

UJENZI UJENZI PLC CONSTRUCTION WORKS COMPLICATIONS

UJENZI UJENZI PLC is currently a popular company located in Dar es Salaam. The company's core function is construction works for both small and large projects. UJENZI UJENZI PLC projects were initiated in 1999 after its establishment in 1998. By that time it was a relatively small company dealing with building, repairing and remodeling of residential buildings under Fixed Price Contracts. The company at that time operated under decentralized contract management philosophy with a directorate of project management headed by Dr Uzoefu, an expert in performance management and a retired management consultant from a very well known consultancy firm in East and Central Africa. After fourteen years of successful business performances, the company expanded its operations and begun to deal with construction of institution and commercial buildings. An increase of scope of operation necessitated the flexibility of the company to execute not only fixed price contracts but also other forms of contracts like cost reimbursable as well as time and material contracts

In June 2015, the company was awarded a five years major contract for the construction of commercial buildings. The project was huge and was awarded based on cost reimbursable contract. The major project consisted of seven smaller projects in seven regions, several of which consisted of subprojects.. When the project reached almost 40% implementation level, about 300 people including external consultative resources were involved in different activities of the project. Unfortunately the project was challenged by cultural differences especially corporate cultures resulting into obstacles in managing relationship between the company and its clients. The challenge was due to the fact that, many engineers in the project had been employed for 15 years or more in the same organizational setting, their creativity declined and each believed to be very important employee compared to others. On the other hand, the company relied on outdated contract control techniques that triggered increased clients' complaints on the quality of works as well as delays in project activities. It was during that time that the company experienced worse financial crisis that threatened its survival.

The observed challenges pushed the company to start reorganizing its structure for the purpose of enhancing proper management of projects as well as restoring its financial stability. Personnel from functional departments and project departments each having different management styles

and approaches to systems development were moved between the business units and had to cooperate with each other. The reorganization also implied that new more professionals could come in the projects to catalyze the contract management success. For example, the company was forced to replace Dr Uzoefu with the new director Mr Njaa Kali who had a background in project management and had 12 years working in the field of project management. After realizing existence of many challenges and weaknesses relating to contract management, the new director requested top management to apportion fund which could facilitate a workshop specifically designed to impart knowledge, skills and competencies related to procurement contract management to all employees directly involving in project execution.

In 2018, the director created a contract management office under the direct support of the new general managers in each area of project location. The new general managers at their location again faced many challenges in managing the projects since the contracts implemented at their time were associated with many risks and it was difficult for them to deal with all risks at a time. It was at this time that the director realized the necessity of involving procurement professionals more extensively in procurement contract management processes in order to effectively manage the frequently occurred risks. Due to relative newness of procurement contract management and the complication on the implemented projects, little data were available to the company to fully assess the contract performances and therefore the company had to do more research in order to archive more information that could assist it in measuring contract performances.