

1. Introduction

Governance can be referred to structures and processes that are designed for ensuring accountability, transparency, rule of law, stability, equity, empowerment, and broad-based participation (International Bureau of Education). No matter the scale of a project, proper governance is extremely important for its smooth operation. Although management and governance might sometimes be mistaken as similar, they are still extensively different. Management could be considered as the coordination and administration of processes, structures, or tasks to achieve a certain set of outcomes while governance systems set parameters under which such management and administrative systems ought to operate. In essence, governance is concerned with how authority is assigned, how policies are formulated, how priorities are set, and how stakeholders are made accountable.

The lack of project governance creates misunderstandings within the project. It leads to improper dissemination of decision rights and accountabilities and misjudged assignment of powers to project teams and executives. Poor governance can put any project or organisation at risk of commercial failure, pecuniary and regulatory problems, or allow the project to lose sight of its objectives and responsibilities (Kelly, É. V, 2010). Similarly, proper management is also equally essential for a project. Be it for improving the condition of the communication process within the project or boosting the morale of employees, the use of appropriate project management policies and tools can make all the difference. This essay discusses the potential challenges faced in governance and management of complex construction projects in non-developed countries.

2. Critical Evaluation

Establishing a complex construction project in a multinational context is by no means a small task. When a head office exists in one country while having numerous employees and branches in a different region, the execution of any project becomes challenging. Therefore, for the success of an advanced construction project in a multinational context, supervising and maintaining proper coordination with the project managers, main contractor, site manager, site engineer, sub-contractors, consultant team, design team, supply team, financial department, human resource department, marketing department, and all other stakeholders is quintessential.

This balance within a project environment is only possible if there is a good governing channel across the project, directing the team towards progress with proper project management. So, what really is quality project governance? Quality governance is the framework for how the project decisions are made such that the overall standard of the project is raised. It classifies the activities that must be done and the people responsible to carry out those

activities (Project Management Qualification, 2019). Good project governance is essentially identified by the following characters:

- Participatory: Participation is the key cornerstone of a project. Everyone involved in the project should be informed and organized.
- Consensus Oriented: The governing party should address the views of the multiple actors involved in operating the project.
- Accountability: It is crucial to decide who is accountable for the decisions and actions taken inside the project site or outside the site. Furthermore, the entire organisation is accountable for the decisions and actions that affect others.
- Transparency: The decisions taken and their enforcements should be done in a manner that follows rules and regulations. The information regarding the project should be available to all stakeholders without manipulation and misguidance.
- Responsiveness: Good governance requires that the organisation or the project tries to serve all stakeholders within a reasonable timeframe.
- Effectiveness and Efficiency: The actions performed by the team should meet the necessities and needs of the stakeholders while making the wisest use of resources in hand.
- Rule of law: All legal frameworks ought to be enforced impartially.

Kelly, É. V. (2010)

2.1 Challenges Faced in Governance and Management

A construction project is the organised process of constructing, renovating, refurbishing, remodeling, and restoring a building, structure, or infrastructure (Designing Buildings, 2018). It includes a series of steps such as developing a road map, defining roles and responsibilities, arranging meetings, setting the baselines, implementing plans, and making revisions. It's obvious that several challenges might come up while going through these processes or steps. One of the major challenges while executing a construction project in a non-developed country is the lack of technical and managerial capability to undertake most of the foreign-funded projects (Ofori G, 2000). The lack of adequately skilled manpower might lead to the instructions not being followed as per required and cause delay in the delivery of operations. However, Raftery et al. (1998) suggests that this gap in the lack of expertise, technologies, and management could be filled through technology transfer from advanced foreign construction

firms to the local ones. But Abbott's (1985) and Carrillo's (1994) works show that these foreign firms are not keen to effectively transfer their technology since they believe that it means they would be nurturing their future competitors. Therefore, convincing such firms proves to be an extremely difficult hurdle.

Additionally, culture has become an integral part of business organisations. It has been found that every organisation has a culture which is determined by its history, size, corporate goals and objectives, technology of production, market, and operating environment (Handy, 1985). In construction, where several organisations temporarily interact on each project, cultural issues are constantly to the fore (Barthorpe et al., 1999). The ability to manage cultural issues, especially in multi-cultural situations as are encountered on large construction projects, is a determinant of project and corporate success. These issues may include the culture of the construction project, the construction firm, or the construction site. Furthermore, most non-developed countries have fragile environments, and are faced with high levels of land degradation (erosion, aridity, desertification, drought, flooding etc.). These countries tend to be losing their forests at a very fast rate along with rapid urbanisation and problems of air pollution and pressure existing infrastructure such as waste management systems (Ofori G, 2000). What remains after these issues should be used for fulfilling the basic needs of the people. For example, the United Nations Centre for Human Settlements (UNCHS) notes that more than 600 million people in the urban areas of the world are homeless or live in life and health threatening situations. Meeting these key requirements of the economies and basic needs of people will put severe pressure on the resources of countries. Therefore, although there might not be the lack of finances from the project sponsors while constructing an advanced project, getting the permission from the governments of certain countries to make use of their resources is certainly a huge pain. Table 1 puts into perspective the environmental implications of construction activity for non-developed or developing countries.

