



UTHM

Universiti Tun Hussein Onn Malaysia

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER I
SESSION 2021/2022**

COURSE NAME : STRATEGIC MANAGEMENT IN
CONSTRUCTION

COURSE CODE : MPC 10503

PROGRAMME CODE : MPC

EXAMINATION DATE : JANUARY / FEBRUARY 2022

DURATION : 3 HOURS

INSTRUCTION :
1. ANSWER ALL QUESTIONS
2. THIS FINAL EXAMINATION
IS AN **ONLINE** ASSESSMENT
AND CONDUCTED VIA
CLOSED BOOK

THIS QUESTION PAPER CONSISTS OF **THREE (3) PAGES**

- Q1** Research indicates that organizations that engage in strategic management generally outperform those that do not. The attainment of an appropriate match or fit between an organization's environment and its strategy, structure, and processes has positive effects on the organization's performance. The three most highly-rated benefits of strategic management are a clearer sense of a firm's strategic vision, a sharper focus on what is strategically important, and an improved understanding of a rapidly changing environment. As the world's environment becomes increasingly complex and changing, strategic management is used by today's corporations as one way to make the environment more manageable.

In order to properly formulate a strategy, it is essential to have information on the important variables in both the external and internal environments of the corporation. This includes general forces in the societal environment as well as the more easy-to-identify groups such as customers and competitors in the task environment. A corporation needs to have this information in order to identify a need it can fulfill via its corporate mission. It is also important to have information on the corporation's structure, culture, and resources. A corporation needs to have this information in order to assess its capabilities to satisfy a customer's need by making and/or distributing a product or service. Information on both the internal and external environments can also help a corporation predict likely opportunities and threats. Long-term strategies can be designed with these in mind.

(Source: Wheelen et al., 2015)

Based on the above statement,

- (a) Analyse the internal environment of a construction organisation in order to properly formulate a strategy. (18 marks)
- (b) Analyse the external environment of a construction organisation in order to properly formulate a strategy. (15 marks)
- Q2** The utilization of BIM has not been empirically and clearly established to be beneficial to the overall outcome of a construction project. Owners are faced with the dilemma of making a decision of whether or not to utilize BIM based on speculated benefits. The largest barriers to BIM implementation and acceptance across the building industries are recognition and enforcement by owners and a balanced framework for implementation that considers both monetary and managerial outcomes. In fact, the latter is a prerequisite for the former, as owners are looking to adopt BIM as a tool once it has been proven effective.

FMI Management Consulting and the Construction Management Association of America's (CMAA) eighth annual survey of owners ranked "BIM hurdles," with "Unclear business value and ROI" coming in at seventh place out of eleven owner-identified barriers to BIM adoption. The "business value" of any computer aided collaboration or information system comprises both monetary and intangible outcomes. The difficulties with the evaluation of the business benefits of information systems can be best categorized into six areas: (1) some of the business benefits may be intangible; (2) organizational changes may occur as a result of the introduction of a new system; (3) business benefits are evolutionary over the life-cycle of the system; (4) diverse stakeholders involved will subjectively evaluate the system and may have conflicting opinions; (5) users may feel intimidation or fear of the new system and how it will affect their jobs negatively; and (6) practical difficulties such as improper utilization, interconnected systems, and inability to divide related systems and benefits.

(Source: Barlish and Sullivan, 2012)

- (a) Discuss aspects that must be considered when implementing change by a construction organisation based on the above statement. (8 marks)
- (b) Illustrate the change management process by a construction organisation. (25 marks)

Q3 Construction businesses must formulate international business strategies to function in the global economy. International business strategy can be understood as a plan that guides commercial transactions taking place between entities in different countries.

Justify **SIX (6)** factors that influenced the growth in globalisation of international business in the construction industry.

(25 marks)

Q4 Measuring and managing the performance of a business is one of the main requirements of management in any construction organisation. The activities of measuring the performance of construction organisations include comparing expected results to actual results, investigating deviations or differences from plans, evaluating individual performance, and examining progress being made toward meeting stated objectives.

Explain **THREE (3)** importance of performance measurement for construction organisations.

(9 marks)

-END OF QUESTIONS-