

Critical Success Factors for the largest Private Real Estate Builders of Pakistan, Bahria Town (Pvt.) Ltd.

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Abstract: *The construction industry has become more complex in modern times and the study of the critical success factors is very important to increase the project effectiveness. The study of the critical Success Factors for Bahria Town is very important to increase the effectiveness of the construction projects of others organizations. Bahria Town (Pvt.) Limited is the biggest private real estate builders of Pakistan . Keeping in mind the size and success of Bahria Town (Pvt.) Ltd., the researchers conducted a study to find out the Critical Success Factors that the management of Bahria Town considers for their projects. The researchers have chosen 40 factors which are placed under 5 process groups. These process groups are defined by PMBOK and PMBOK is considered to be the best practice guide of project management. These forty (40) factors are grouped under Initiating, Planning, Execution, Monitoring and Controlling and closing process groups. The respondents of questionnaire were asked to rank and score these factors. In order to identify the critical success factors, criticality score and a criticality index were used and top ten critical success factors were identified. These factors are in descending order i.e. (i) hand off complete product (ii) acquire final team (iii) selection of PM (iv) budget deployment (v) identification of activities (vi) deliverables (vii) final acceptance of the product (viii) confirmation that the work is done (ix) estimation of time and cost (x) development of project charter. We have to study more on the key performance indicators to identify the relationships between CSF's and KPI's. This research is about the CSF's and the researchers did not measure the project success.*

1. Introduction

Bahria Town is the largest private real estate builders of Pakistan. It is a Rawalpindi-based real-estate development company. According to Wikipedia, Bahria Town has 60,000 employees. According to Newsweek, Bahria Town is a Pakistan's gateway to paradise. Los Angeles Times (Oct 6, 2011) declared Bahria Town as a "functioning state with in a non-functioning state".

Bahria Town is developing housing societies in Islamabad, Lahore and Karachi. According to Wikipedia, Bahria Town owned total assets of 20 billion US dollars in 2015. It leads privately owned real-estate organizations in Pakistan. Therefore, the researchers wanted to study the critical success factors for the projects of this organization. There are certain factors which are more important to get project success. Rockart (1982) coined this term for the very first time and he says that these factors predict success. Based on this research, the researcher will be able to identify CSF's, so that the other construction companies get benefit out of this research.

2. Literature Review

Omran et al (2012) said that the project objectives can only be attained, if the project Manager knows about the critical success factors. He defines critical success factors as the necessary elements to attain objectives of the projects. He lays emphasis on strong communication management for the successful project. John F. Rockart (1982) defined critical success factors as some areas where there should be a satisfactory result. If the result in these areas is satisfactory, the project will meet success. For Alinaitive and Ayesiga (2013) the success factors are fundamental requirements of a project. According to them, strong monitoring and evaluation system and effective coordination are important variables in the construction project. If the project activities are integrated, the project will be a success according to Tan and Ghazal (2012). They put emphasis on Integration Management for the successful project. Scheduling and budgeting are very important factors for Adnan, et. Al. (2014). Motivation of team members and consideration of economic environment is also very important for Adnan, et. Al. (2014). Communication management system is important for Haughey (2014). According to him, communication among team members and stakeholders should be managed carefully. Helpful social and political environment is very important factor in the successful construction project

according to Yong and Mustafa (2011). Yong and Mustafa (2012) and Ejaz, et. Al. (2013) emphasized on the adequate financing by the client to complete the project successfully. Alvani, et. Al. (2014) say that the absence of technology, skill and commitment will lead to the failure of the project. The project success should be measured against, schedule, cost and quality according to Alvani, et. Al. (2014). Alvani, et. Al. (2014) and Nasir and Sahibuddin (2011) maintain that the estimation of schedule and budget should be done, keeping in mind the reality. Saqib, et. Al. (2008), Ogwueleka (2011) and Ikaet. Al. (2012) consider the effective management of design as a critical success factor for any construction project. Belassi and Tuckel, (1996) and Slevin and Pirto (1987) consider the leadership ability of the project manager as a critical success factor.

