Editorial



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In this edition of the Australian Journal of Construction Economics and Building we find four varied and interesting articles from a range of countries. These include Sweden, Hong Kong and Australia. This diversity is healthy and reflects the increasing international regard in which the AJCEB journal is held. We congratulate the authors for making it through a very rigorous and refereeing process and also thank the international reviewers who helped ensure that only the highest quality papers were published. We hope that the end result is an issue which is both stimulating and value-adding.

The first article is by Valerie Francis and tackles the increasingly important issue of work-life balance. While the research presented in the paper focuses on 500 engineers, it is of relevance to most professionals in the construction industry who find it more and more difficult to reconcile the competing demands of work and home life. However, the paper is primarily aimed at HR managers who, by considering ways of overcoming the problem, can greatly enhance organisational efficiency. More specifically it discusses the cultural impediments which can prevent effective measures being put in place. The study found that male civil engineers that report higher levels also perceive their work place to be not supportive of employees' family needs. Strong correlations were also found between supportive organisational values and lower intention to guit; higher levels of organisational commitment, job and life satisfaction; and lower levels of mental health issues. However, while the implementation of work-family policies such as part-time work options, flexible work arrangements and dependant care support schemes can be helpful, the study found that they have limited worth unless they are embedded in the culture of the organisation. Therefore, it follows that the provision of benefits delivered through human resources policies is not sufficient in itself. A workplace culture must exist within which employees feel comfortable taking advantage of alternative workplace policies.

The second paper is by Marcus Jefferies and Swee Eng Chen and presents a case study of the highly successful 2000 Olympic Stadium project in Sydney Australia. Their case study focuses on identifying the risk factors associated with the BOOT procurement approach which was adopted. This paper is particularly important given the increasing popularity of Build-Own-Operate-Transfer (BOOT) schemes around the world and the relatively immature understanding of the risks involved. As the authors say, BOOT projects are extremely complex and bring to the construction sector risks not experienced previously. Indeed, many of the infrastructure partnerships between public and private sectors in the past are yet to provide evidence of successful completion, and the issue of risk is one that is often highly contentious. In their study, the authors applied an identified list of risk factors to the Stadium Australia project and found that the most significant risks were associated with the bidding process, the high level of public scrutiny, post-Olympic Games facility revenue and the complicated nature of the consortium structure.

The third article is written by Dr. Ekambaram Palaneeswaran, Dr. Mohan Kumaraswamy and Dr. Zhang Xue Qing and considers the highly pertinent issue of achieving best value through appropriate sourcing decisions – particularly in the selection of contractors and consultants. They argue that although traditional 'price based' selection approaches are still preferred on the grounds of simplicity and/or public accountability, they may well result in some 'false economy' or missed opportunities for procuring best value. Furthermore, the lower significance of price in contemporary project delivery methods such as Design-Build and Build-Operate-Transfer type arrangements render the purely 'price based' approaches out of date. Although, best value selections should yield economic and other strategic benefits in the long term, the authors found that some clients opt for 'desired value' instead of 'best value' due to some of their other constraints, such as budget limitations. By

consolidating various viewpoints and approaches to this issue, they present a best value framework which will be beneficial to both clients and their contracting 'counter-parties' (e.g. contractors and consultants).

The final paper in this edition is entitled "Low innovation among building material suppliers: The natural level of the trade?". It is written by Jan Sundqvist who presents research into innovation among 800 suppliers of building materials in Sweden. This is an important yet neglected issue since typically, the cost of building materials is approximately 40% of total building costs. The efficiency of suppliers therefore has a major impact on construction productivity and efficiency. Interestingly, when compared to suppliers in other industries, Sundqvist found that the relative level of investment is small in new products, R&D, machinery, marketing and the introduction of products. Furthermore, building suppliers have a greater proportion of sales from older products compared to suppliers in other industries and also have older equipment, poorer production processes and are also not as good at finding new ideas.

Finally, I would like to thank the Associate Editor Ms Melissa Teo. This edition of the journal would not have been possible without her hard work and I am indebted to the impeccable professionalism with which she organised the whole publishing process. I would also like to thank my friend Ms Ayu Suartika for her typical efficiency and enthusiasm in formatting this edition and Associate Professor George Earl for his support of this program.

Kind regards, Professor Martin Loosemore July 2004