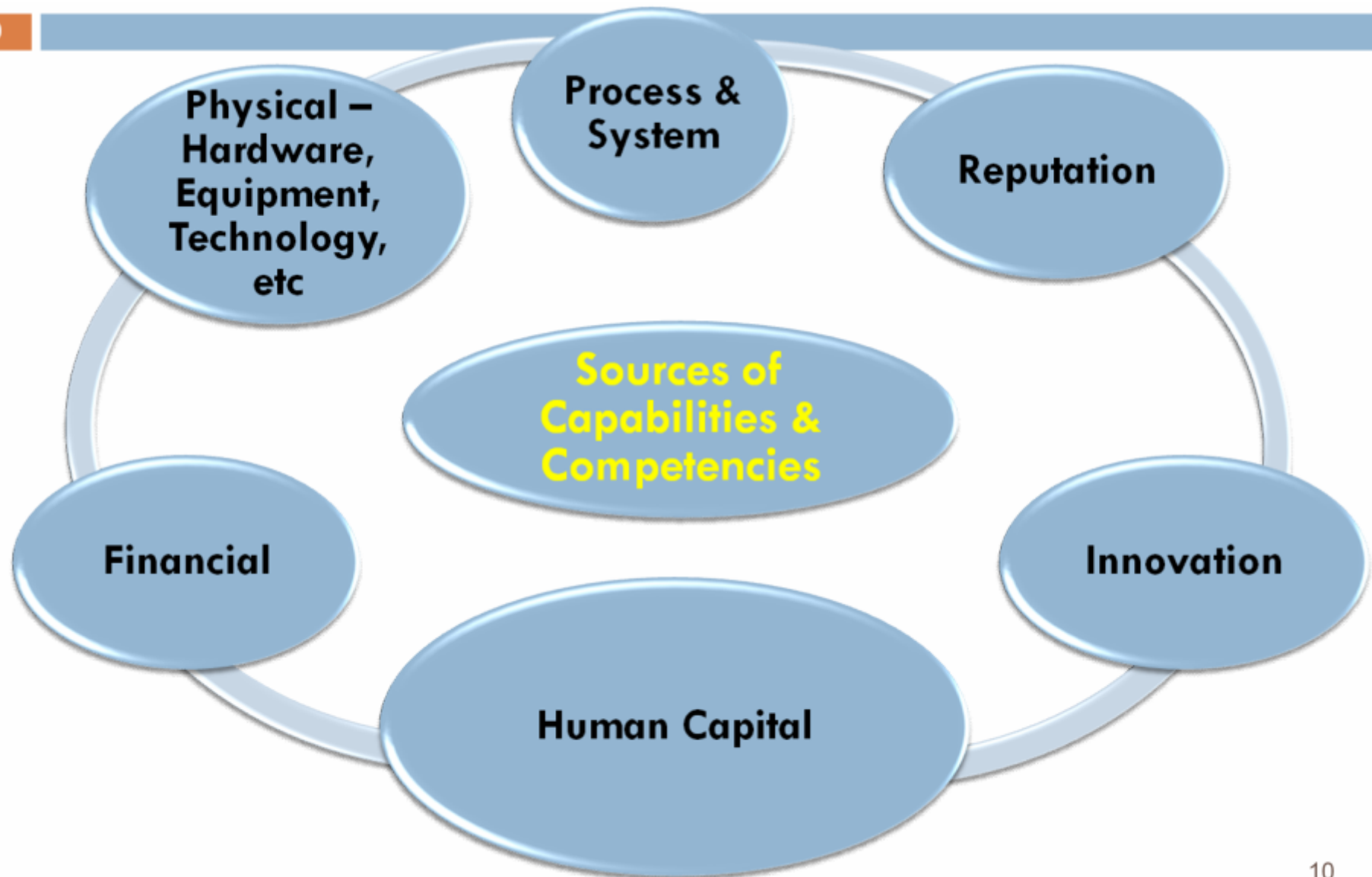
↪ **Organization (Strategic PM) and**

↪ **Project (Program/Project PM) levels**

**will lead to a focussed and value-driven
performance to meet project objectives and
goal.**

PMC CAPABILITIES

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SOURCES OF CAPABILITIES



- ❑ **PROCESS & SYSTEM** – Methodology that provides frameworks, processes, guidelines and techniques to manage the people and the workload thus increasing the odds of being successful
- ❑ **REPUTATION** – Track Record & Accreditation
- ❑ **HUMAN CAPITAL** – PM Leader (without a good leader and an effective leadership the “right thing may be done wrongly”!) & Competent Workforce (Knowledge + Skills + Attitude) - Technical + soft skills, including problem solving, management & communication
- ❑ **AND SUPPORTED BY PHYSICAL, FINANCIAL & INNOVATION**

ENHANCING EXPORT



- ❑ **MALAYSIA MISSED OPPORTUNITY TO EXPORT PMC**
- ❑ **PMC CAN OPEN GLOBAL DOORS FOR MALAYSIAN COMPANIES**
- ❑ **PMC 'CONTROL' CONSTRUCTION INDUSTRY IN SOME TARGET MARKETS**

Global Involvement of Malaysian Consultants



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- ❑ 445 responses out of 9000 survey forms sent
- ❑ 109 professional service firms in the construction related industry and 42 in the non construction related industry involved in 685 projects overseas in 76 countries
- ❑ 381 of the projects are completed, while 304 are on-going

