

# Contents • Background • Research methodology • Balanced Scorecard Model • Prototype Model • Conclusions



# Initiatives for Controlling S/C Mandatory disclosure of S/C firms US listing laws (e.g. California Subletting and Subcontracting Fair Practice Act) Restricting the percentage of sublet US Army Corps of Engineers, US DOT Best value vs. lowest price Australian Constructors Association Subcontractor registration scheme US, Australia, Singapore

# S/C Registration in HK

- Voluntary S/C registration scheme
  - Launched in November 2003
  - Maintained by Hong Kong Construction Association
- Covers 41 trades in 3 categories
  - Structural and civil
  - Finishing
  - Electrical & Mechanical



## **Performance Appraisal**

### Purpose

- Should be able to differentiate good and bad subcontractors
- To ensure subcontractors are performing (Hsieh, 1998; Sozen & Kucuk, 1999)
- Current practice
  - Lack of a systematic subcontractor performance appraisal framework

# **Performance Appraisal**

- Previous studies
  - Reporting system for construction managers (Mendel, 1985)
  - Computer-based system for controlling subcontracted works (Russell, 1984)
  - Subcontractor rating method using neural network (Albino, 1998)
  - Factor-based model for subcontractor management (Wang, 2005)



# Aim and Objectives Aim To determine if balanced scorecard can be applied to S/C appraisal Objectives To devise a conceptual balanced scorecard model To develop a prototype model

# Research Methodology Literature review Identify quantitative indicators Questionnaire Survey Determine importance of criteria & quantitative indicators Establish baseline and target levels Prototyping Model design and development



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## Conclusions

- Greater attention should be placed on subcontractor performance
- A balanced scorecard framework can be derived
- S/C performance appraisal can be conducted on-line
- Exchange of data on subcontractor performance is possible

