

A classic approach to quality

With the advent of the Quality Assessment System in Construction (QLASSIC), CIDB Malaysia urges domestic developers to do things right the first time and every time



(L-R): Hock Peng Org senior project manager Michael Tiong, MBAM Technical Committee chairman Dato' Ir K Laxana Naidu, CIDB Safety and Quality senior manager Sazali Che Mat, SHCT president Datuk Haji Ahmad Sadiq, CIDB Technology and Innovation Development Sector general manager Ir Noraini Bahri, Canaan Building Inspection Sdn Bhd director Joshua Kang and Hock Peng Org regional marketing director Jimmy TS Jong

DESPITE the soaring costs of properties nationwide as luxury housing developments and GST implementation push prices skywards, few Malaysian buyers and investors are fully aware of their rights when it comes to defective workmanship or materials in the construction of a house or apartment, despite the wealth of avenues open to them to seek redress.

"Since the inception of the Sabah House-buyers Claims Tribunal (SHCT) in 2007, roughly 1,500 cases have been filed, to the tune of RM10 mil. In terms of settlement, 70% of the cases are resolved through mediation, and of these, the majority involve defects in the property," said SHCT president Datuk Haji Ahmad Sedik.

Other avenues for complaint include the civil court and the Enforcement Division of the National Housing Department in the Urban Wellbeing, Housing and Local Government Ministry, tasked with intervention in disputes between homeowners and developers. However, such cases will only arise when consumers are informed as to what they can demand for the often exorbitant prices found on the current market.

Bringing quality to the fore

Recognising the need for greater awareness among the public with regards to acceptable standards in project delivery, the Construction Industry Development Board Malaysia (CIDB) has developed the Quality Assessment System in Construction (QLASSIC) to provide an objective benchmark in this area.

Its guidelines are laid out in Construction Industry Standard (CIS) 7:2014, itself derived from the Building and Construction Authority (BAC), Singapore's Construction Quality Assessment System (CONQUAS). A project's QLASSIC rating is measured through site inspections, with projects scored on a percentile basis according to a variety of weighted criteria set by industry leaders.

"In the 1960s, the construction industry was in its infancy, with a small number of players in the market, most of them master craftsmen. They showcased excellence in quality, fulfilling projects even with the strictest stipulations in terms of standards. In the 1980s, the construction boom brought with it an influx of foreign labour due to shortages in manpower. This period saw a marked increase in the number of industry complaints and defects," said CIDB Safety and Quality senior manager Sazali Che Mat.

With a clarion call towards "doing things right the first time, and every time," QLASSIC inspection is carried out by independent assessors trained and registered in accordance with CIDB requirements. Construction elements to be assessed are determined through a statistical sampling, ensuring a representative review of the entire project.

The QLASSIC approach

While QLASSIC has been proposed for inclusion as a mandatory future requirement for developers under the 11th Malaysia Plan, it currently functions as a complement to contractual specifications, and is not intended to gauge compliance of a building or building parts with the relevant bylaws. The standard also limits its scope to structural, architectural, mechanical and engineering (M&E), and external works, omitting piling, foundation and substructure works.

"The economic downturn in the late '80s saw a large number of abandoned projects in the domestic landscape, which affected everyone in the value chain of construction, from house buyers, contractors and suppliers to developers and bankers. The first priority then was to give possession of houses to their owners, at the expense of quality," said Sazali.

While due to a large degree on pre-existing guidelines laid out in the BAC's CONQUAS system, QLASSIC incorporates new and updated information pertinent to the context of the Malaysian industry in its

purview, compiled by a technical committee whose members include representatives of the Master Builders Association Malaysia (MBAM), Real Estate and Housing Developer Association Malaysia (Rehda) and Universiti Sains Malaysia.

The two standards are used interchangeably in the domestic market, though CONQUAS has the benefit of long-term entrenchment in developer practice. While commanding less brand recognition in the current climate, the primary advantage of QLASSIC over the Singapore-based standard is its lower application fees, with a QLASSIC assessment costing RM500, while CONQUAS charges can range from SG\$12,305 (RM32,768) upwards depending on gross floor area.

"Since its inception in 1994, the CIDB has registered a total of around 65,000 contractors in the country. In contrast, in terms of residential developments, about 5,000 projects are registered yearly. It's a small pie to share in a large market, so there is a real need to educate and develop this group of contractors as well," said Sazali.

The adoption of a localised measuring stick and its implications for quality in domestic projects are especially relevant given the impending implementation of the Trans Pacific Partnership Agreement (TPPA), a multilateral accord between Asian and Pacific Rim nations to encourage free trade and open markets.

The move has drawn critiques from some quarters, citing its potentially negative consequences on Malaysia's trade balance with a projected rise in imports. Its impact on the construction sector is no less profound, with lingering questions as to whether domestic stakeholders and industry players can compete on an even playing field with the global market.

"We have many challenges ahead of us in terms of project defects and problems and how we can overcome them, and QLASSIC is a step towards improving construction quality in the industry as a whole. There's a perception that QLASSIC is only for high end projects, but the standard can be applied to low-cost and medium-range properties as well," said MBAM Technical Committee chairman and Sysnovate Solutions Sdn Bhd director Dato' Ir K Laxana Naidu.



A spate of fatal incidents in public works has brought the quality and safety standards in the construction industry under public scrutiny

Quantifying the intangible

In formulating its QLASSIC guidelines, the CIDB assigns weights to the four key construction components, namely structural, architectural, M&E and external works, with an eye to their cost proportions and aesthetic considerations in various types of properties ranging from stratified and landed housing to public, commercial and industrial buildings, which are further subcategorised by the presence of centralised cooling systems.

