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FACULTY OF THE BUILT ENVIRONMENT

DEPARTMENT OF QUANTITY SURVEYING

An Investigation of the Causes and Effects of Cost Overrun on Construction

Projects in Zimbabwe

By

Onrad Fadzai Matarutse

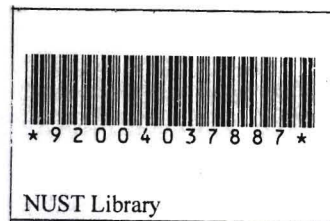
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ABSTRACT

The construction projects in Zimbabwe are burdened by recurrent cost overruns with consequent profitability concerns. All clients want to have the highest quality of work, carried out within time and cost constraints. Regardless of the measures taken by contractors and consultants to implement cost management on projects, studies from the world over indicate that construction projects are rarely completed within their budget, whether they are privately or publicly sponsored. The aim of this research is to investigate the causes and effects of cost overrun on construction projects in Zimbabwe with a view of contributing measures to mitigate cost overrun and moving towards sustainable construction. Semi-structured questionnaires and case studies were used to collect data. Clients, consulting engineers, architects and quantity surveyors were targeted using stratified sampling and random sampling after stratification. The results showed that the most frequently occurring causes of cost overrun were variations, additional work, inadequate design, disregard by architect of client's budget and inadequate client brief which emanate primarily from the initiation and planning stage of the project. The most severe effects of cost overrun were delays, interference of the client's cash flow, failed project delivery, conflict and reduced return on the capital invested by the client; which can be detected during the execution stage and at closure of the project. Mitigation measures that were identified to have the highest relative importance were competent designs, sufficient design and planning time, competent and well organized contractor.

Keywords: Cost overrun, Construction projects, Zimbabwe