Influence of Procurement Methods on Cost Performance of Building Projects in Gombe State, Nigeria

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Abstract : Procurement methods is described as systems of contractual arrangements used by the contractor in order to secure the design and construction services based on the stipulated cost and within the required time and quality. Despite that, major projects in the Nigerian construction industry failed because of wrong procurement methods with major consequences leads to cost overrun which needs to find lasting solution. The aim of the study is to evaluate the influence of procurement methods on cost performance of building projects in Gombe State, Nigeria. Study adopts descriptive and explorative design approach. Data were collected through administering of one hundred questionnaire using convenient sampling techniques. Data analyses using percentages, mean value and Anova analysis. Major finding show that more than fifty percent (50%) of procurement methods available are mainly utilized in the study area and the top procurement methods that have high impacts on cost performance as compare with the other methods is project management and direct labour procurement methods. The results of hypothesis' tests with pvalue 0.12 and 0.07 validated that there was no significant variation in the perception of stakeholders' on the impacts of procurements methods on cost performance. Therefore, the study concluded that projects management and direct labour are the most appropriate procurement methods that will ensure successful completion of project at stipulated cost in building projects.

Keywords : cost, effects, performance, procurement, projects

Conference Title : ICSRD 2020 : International Conference on Scientific Research and Development

Conference Location : Chicago, United States

Conference Dates : December 12-13, 2020

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