

ABSTRACT

Successful Management is essential for successful completion of any project, especially construction projects due to its unique and special characters compare with other industries. This study is an initial attempt to evaluate the relationship between two main managerial practices which are known as Risk Management (RM) and Value Management (VM) with regard to Sri Lankan construction industry.

Risk Management (RM) and Value Management (VM) are the key areas to achieve project objectives by enhancing performance and reducing risks. Value Management is about articulating what represents value in terms of project benefits while Risk Management is about identifying causes of uncertainty and what can go wrong.

Risks are very common in the construction sector. The research facts exposed that the design risks, environmental risks, political risks are significantly impacting on Risk management. And cost value and functional value are significantly impacting on value management. These risks affect 44.3% to the risk management in construction industry and value effect 56.6% to the value management. Therefore, need to find out the more risks and values in construction industry.

The Study implies the Applicability and the practicability of the integrated approach are desperate unless the adequate measures have been taken. The questionnaires and interviewees were conducted from related to the construction practitioners regarding the designed objectives. It was found that value management and risk management have significant effect on the construction industry of Sri Lanka. Finally, positive and negative side of the outcome and restrictions to integration are communicated in this study.

Keywords: Risk Management, Value Management, Integration of RM and VM