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Topic: A Review of the Major Factors of Cost Overrun in Construction Projects

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Abstract

Cost overruns have harmed the economies and reputations of several construction companies around the world. Many project management systems have been developed to keep track of a project's budget. However, due to several cost overrun difficulties in the construction industry, cost management is still deemed inadequate. As a result, the goal of this term paper is to identify and group prospective construction project cost overrun reasons based on their origin groups. Basically, all potential cost overrun elements were rigorously checked through literature analysis before being divided into seven (7) groups of originating components, including project, contract, client, contractor, consultant, labor, and external. Each potential factor was completely defined with examples.

Keywords

Construction projects, cost overrun, construction cost, critical factors of cost overrun.