

# **CLAIMS IN CONSTRUCTION INDUSTRY: FROM NOMINATED SUBCONTRACTOR'S PERSPECTIVE**

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## **Abstract**

Subcontractor's works constitute majority of the construction activities and they play very important roles to lead to project success. Project claims are always unremitting issues that entails a lot of cares in records and documentations save-keeping. Subcontractor became entangled with main contractor or client when having disputed claims. This paper describes six major claims issues: variations, damages, extension of time, loss and/or expense, payment and determination issues that embrace with subcontractor works routine. The aim of this study is to identify the common claims problems plagued by nominated subcontractors in construction industry. Questionnaire surveys were conducted to various nominated subcontractors in Penang state to gather relevant data through their perceptions as well as to determine those common problems areas. The research findings indicate that "payment" was the most frequent type of claims, followed by "variations" and "extension of time". The ranking of causes of variations and extension of time are also presented in this study. At last, recommendations are made on how to minimise or mitigate losses due to rejected claims.

**Keywords:** Claims, Construction industry, nominated subcontractors, variations, damages, extension of time, loss expense, payment.