

# Challenges Facing the Establishment of the Quantity Surveying Profession in Sri Lanka



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Sri Lanka was the first country to establish the quantity surveying profession in South Asia, early in 1960, by introducing 'Builders Quantities' course in the then Institute of Practical Technology, Katubedda, which was established in November, 1958, with the support of the Canadian government. Presently, this institute is named the University of Moratuwa, which is the primary institute in producing academics in the engineering sector in Sri Lanka.

The National Certificate of Technology in Quantity Surveying was later introduced island-wide in 1972 through Technical Colleges (<http://www.nct-tech.edu.lk/history.html> - visited on 8th Jan. 2011). This was a turning point in QS education in Sri Lanka. Through this three year part-time course of NCT(QS), many needed QSs were produced for the construction industry in Sri Lanka. As a result of ever-increasing demand in the industry, the BSc in Quantity Surveying course was introduced in 1986 at the University of Moratuwa. With the expansion of the global construction industry, a number of quantity surveying courses were commenced in both the public and private sector during the last decade.

Despite significant improvement in the quantity surveying sector in terms of education and professional practice in Sri Lanka, currently it faces challenges in a number of situations which can be summarized under the following six main headings:

1. Standard of Education
2. Supervised Training Programme
3. Fee Competitions among Practitioners
4. Experience, quality and standard
5. Employment opportunities
6. Establishing the Profession

## Standard of Education:

The quantity surveying profession needs to continue to recruit young qualified people who wish to continue with their further professional education. For the quantity surveying profession, currently a number of private institutions are conducting diploma level quantity surveying courses targeting school leavers who lost the opportunity to enter government Universities or other institutions of higher education.

Currently, the University of Moratuwa provides a BSc degree course in Quantity Surveying to a limited number of students. The BSc in Quantity Surveying course has been accredited by the Royal Institution of Chartered Surveyors (RICS). The Government Technical Colleges provides full time and part time certificate level quantity surveying courses designed for school leavers and technical employees respectively.

The students of Government Technical Colleges who obtain marks above the minimum required level from the final examination conducted by the Department of Examinations receive their certificates. The College of Quantity Surveying, governed by the Institute of Quantity Surveyors Sri Lanka (IQS-SL), which has been incorporated by an Act of Parliament in 2007, provides quantity surveying courses designed to meet the requirements of the IQSSL.

The question then arises about the quality and standard of education of some of these private organizations, situated at various places in Colombo and outstations, which provide quantity surveying education, where a considerable number of students follow Diploma or Higher Diploma courses by paying a fair amount. Providing a quantity surveying education became a profitable business due to higher demand for quantity

surveyors in Sri Lanka and foreign countries before the recession of the global economy.

Attractive advertisements on newspapers show short and easy routes to reach membership of internationally recognized professional quantity surveying institutions and other professional bodies. Currently, no criterion measure or mechanism has been established by government authorities or relevant professional institutions for monitoring the quality and standard of the courses and examinations conducted by such private educational organizations.

### **Supervised Training:**

Currently, students who obtained their academic qualifications face challenges in entering an appropriate structured training programme with the relevant professionals' supervision. This affects most students irrespective of the levels of their academic qualifications. This seriously affects young quantity surveyors who obtained academic qualifications accredited by foreign professional quantity surveying institutions such as RICS, AIQS, IQS-SL with the aim of becoming a chartered quantity surveyor through an appropriate membership route.

All professional institutions for various disciplines have formally recognized the need for structured supervised professional training to achieve recommended professional competencies to offer their memberships. The importance of this training to young quantity surveyors has been recognized by few employers while the majority of employers are underestimating its importance or ignoring trainees.

Currently, the key challenge for employers is to maintain their existing professional and technical staff including quantity surveyors and other assets until their average volume of work returns to normal. Another challenge for students is to find an employer, who allows trainees to practice what they studied at the university or college. All of the above difficulties are influenced by the current job market, which is directly linked with country's economic climate.

### **Fee Competition:**

In many cases, quantity surveyors are being appointed as sub-consultants to a main consultant by the clients. Because of this arrangement, quantity surveyors have

become employees of an internal consultant of other professionals of the project.

Quantity surveyors who wish to practice independently have to face increasing competition within the industry. The competition may come from within the profession or other construction professionals, for example, where the client requires appointing a professional quantity surveyor at the conception stage as his cost adviser, the project architect or engineer may express his interest to provide cost consultancy services as part of his consortium services reasoning that giving it would give a single point liability to the client. Finally, clients may prefer to obtain one-stop-shopping for consultancy services rather than appointing different parties for different services, which may think that he may save additional cost involvement in administering various professional disciplines.

Non-Construction Personnel are also attempting to enter construction consultancy services such as advising on contract procurement, contract administration, dispute resolutions, contract drafting etc, which usually fall under the roles of quantity surveyors. Though quantity surveyors are expert in Procurement Management and Contract Drafting, most clients, including government departments, statutory authorities, banks etc still prefer to obtain services from personnel from other disciplines such as finance, legal, and from engineers. The majority of Consultants who provide consortium services to the client as 'the Engineer' for contract engage quantity surveyors as employees, those who have experience in merely measurements and quantifications, ignoring their academic or professional qualifications. This would undermine the professional services to be provided by the profession of quantity surveying to the society.

