

Subject Description Form

Subject Code	ARCH381
Subject Title	Introduction to Construction Economics and Contract Administration
Credit Value	2
Level	3
Pre-requisite	Nil
Objectives	1. Enable students to understand the factors affecting construction cost 2. Enable students to contribute to the economic efficiency of construction throughout a project life cycle in conjunction with its stakeholders 3. Provide a practical knowledge of modern development in construction contract and procedures relating to construction contracts and their administration.
Intended Learning Outcomes	Upon completion of the subject, students will be able to: a. Analyse the factors affecting construction cost at an industry and project level. b. Understand and use cost data effectively for control purpose c. Evaluate life cycle cost of construction d. Familiarize with and review the features of some common local and international standard of forms of construction contracts. e. Analyse the contractual issues and evaluate the contractual position of different parties in various contractual situations. f. Communicate effectively with legitimate reasoning. Identify contemporary issues related to construction economics and contract administration.
Subject Synopsis/ Indicative Syllabus	Factors affecting construction costs at industry and project level Types of client and the client's brief, real estate developers and their costs • Building costs • Cost planning and cost analysis • Life cycle costing • Cost control measures Construction contracts: modern development of contracts; legal interpretation and applications in construction contract. Standard form of contract: characteristics of various standard forms of local and international building contracts and sub-contracts. Duties and responsibilities of the contract administrators and the parties to the contract: implications of contract clauses; the procedures for instructions, variations, payments and certifications. Construction claims: evaluation and presentation of claims; contractual remedies.

Teaching/Learning Methodology	The principles and concepts are delivered through lectures (each at 1 hrs per week), with application and discussion being covered in seminars and tutorials (each at 1 hrs per week in small groups), for a total period of 13 weeks. The syllabus on construction economics will take students through the macro and micro factors affecting construction cost, both from the client and contractor’s perspectives. Seminar topics (some of which are case-based) and reports demand students’ individual research and data analysis. The syllabus on contract administration will require students to analyze and resolve administrative, organizational and managerial problems in the practice of construction contract administration through tutorial projects. Tutorial projects will also be set key topics for groups of 4-5 students to carry out research and prepare for presentation and discussion in tutorial class. The tutorial classes encourage peer group learning and provide an interactive learning environment to develop critically thinking and legal reasoning.																																																				
Assessment Methods in Alignment with Intended Learning Outcomes	<table><tr><th rowspan="2">Specific assessment methods/tasks</th><th rowspan="2">% weighting</th><th colspan="7">Intended subject learning outcomes to be assessed (Please tick as appropriate)</th></tr><tr><th>a</th><th>b</th><th>c</th><th>d</th><th>e</th><th>f</th><th></th></tr><tr><td>1. Seminar/ Report</td><td>20 %</td><td>√</td><td>√</td><td>√</td><td></td><td></td><td></td><td></td></tr><tr><td>2. Group project</td><td>20 %</td><td></td><td></td><td></td><td>√</td><td>√</td><td>√</td><td></td></tr><tr><td>3. Examination</td><td>60 %</td><td>√</td><td>√</td><td>√</td><td>√</td><td>√</td><td></td><td></td></tr><tr><td>Total</td><td>100 %</td><td colspan="7"></td></tr></table> Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes: Students will be assessed by: (i) Seminar/report: In the form of individual project assignment and critical discussion in class. The individual project assignment (20%) is to evaluate the learning outcome a to c through the students’ critical reflections on their understanding of the construction economics, construction cost and life cycle cost of construction assesses. (ii) Group project: In the form of presentation of project and written group report. The group project (20%) is to evaluate the learning outcome d to f focusing on different forms of construction contracts and the issues in practice. iii) Examination: In the form of problem analysis and essay type question. Examination (60%) is used to assess the learning outcome a to e on students’ understanding of concepts and practices learned in the lectures and tutorials.	Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)							a	b	c	d	e	f		1. Seminar/ Report	20 %	√	√	√					2. Group project	20 %				√	√	√		3. Examination	60 %	√	√	√	√	√			Total	100 %							
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Murdoch, J., & Hughes, W. (2002). *Construction contracts: law and management*. Routledge.

Cheng, T. Y. W. (Yeuk-wah), & Soo, Gary. (2013). *Construction law and practice in Hong Kong* (3rd ed.). Sweet & Maxwell/Thomson Reuter.

Thomas, R. (2001), *Construction Contract Claims*, 2nd Ed., Macmillan, U.K.

Uff, J. (2002) *Construction Law: Law and Practice Relating to the Construction Industry*, 8th Ed. Sweet & Maxwell, UK.

Supplementary:

Ashworth, A., Higgs, C., & Hogg, K. (2013). *Willis's Practice and Procedure for the Quantity Surveyor* (Thirteen edition). Wiley-Blackwell.

Chris, M. (2009) *Finance and control for construction*, Taylor & Francis

Samuelson, P.A. and Nordhaus, W.D. (2010). *Economics*, 19th edition. McGraw-Hill International Edition.

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Latham, M. (1994), *Constructing the Team*, HMSO.

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Smith, J., Jaggar, D., Love, P., & Olatunji, O. A. (2016). *Building cost planning for the design team: 3rd edition*. <https://doi.org/10.4324/9781315695129>

Seeley, I. (1996) *Building Economics*, MacMillan

Pilcher, R. (1994) *Project Cost Control in Construction*, Blackwell Scientific Publication

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