

THE PRACTICE OF VALUE MANAGEMENT IN THE LIBYAN CONSTRUCTION INDUSTRY

ABDELNASER OMRAN

College of Business, Utara University Malaysia, Sintok, Kedah, Malaysia
naser_elamroni@yahoo.co.uk

SULIMAN, L. KH. MUFTAH

Faculty of Sciences, University of Benghazi, Libya

Abstract

In Libya, the construction industry is keen in expanding but until today, construction projects are not available, and the few existing projects are still not performing as expected due to various obstacles. One of these obstacles is that many local construction companies are, unfortunately, unaware of value management practices. Thus, the aim of this study is to investigate the practice of value management in the Libyan construction industry. A total number of 135 sets of questionnaires were sent to the targeted construction companies in Benghazi city. From 135 construction companies, only 104 have replied the questionnaires, yielding a response rate of 77%. As results, the analysis showed that it was specified that majority of respondents were aware of the VM approach according to the answered made for knowledge on VM where 76.9% of respondent answered yes. The results were also found that the top reason for implementing VM was to eliminate unnecessary costs, to help in solving and to optimize the overall efficiency of the project. In contrast, the challenges that hinder from application of VM were lack of knowledge about VM, late initiation of VM approach and difficulty of changing the working culture.

Keywords: Value Management, Practice, Construction Industry, Libya

JEL classification: L20, L74, L78, L84, L88