Challenges faced while governing and managing a complex construction project do not end here. Abassi and Al-Mharmah (2000) stated that a major constraint facing construction project management practices in a multinational context is difficulties in communication with other professionals. Similarly, Iman and Siew (2008) stated that when project requirements such as time and budget are met, but fails to meet the client's needs, a project is said to have failed. It identified the absence of client involvement as a major cause of project failure. Love (2002) explained that clients demand for earlier completion of designs and contract may influence the quality of documents produced, as errors are made, causing cost and schedule overruns. The echelons responsible for governing construction projects should keep all these issues in their minds while assigning orders to their workers/employees. Each and every issue needs to be addressed with equal attention in order to mitigate any sorts of problems in the later stages. Nwachukwu and Emoh (2011) stated that the role of the project management team is

to create a cordial working environment among consultants, contractors, and every other site operative. Hickson and Ellis (2014) suggested that in raising workers' morale management should be concerned about the work site, environment, welfare, and supply of appropriate tools. In essence, the roles of the project governing and project management team are inexhaustible. Therefore, these teams cannot decide to be passive in taking the control of the project. The success of construction projects depends on the input of these teams.

Table 1 Environmental Impacts and Considerations of Construction Activity

What is used	Where it is built	How it is built	What is built
* where raw materials are obtained	* location of facility; nature of terrain and ground conditions; alternative uses of the land	* methods of construction on site	* planning and design of facility (eg. potential of daylighting and natural ventilation)
* how raw materials are extracted; how land is restored after extraction (if necessary)	* immediate physical environment; proximity to water sources and ecosystems	* construction project management systems (eg. quality management systems)	* life-cycle economic, quality, maintainability considerations
* how raw materials are processed	* social disruption (eg. displacement of site's inhabitants)	* site control measures (housekeeping)	* extent of use of energy and other resources in operation of building
* whether, and how renewable raw materials are regenerated	* economic disruption (eg. loss of livelihoods of previous inhabitants)	* welfare of site workers, neighbours and general public	* ease of demolition of building (deconstruction)
* how materials are transported to, and stored on, site	* present infrastructure, need for expansion to serve new building, its impact	* resource management (including waste minimisation)	* recycling and reuse of demolition waste
* how materials are moved on site	* impact on local vehicular traffic		

Source: Adapted from Ofori (1999)

2.2 Mitigating Challenges

Proper risk management is also necessary if multinational sponsors and project teams decide to develop a construction project in another region. Whether it's subcontractors that later on turn out unreliable, conflicts amongst the workers, or the change in tastes of stakeholders, any seemingly small issue could derail the project. The same goes with the lack of proper structure. Without clear goals its difficult to get things done. A construction project could easily lag behind or exceed budget if people don't have a clear target they need to hit. And without these goals, it's difficult to hold people accountable for their roles (Design Buildings, 2018). Therefore, it's better to break down bigger, project-wide goals into smaller daily targets for

individuals to accomplish. This way the project can be prevented from crumbling entirely. Similarly, long distance communication possesses a huge problem for these sorts of construction projects. Any miscommunication or delineation of information could lead to massive casualties. Therefore, project management team should enact clear guidelines. There should be communication up a ladder that informs the team of any progress or drawbacks at the end of the day. This way, problems can be solved proactively. The construction business relies on invoicing, which can sometimes be an outdated system. And if payments aren't up to date, it could negatively impact the project cash flow. This can in turn dry up a well of funds and cause unexpected delays.

In order to successfully accomplish a project associated with construction, one of the significant actions to be taken is to allocate resources to the tasks outlined so that they are utilized efficiently. Laws of the country where the construction site is situated could be studied before taking any heavy actions. Generally, it is difficult to undo these actions later on if proper precautions aren't taken at the time of implementations. For this, the project team could recruit or outsource human resource from the native country (country where the construction site is situated), for example lawyers, auditors, language specialists, and engineers. Strategic collaboration with other similar companies from the native country would be beneficial as well. Now, in terms of environmental implications, the project governance/management team could:

- replace or eliminate environmentally unfriendly materials,
- reduce wastage of resources and energy,
- reuse all available materials, and
- recycle materials where feasible.

eSub Construction, 2018

Besides these, the construction project manager needs to give active and full participation of the construction project in order to effectively and efficiently tackle the daily challenges that may occur on the construction site, some client representatives should always be present on such construction sites, and the representatives from the project sponsors should also be available on the location where construction is taking place. Finally, the project sponsors and teams should be aware of the fact that plans do not always function as intended. Therefore, it is important to be flexible and adapt to certain unexpected situations which temporarily distort the original plan. Also, adapting to new ways of working with different people who have variety of experiences could prove a great platform for learning. This requires open mind towards change, to embrace people who may have different ways of thinking.

3. Conclusion

Construction projects in a multinational context will face major challenges before success. Those which are not normally considered to be relevant to non-developed countries are, indeed of significance to them, and some may be critical (Ofori G, 2000). It is necessary for more work to be done on the issues of environment, strategic planning and implementation, and the various aspects of culture as they relate to complex construction activities, construction enterprises, and the construction industry in non-developed countries. In other words, just being able to finance a complex construction project in a non-developed country is not enough to ensure its success. Proper planning, governance, management, and structures should be modeled and implemented as well. If more people begin to question why and how governance is achieved, and how different elements of governance system interact, significant progress in project governance can be observed (Kelly, É. V, 2010). Therefore, although governance and project management might come across diverse challenges and issues, they are the keys to succeed in an advanced complex construction project in any nation, especially the non-developed ones.

4. References

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