

## **BEST PRACTICES IN MANAGING CONSTRUCTION PROJECTS**

**By Miss Hilda Akech**

The construction industry is one of the largest and most important aspect of the economy in Uganda. Recent studies show that the construction industry has contributed an average of 750.75 Billion UGX from 2008 until 2017 and reaching an all-time high of 1046.36 billion UGX in the fourth quarter of 2017 to the country's GDP. Generally, construction industry means that sector of an economy which is involved in preparing land, constructing, making alterations, repairs and maintenance of structures. The ever increasing nature of this sector requires one to have knowledge of and be aware of the best practices in a construction project as discussed below.

**Procurement.** This involves acquiring what is necessary for the entire construction project. These may include land, building or construction materials and the requisite human resource. Adherence must be made to all the laws applicable in each of the circumstances. In the case of human resource for instance, the Employment Act 2006 and its regulations have to be borne in mind. Particularly sections 5, 6 and 7 which are against forced or compulsory labor, discrimination in employment and sexual harassment respectively. This Act elaborates on the employment relationship and rights and duties in employment while bearing in mind the difference between a contract of service and contract for services under section two (2) of the Act.

**Partnering** with some stakeholders in the construction project such as contractors, subcontractors and suppliers in the project in order to achieve optimal results. Partnering is best done through a contract arrangement. This therefore means that the principles governing the existence of a valid contract such as offer, acceptance and capacity to contract under sections 3, 4 and 11 respectively of the Contract Act 2010 must be adhered to. The contract managing such relationships must clearly spell out the type of arrangement between the stakeholders. Through this, value for money is achieved and disputes easily resolved.

**Risk Management.** This involves being able to manage any incidences that may occur in the course of the project that may directly or indirectly affect the project. Section 2 of the Occupational Safety & Health Act, 2006 defines an incident as an unsafe occurrence arising out of or in the course of work where no personal injury is caused and where personal injury needs only first aid treatment. There must be a person in charge of risks. Such persons must maintain a register of incidents for lessons. Additionally, risks are best managed by financially allocating an allowance and time towards them. In the case of time, acceleration plans may come in handy.

**Supply Chain Management.** The supply chain of construction may be comprised of suppliers of construction materials, distributors, contractors and sub-contractors. These are best managed by carrying out vigorous due diligence commonly referred to as “Know Your Customer” (KYC) and “Know Your Business Partner” (KYBP) at the procurement stage. Due diligence involves financial analysis of a particular supplier, other projects handled, proof of insurance, certifications from recognized bodies both nationally and internationally as applicable. In order to manage and maintain the supply chain, codes of conduct if any, should also be communicated before procurement.

**Occupational Health and Safety.** All persons involved in the execution of the construction project must execute safely every day. Persons must be protected against any occupational hazards and long term health problems. This increases productivity and profitability of the construction project. Section 13 of the Occupational Safety and Health Act, 2006 (herein after referred to as the Act) mandates employers to protect their workers and make provision for their protection at the employer’s own cost. For instance, by providing protective gear under Section 19 of the Act. This is further extended to other persons other than employees who may be reasonably affected by the construction activities on site under Section 23. Those who are self-employed have a duty to themselves and third parties under Section 24.

Safety is an important aspect in the construction industry. As a result, section 7 of the Act mandates occupiers to permit entry of premises to inspectors for any inspection, examination, inquiry and exercise of the powers of the inspector. Obstruction of such entry is an offence under section 8 of the Act. The Act grants an inspector powers to prosecute offenders under section 9 of the Occupational Safety & Health Act, 2006.

**Dispute Resolution.** Where there is more than one person involved in a venture, there is a likelihood of disputes. Disputes are best managed by having an ideal dispute resolution clause that is suitable to parties involved. Such clauses may be restricted to internal management, arbitration or the institution of suits in the courts of law depending on the circumstances of each case and the parties’ interests.

Other best practices include sustainable construction where the project aims at minimizing the effects a project may have on the environment by reducing waste and avoiding pollution, value management; best achieved through partnering and bench marking. You achieve the best results when you benchmark your performance.