Global Involvement of Malaysian Construction-Related Consultants



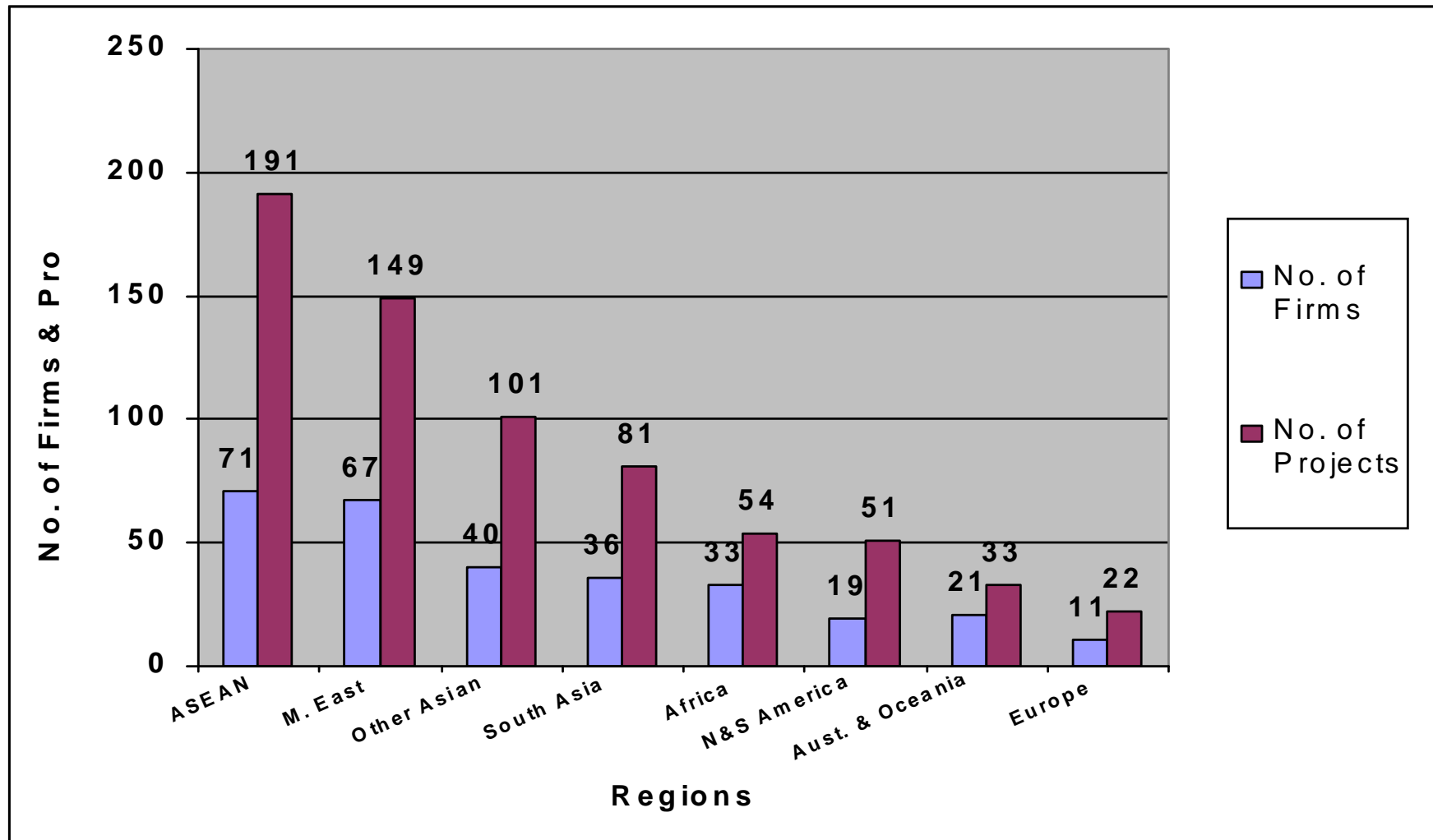
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Type of Companies	No. of Companies
Architectural	32
Engineering	36
Surveying	21
Interior Designing	2
Landscaping	2
Multi-Disciplinary Practice	6
Planning	3
Property Valuing	5
Project Management Consulting	2
Total	109

Global Involvement of Malaysian Consultants – By Region



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WHAT WENT WRONG?

- **METHOD OF SELECTION OF PMCs? OR,**
- **INDUSTRY NOT READY?,**
- **OR BOTH?**
- **INDUSTRY NOT READY MEANS :-**
 - ▣ **LACK OF UNDERSTANDING OF CONCEPT OF
PMC,**
 - ▣ **LACK OF COMPETENCY IN APPLYING PM
METHODOLOGY**

THE CHALLENGES AHEAD



- ❑ **RIDING THE PRESENT NEGATIVITY ON THE ROLES & BENEFITS OF PMC**
- ❑ **ENHANCING THE UNDERSTANDING OF WHAT PM & ITS VIRTUE IS, THE SCIENCE, DISCIPLINE & THE WAY IT SHOULD BE PRACTICED**
- ❑ **ESTABLISHING THE COMPETENCY & PERFORMANCE STANDARD OF PMC**

THE CHALLENGES AHEAD



- **REGULATORY FRAMEWORK TO SAFEGUARD PERFORMANCE STANDARD & QUALITY OF SERVICE**
- **ENHANCING THE LEVELS & QUALITY OF TRAINING & TRAINING PROVIDERS**

THANK YOU