3. PMBOK – Practitioners Point of View

Project Management Institute (PMI) produced PMBOK. Chin and Spowage (2010) consider PMBOK as the guide of “Best Practice” PMBOK has 10 knowledge areas, 5 process groups and 47 processes. PMBOK standard can be applied to every kind of project PMBOK lays emphasis on stakeholder’s requirements gathering. It says that without gathering stakeholder’s requirements, project cannot succeed. PMBOK also says that the success of the project depends upon the completion of the project within the defined scope and within time and cost. PMBOK lays emphasis on developing project management plan. This project management plan must contain all the other plans e.g. scope, cost, schedule, stakeholders and requirements management plan etc. These plans deal with all the aspects of the project. PMBOK standard has 5 process groups that deal with all the activities of the project. These process groups include initiation, planning, executing, monitoring and controlling and closing. According to PMBOK all the activities should come under these process groups. Keeping in view, the practitioner point of view, the researchers have divided all the critical success factors under the 5 process groups.

4. Need of the Study

These are many housing construction projects in Pakistan which fail and millions of rupees are lost. This problem has made these researchers to find out the critical success factors of Bahria Town, because Bahria Town (Pvt.) Ltd. is the biggest real-estate organization of Pakistan. The aim of this research is to identify critical success factors that need to be carefully managed during the construction projects.

5. Objectives

The objective of this research is to find out the critical success factors for the projects of Bahria Town (Pvt.) Ltd. If the critical success factors are identified, then these CSF’s can help other construction organization of Pakistan to complete their projects successfully.

6. Project Success Criteria

According to PMBOK Edition 5, the project that is within the defined scope, schedule and cost is a successful project. PMBOK is a practitioners guide. It deals with the real projects, so the researchers have taken the concept of PMBOK of a project success as a project success criteria.

7. Research Work

For this research, the following activities were carried out;

- [1]. The researchers defined the success.
- [2]. The researchers noted the critical success factors for the construction projects.
- [3]. Questionnaire was developed.
- [4]. Data was collected and analyzed.

8. Method

The method that was chosen to carry out this research included following steps;

- [1]. The researchers developed a questionnaire to find out the critical success factors for construction projects of Bahria Town.
- [2]. The researchers did personal interviews and send questionnaire through post to the desired people.
- [3]. The researchers assessed feedback from the questionnaire to find out the critical success factors for construction projects of Bahria Town.

The researchers constructed a questionnaire. There were two parts (i) A and (ii) B. Part A was composed of (i) work experience (ii) position in company (iii) work performed annually (iv) total number of people work for the organization in different parts of Pakistan. Part B consisted of critical success factors that were identified through literature review.

This questionnaire was given to 28 people of the organization in parts of the country i.e. Islamabad, Lahore and Karachi. All 28 people are Senior Project Managers who have more than 15 years of experience in their field. In return 20 people responded to researchers questionnaire and helped the researchers in conducting this research. The sample size of this research is 20 because this

research is only restricted to Bahria Town (Pvt.) Ltd. Multi-staged sampling was done for this sample.

9. Analysis

Analysis was carried out from the feedback gathered from the questionnaire. The criticality index for each factor is identified and assessment criteria table is adopted from the research already done by Muhammad Saqib, Rizwan U. Farooqi and Sarosh. H Lodhi.

Table 1. Critically Assessment Criteria

Mean Factor Score Range	Criticality Index	Criticality Level
1.0 ≤ 2.5	1	Least significant towards project success
> 2.5 ≤ 5.0	2	Mildly towards project success
> 5.0 ≤ 7.5	3	Moderately significant towards project success
>7.5 ≤ 10.0	4	Most significant towards project success

Criteria developed by Muhammad Saqib, Rizwan U. Farooqi, Sarosh H.Lodhi.

The critical success factors are listed under these process groups.

Factors are taken from Rita Mulcahy 8th edition.