Architectural works are prioritised in landed and stratified housing projects, accounting for 70% and 60% of total scores respectively, due to the value associated with finishes on surfaces and fixtures in properties by home buyers. Structural works, encompassing casted concrete, prefabricated, precast and steel reinforcement elements, are also weighed highly, due to the significant costs of rectification in this area.

"QLASSIC was initiated by the CIDB back in 2005. We looked around and asked ourselves, 'How do we do this best?' Now, CONQUAS was already available and had

already proved popular in Singapore. Several developers and contractors in Malaysia were already using it, more than 15 years ago, and it worked well, so we decided to use that as a foundation," said Laxana.

"Its first iteration was released in 2006 as CIS 7, and the CIDB began offering QLASSIC assessments for projects in 2007. Last year, we revised the standard to keep up with the needs and expectations of the industry and customers, resulting in CIS 7: 2014. Buyers today are burdened with defects, and our goal is to assure the quality that contractual documents and specifications in the industry just aren't delivering today."

Why standards are necessary

Quality and safety concerns in domestic construction have recently come under public scrutiny as a spate of fatal incidents involving the upcoming Mass Rapid Transit (MRT) project and Light Rail Transit (LRT) extension in the Klang Valley continues to capture media headlines.

The most recent case, taking place at the Semantan MRT portal construction site in Kuala Lumpur on Feb 28, claimed the life of one worker, with another trapped as a snapped cable led to the collapse of a steel cage. A previous incident in 2013 also saw the death of a motorist as an LRT railtrack column fell upon nearby traffic along the Subang Airport road.

In the residential sphere, defects are thankfully less hazardous, often measured in deviances from expected norms in finishes, surfaces and joints, with tolerances varying by feature. The highest incident of defects is often found in rooftop features, due to the difficulties they pose in terms of supervision.

In assessing these defects, QLASSIC assessors use tools such as tapping rods, steel gauges, L squares, steel wedges, retractable mirrors and spirit levels to evaluate workmanship. Shortcomings can range from minute breaks in flooring, misaligned glazing in windows and inconsistent gaps between door leaves and frames to visual flaws such as wall stains and uneven paint tones.

"Skilled workers are an issue that many developers and contractors face in implementing QLASSIC standards, with a shortage of manpower cited as a primary factor in achieving desired results. In terms of solutions, greater expenditure on training is a possibility, and in Singapore, precast and industrialised building systems (IBS) have been used to reduce the amount of skilled labour required onsite," said Canaan Building Inspection Sdn Bhd director Joshua Kang, who counts QLASSIC awareness and assessor training among his diverse portfolio.

Uptake of the CIDB-derived system has been comparatively slow relative to the success of CONQUAS, though the number of projects undergoing QLASSIC assessment has grown to 900 since 2007. Fortunately, the participation of a number of major players, such as Sime Darby Property Bhd, Sunway Construction Sdn Bhd, MK Land Holdings Bhd and DBKL have helped increase the standard's profile in the market.

Of these, top QLASSIC ratings have been earned by Coronation Estates Sdn Bhd for its Quintet Bungalow Gita Bayu project, Sunway Construction for Impiana Phase 2 and Selangor Industrial Corp Sdn Bhd for Cahaya Alam Parcel G, scoring 88%, 85% and 83% respectively. Their achievements are remarkable due to the difficulty involved in obtaining high initial QLASSIC marks given the system's detailed evaluations, though subsequent assessments are often higher as improvements are incorporated into existing processes.

With regard to educating the market, the key is to increase awareness as to the options available to buyers should developers fail to produce quality in terms of project deliverables. While a subset of affluent purchasers already practices informed consumerism, applying personal sensibilities to make the most of their purchasing power, there is room to grow in this area.

"It will take some time to get all the various parties to buy in to the QLASSIC standard. The greatest potential here is to target the end users, as demand there will put pressure on stakeholders to adopt the system. If you look at the statistics, many high-end properties have taken up QLASSIC or CONQUAS assessments, simply because customers who pay more are demanding more," said Laxana.

The road ahead

Laxana agrees with Kang in that he sees innovations in construction technology as a necessary step towards reducing labour costs to offset adoption outlays for developers. Additionally, he attributes current attitudes towards quality in the domestic market as the product of a gradual decline in contractual enforcement over the years, with compromises and corner-cutting in projects becoming the norm.

The issue is exacerbated by a saturated market where price is often the bottom line, with jobs going to the contractor who can offer the most value for the least cost. Along with competition from thousands of other players, this indirectly perpetuates the deprioritisation of quality, with consumers effectively getting what they pay for.

For their part, buyers can do their part in reversing this trend by raising their concerns with developers should any defects arise. Appointment of a building inspector to confirm findings may help in the presentation of a claim, with legal recourse as a final resort should the developer be nonresponsive.

"The Housing Tribunal is one possible solution to settle these disputes. If you go to the civil court, it can take some time, and there a lot of costs involved, whereas filing a claim with the Sabah Housing Tribunal costs only RM50, irrespective of whether you are a purchaser or a developer, with Tribunals in Peninsular Malaysia charging a fee of RM10, with subsequent fees for amendments," said Ahmad.

Tribunal claims are based on the cost of action arising out of sale and purchase agreements (SPA) between house buyers and licensed housing developers, and must be submitted no more than 12 months from the date of issuance of the certificate of fitness for occupation, or the expiry of the defects liability period set out in the SPA.

