The traditional system of engaging Consultant to design and Contractor to build for a development has been in existence for more than a decade. In view of the need for a development to be completed within the shortest possible time to meet the market demand, the emergence of Management Contracting attempts to solve some inadequacies of the traditional procurement arrangement. The fast tracking process under a Management Contracting environment overcomes the long development period for a project. It also enables the engagement of contractors to capitalise on their expertise for the development of more sophisticated buildings.

This dissertation investigates the current flaws in the traditional procurement system and the circumstances that Management Contracting could be adopted. The problems and practical difficulties encountered and associated with Management Contracting are discussed. In view of the peculiar nature of this procurement arrangement, the roles of the parties under a Management Contracting environment and the respective risks imposed on each party are also examined.

To understand the reasons why Management Contracting is not popularly adopted in Singapore require an investigation on the causes of the client’s hesitation in embarking on Management Contracting. The organisational constraints of a Management Contractor and the dilemmas that client has on Management Contracting in terms of time, cost and quality are hence addressed. The performance of the Management Contractor in the area of site and contract management is also discussed.

Via a case study, it provides feedback to verify the constraints and problems encountered by a Management Contractor. The findings from the case study revealed that Management Contracting performs well in terms of time but not in terms of cost. There is a need to re-examine the risks that contractors have to undertake to make it a viable and acceptable option in Singapore. A more comprehensive management service is also expected to be provided compared to the traditional procurement
arrangement so that client gets value for money. The study also identifies the possibilities of exporting this service overseas. The improvements that the industry needs to undertake to promote and expand this management service are also highlighted.