

Impact of Material Management on Cost Overruns in Construction Projects in Sri Lanka

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The construction industry is considered to be a main contributor for the development of an economy of a country. In Sri Lanka the contribution of the construction sector plays a major role towards the economic growth. Meanwhile, cost overruns are inevitable consequences within the construction industry, and material management is identified as one of the key causes for cost overruns within construction projects. Relationship between material management and cost overruns was not investigated much in conjunction within the Sri Lankan construction industry in past studies. In that sense, this study aims to identify the impact of material management on cost overruns in the construction projects in Sri Lanka. Moreover, issues and solutions for proper material management in construction projects were identified as the key findings in this study. The study was conducted as a mixed research approach where both qualitative and quantitative data were acquired through questionnaire surveys and semi-structured interviews. The impact and relationship of material management and cost overruns were identified via regression analysis and correlation analysis with the aid of SPSS software package. The issues and solutions for proper material management were identified through the manual content analysis. The major issue of material management was identified as the wastage of materials in construction sites. It causes high additional costs in construction projects. Finally, the study further elaborates the conclusions and recommendations to overcome cost overruns through proper material management in construction projects in Sri Lanka.

Keywords: *material management, cost overrun, construction projects*