Table 2. Initiating Process Group

	Mean	Mode	Criticality Index
Selection of Project Manager	9.50	10	4
Creation of measurable objectives	7.15	8	3
Development of Project Charter	8.90	10	3

Table 3. Planning Process Group

	Mean	Mode	Criticality Index
Determination of Requirements	8.30	9	4
Creation of project Scope Statement	7.35	9	3
Make or by analysis	6.45	7	3
Creation of procurement documents	7.00	8	3
Creation of WBS and WBS dictionary	6.95	7	3
Identification of Activities	9.50	10	4
Creation of Network Diagram	5.65	6	3
Estimation of time and cost	9.15	10	4
Determination of	6.80	6	3

path that is critical			
Schedule Development	8.85	10	4
Budget Development	9.55	10	4
Quality policy	7.10	8	3
Change Management Plan Creation	5.95	6	3
Formal Approval	7.10	8	3

Table 4. Execution Process Group

	Mean	Mode	Criticality Index
Execution work according to Project Management Plan	7.75	9	4
Deliverables	9.40	10	4
Work Performance Data Gathering	7.95	7	4
Request Changes	7.35	8	3
Follow Process	6.35	7	3
Quality Assurance	6.45	7	3
Acquire Final Team	9.65	10	4
Management of People	7.30	7	3
Evaluation of Team and individual Performance	8.40	8	4
Recognition and Rewards	8.15	8	4
Reporting Project Performance	6.85	7	3
Selection of Sellers	7.60	9	4

Table 5. Monitoring and Controlling Process Group

	Mean	Mode	Criticality Index
Take action to Control the Project	8.05	8	4
Measurement of Performance against the performance measurement baseline	9.10	10	4
Analysis and Evaluation of Performance	7.25	8	3
Request Changes	6.85	7	3
Perform Integrated Change Control	6.40	7	3
Approval or Rejection of changes	6.50	6	3
Project Management Plan and Documents update	5.50	5	3
Stakeholder Engagement Monitoring	6.15	6	3
Perform Quality	7.30	7	3

Control			
Management of Reserves	5.75	6	3
Control Procurements	6.10	7	3

Table 6. Closing Access Process

	Mean	Mode	Criticality Index
Confirmation that work is done according to the requirements	9.25	9	4
Completion of Procurement Closure	6.65	7	3
Final Acceptance of the Product	9.35	10	4
Completion of Financial Closure	6.40	6	3
Hand off complete product	9.90	10	4
Feedback from Customer is solicited	5.50	5	3
Gathering of final lessons learned	5.75	6	3
Update Knowledge Database	6.15	6	3

Table 7. Critical Success Factors - Various Process Groups

Success Factors	Process Groups	Factor Criticality Ranking
Selection of Project Manager	Initiating	4
Development of Project Charter	Initiating	4
Determination of Requirements	Planning	4
Identification of Activities	Planning	4
Estimation of Time and Cost	Planning	4
Schedule Development	Planning	4
Budget Development	Planning	4
Executive Work according to Project Management Plan	Execution	4
Deliverables	Execution	4
Work Performance Data Gathering	Execution	4
Acquire Final Team	Execution	4
Evaluation of Team and individual Performance	Execution	4
Recognition and Rewards	Execution	4
Selection of Sellers	Execution	4
Take action to Control	Monitoring	4

the Project	& Controlling	
Measurement of Performance against the Performance Measurement Baseline	Monitoring & Controlling	4
Confirmation that work is done according to the requirements	Closing	4
Final acceptance of the Product	Closing	4
Hand-off complete product	Closing	4

Table 8. Success Factors Criticality Ranking- Various Process Groups

(Mean Criticality Index for a Category = Sum of Mean of Factors in each category / total No. of factors in each category)

Process Groups	Mean Critically Index
Initiating	8.56
Execution	7.70
Planning	7.75
Closing	7.37
Monitoring & Controlling	6.81

10. Conclusion

Alter analysis of responses, the top-ten critical success factors were identified.

Top-Ten Critical Success Factors in Terms of their Means

- 1]. Hand-off complete product (9.9)
- 2]. Acquire final team (9.65)
- 3]. Selection of Project Manager (9.65)
- 4]. Budget Development (9.55)
- 5]. Identification of Activities (9.5)
- 6]. Deliverables (9.4)
- 7]. Final Acceptance of the Product (9.35)
- 8]. Confirmation that work is done according to the requirements (9.25)
- 9]. Estimation of Time and Cost (9.15)
- 10]. Development of Project Charter (8.9)

This research is about the Critical Success Factors Identification and not about the measure of the project success. Further study should be done to find out the measure of success.

11. Limitation

This research is about the identification of critical success factors for Bahria Town (pvt) ltd. So this research cannot be applied to other organizations. The results could have been different, if different critical success factors were identified through literature review.

12. References

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