

ABSTRACT

Besides quality, the success of a construction project is also determined by the achievement in terms of cost and time. The cost and time to complete a project should be measured on an ongoing basis to determine the deviation from the original plan. In a construction project, the delay and change (VO, variation order) often occurs even until now. This can cause delay and cost overruns of the project.

This thesis discussed several projects that experienced VO during the process of construction work. The data was obtained through interviewed with senior officers from 8 different completed construction projects. Analysis was later conducted to determine how much influence the VO on time and cost performances of the projects from the point of view of contractors, what are the most dominant factor causing VO, and provide recommendations with regard to the VO.

Based on the interview data and further analysis, it was found that the influence of the VO on project time and cost performances are not too significant, but has various other risk potential which are high enough for both the contractor and the owner. Several recommendations to better handle the VO based on the interview and analysis are better/more complete design drawings, better documentation and filing in administering the VO, and the speed of decision making in handling the VO.

Keywords : delay, variation order (VO), performance, time of the project, cost of the project, the contractor