TECHNOLOGY TRANSFER THROUGH JOINT VENTURES IN THE CONSTRUCTION INDUSTRY

ABSTRACT

Joint Ventures in the Construction Industry are, in certain cases, formed to facilitate the transfer of technology. The government has encouraged joint ventures through the Preferential Margin Scheme, whereby joint ventures between local and foreign contractors are accorded special considerations in tenders for public sector construction projects, particularly the larger projects. This is to allow more local participation and learning exposure in these projects in order to acquire advanced construction and management knowledge.

Construction joint ventures have been particularly popular in the early 1980s which coincided with the construction of the Mass Rapid Transit System in 1983. The various joint ventures formed for the MRT and other public projects present a timely opportunity to study technology transfer through joint ventures.

This study reviews the literature pertaining to the well researched topics of technology transfer and joint ventures with particular reference to the construction industry. The state of the local construction industry including the market share of projects between the local, foreign and joint ventures are researched. An exploratory survey of joint ventures was conducted to examine the factors influencing technology transfer. The assessment is viewed from the organisational standpoint rather than the industry's or individual's perspective. The findings are used to propose a model to assist local contractors in developing an effective strategy to acquire technology through joint ventures.