### **Experience, Quality and standard**

The quantity surveyors employed by contracting firms have opportunities for gaining experience not only in quantity surveying but in various aspects of construction technology. However, clients expect high quality, proper and accurate tender/contract documents from quantity surveyors to avoid future disputes, which may arise at the post contract stage. The client always expects maximum value for their money and the contractor always expects maximum money for their products. A professional quantity surveyor should have the relevant experience to understand this concept and should be able to strike a balance between two parties. Therefore, by appointing an

experience and qualified professional quantity surveyor it may be possible to minimize disputes that may arise due to errors in the bidding and contract documents prepared by inexperienced quantity surveyors. The following example illustrates one of the disputes which occurred due to poor drafting of tender and contract documents:

The clause stated below was abstracted from preamble notes given in a measure and pay contract, where the Employer was a Statutory Authority.

*"If the BOQ does not contain any work item which is to be executed by the contractor in accordance with the drawings or specifications, the cost of the missing work item is deemed to be included within other items".*

The reason for the error seems that the quantity surveyor who was appointed by the architect copied preambles notes from a lump sum contract rather than preparing particular preamble notes for the project and failed to grasp the unfairness of the terms which he included in the contract and their potential legal implications.

Due to recent changes in technology, intelligent buildings and laboratory buildings have a higher proportion of mechanical and electrical installations compared to traditional buildings. Quantity surveyors would not be able to perform their duties for such buildings unless they have reasonable knowledge and experience in new technology.

Clients may need initial cost estimates and early cost advice to know the extent of their financial commitment in advance in order to allocate funds to the projects. The quantity surveyors should have the experience to provide a reasonably precise estimated cost, considering current cost, inflation forecast, and economic climate in the country.

### **Employment Opportunities:**

The demand for construction professionals, including quantity surveyors in Sri Lanka, has been drastically reduced since early 2008 due to construction works being reduced significantly, particularly private commercial buildings and apartment buildings. This situation seriously affects the demand for quantity surveyors. The situation is further influenced by foreign contractors currently carrying out most of the major construction in the country as they do not employ local quantity surveyors in senior positions of the project.

Re-construction of war-damaged infrastructure and buildings in the Northern and Eastern provinces are currently being carried out by various organizations. It is expected that a substantial volume of new construction of buildings and civil engineering in the Northern and Eastern provinces will commence soon and significant opportunities for quantity surveyors will be available in a more attractive environment. If the construction market expands as expected, quantity surveyors will need to increase their involvement to cater to the demand. However, under the present procurement policies maintained by relevant authorities, it is unlikely that the expected development process will provide opportunities for local consultants and contractors to the same extent, as the majority of such re-developments are being planned to be carried out with foreign grants and loans. In that case, those project funders would dictate their own terms to employ their own corporate team of foreign professionals. Therefore, the government should take maximum care to safeguard the employment of the local professional when they are negotiating the terms of the funding.

### **Establishing the Profession**

#### **Substantiate the Value of Quantity Surveying:**

Practicing quantity surveyors and relevant institutes should carry out public awareness campaigns in order to promote the profession. Relevant institutions will have to play a major role in demonstrating the value of the services of independent professional quantity surveyors. Government organizations, banks and potential developers should be made aware of the importance of the quantity surveying profession by relevant institutions. The major Institutes like the Institute of Construction Training and Development (ICTAD) and Institute of Quantity Surveyors - Sri Lanka (IQS-SL) may be in a position to introduce new guidelines in this regard.

#### **Tools and New Technology:**

Computer aided techniques are being developed for measurements and quantifications with preparation of bills of quantities and valuation of executed works. Application of these new techniques will increase speed, efficiency, and the accuracy of products or services, particularly production of tender documents. New tools would be introduced in the future for improving most tasks of the traditional quantity surveyors.

**Representation:**

Presently the UK government consults the RICS on making legislation and other government decision-making processes that may affect the construction industry and the profession. Unfortunately, the quantity surveying profession in Sri Lanka is not so strong. Achieving such a strong position will be a challenge for all Sri Lankan quantity surveyors today.

**Supplying the Client's Demand:**

All practicing professional quantity surveyors are required to market and promote their services to the clients. Quantity surveyors should expand their role from measurement taking-off to contract management and financial management. Diversified services should include procurement management, cost and time management, tax advice, investment advice and dispute resolution.

*Caparo Industries Plc -v- Dickman and others [1990]*

*The plaintiffs sought damages from accountants for negligence. They had acquired shares in a target company and, relying upon the published and audited accounts which overstated the company's earnings, they purchased further shares.*

*Held: The purpose of preparing audited accounts was to assist company members to conduct business, and not to assist those making investment decisions, whether existing or new investors in the company. The auditors did not owe a duty of care to the plaintiffs. Liability for economic loss for negligent mis-statement should be limited to situations where the statement was made to a known recipient for a specific purpose of which the maker was aware, and upon which the recipient had relied and acted upon to his detriment. The law has moved towards attaching greater significance to the more traditional categorisation of distinct and recognisable situations as guides to the existence, the scope and the limits of the varied duties of care which the law imposes. The House laid down a threefold test of foreseeability, proximity and fairness and emphasised the desirability of incremental development of the law. The test was if "the court considers it fair, just and reasonable that the law should impose a duty of a given scope upon the one party for the benefit of the other". Lord Bridge of Harwich: "What emerges is that, in addition to the foreseeability of damage, necessary ingredients in any situation giving rise to a duty of care are that there should exist between the party owing the duty and the party to whom it is owed a relationship characterised by the law as one of 'proximity' or 'neighbourhood' and that the situation should be one in which the court considers it fair, just and reasonable that the law should impose a duty of a given scope upon the one party for the benefit of the other."*