

APPLICATION OF RISK MANAGEMENT TO IMPROVE PERFORMANCE: THE CASE OF INFRASTRUCTURE PROJECTS IN MBALE DISTRICT

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ABSTRACT

The construction industry is one of the crucial sectors in the development process of all communities in the World. In Uganda, the central government and other development partners, through the district local governments, have continuously provided funding towards the development of various civil infrastructure projects in the districts. However, due to the occurrence of several project risk events, the majority of the civil infrastructure projects undertaken by the districts have continuously exhibited poor performance, in terms of; delays, cost overruns, incomplete products, inadequate operational capacity, non compliance to the specifications, to mention but a few. The absence of a systematic approach towards the management of civil infrastructure project risks in Uganda, particularly at the district level, has escalated this problem. Furthermore, there was no evidence of any research studies having been carried out focusing on risk management in civil infrastructure projects in Uganda, especially at the district local government level. This report sets out the details of a study into the application of risk management in the civil infrastructure projects under taken by the district local governments in Uganda. The study was limited to the greater Mbale districts as the case study area. The objectives of the study were to; assess the performance of the district civil infrastructure projects, identify and analyse the risks involved in such projects and propose mitigation measures aimed at increasing the understanding of the project risks as well as the ability to optimise investments in such projects by all those involved.

This study was based on the review of the available literature/documents, an initial field study involving interviews/discussions with a few selected key technical personnel and then later, the administration of a combined project performance/risk assessment

questionnaire to a stratified and purposively selected sample of respondents. Both qualitative and quantitative risk analysis techniques were utilised to analyse the information collected and inferences made.

The results of the study confirmed that the performance of the district civil infrastructure projects in the case study area was inadequate – not good. The study findings also revealed that the significance of the risks involved in district civil infrastructure projects were at the level requiring urgent action in terms of putting in place and implementing a systematic approach that led to the proposal of a Risk Management Strategy (RMS). The study recommends urgent implementation of the proposed RMS, aimed at fostering performance improvements in the district civil infrastructure projects in the case study area and the rest of Uganda in general. The results of this study was expected to be of great benefit to the district local governments, contactors and consulting agencies as well as the engineers/managers who are currently involved in such projects and in the future, in Mbale in particular and Uganda in general