

**IMPLEMENTATION OF INDUSTRIALISED  
BUILDING SYSTEM (IBS) IN CONSTRUCTION  
INDUSTRY MALAYSIA: A STUDY IN PERLIS**

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**BACHELOR OF SCIENCE (HONS) IN QUANTITY SURVEYING**

**FACULTY OF ENGINEERING AND QUANTITY SURVEYING**

**INTI INTERNATIONAL UNIVERSITY**

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**BY**

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This report is submitted as a partial requirement for the degree  
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## **DECLARATION BY THE CANDIDATE**

I (Wong Ng Ni, I16011185) confirm that the work in this report is my own work and the appropriate credit has been given where references have been made to the work of other researchers.

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## ABSTRACT

In Malaysia, the implementation of IBS still can be improved by giving encouragement among the developer in construction industry as there are still many states in Malaysia has very low IBS implementation such as Perlis. Therefore, it is importance for the government to have a plan to find out the way in increasing the IBS implementation. On the other hand, government must not only focus on encouraging the companies to implement IBS, but also need to focus on the percentage of the IBS manufacturer exist in Malaysia. If a lot of companies implement IBS but there is lack of IBS manufacturer also no point for the companies to implement it. The implementation of IBS will actually bring a lot of benefits to the companies such as faster completion for a project, waste reduction on site and reduce pollution on site. These will ensure the project that come out is more valuable. However, there are some barriers which cause a lot of developer companies not to implement this IBS such as high initial cost, available of cheap foreign labour, lack of technical knowledge, lack of creativity in design, etc. All these barriers cause the percentage of IBS implementation in Malaysia still need to be improved. Therefore, some strategies were figure out which can be used to enhance the implementation of IBS such as raising awareness, benchmark of IBS technology or maximize value of IBS. Lastly, all the data will collecting by literature review and quantitative research method. Then, will analyzed by quantitative data analysis.

**Keywords:** Implementation of IBS, Raising awareness, Benefits of IBS implementation, Barriers of IBS implementation, Strategies to enhance the implementation of IBS.

## TABLE OF CONTENTS

<b>ACKNOWLEDGEMENT</b> .....	<b>i</b>
<b>ABSTRACT</b> .....	<b>iii</b>
<b>TABLE OF CONTENTS</b> .....	<b>iv</b>
<b>LIST OF ABBREVIATIONS</b> .....	<b>vii</b>
<b>LIST OF TABLES</b> .....	<b>viii</b>
<b>LIST OF FIGURES</b> .....	<b>ix</b>
<b>CHAPTER 1</b> .....	<b>1</b>
1.1 Introduction .....	1
1.2 Problem Statement .....	3
1.3 Aim.....	4
1.4 Objectives & Research Questions .....	4
1.5 Importance of the Study .....	5
1.6 Limitation / Scope of Study .....	6
1.7 Chapters Outline.....	7
<b>CHAPTER 2</b> .....	<b>9</b>
2.1 Introduction .....	9
2.2 Brief History of IBS in Malaysia .....	11
2.3 The Roles of CIDB in promoting IBS.....	12
2.3.1 Brief introduction to CIDB .....	12
2.3.2 The roles of CIDB in implementing IBS in Malaysia .....	12
2.3.3 The Targeted Percentage of CIDB in IBS implementation .....	13
2.4 Definition of IBS .....	15
2.5 IBS Scoring System .....	17
2.5.1 Principles of IBS Score.....	17
2.5.2 IBS Content and Scoring System .....	18
2.6 Type of IBS .....	19
2.6.1 Precast System.....	19
2.6.2 Formwork System.....	20
2.6.3 Steel Framing System.....	21
2.6.4 Prefabricated Timber Framing System.....	22
2.6.5 Block Work System.....	23

2.7 Experiences and Lessons Learned on IBS Construction Malaysia .....	24
2.8 Implementation of IBS in Perlis .....	26
2.9 Benefits of IBS Implementation.....	28
2.9.1 Time saving .....	28
2.9.2 Labour Reduction .....	28
2.9.3 Quality Improvement.....	28
2.9.4 Waste Reduction.....	29
2.9.5 Cost Reduction .....	29
2.9.6 Clean Site Condition.....	29
2.10 Barriers of IBS Implementation .....	30
2.10.1 Cost and Financial Barriers .....	30
2.10.2 Poor Skill and Knowledge.....	31
2.10.3 Project Delivery and Supply Chain Problems .....	31
2.10.4 Negative Perception from Customers and Professionals.....	32
2.10.5 Lack of Incentive and Promotion .....	32
2.10.6 Availability of Cheap Foreign Labour.....	33
2.11 Strategies to Enhance IBS Implementation.....	34
2.11.1 Raising Awareness .....	34
2.11.2 Skilled Worker Training.....	34
2.11.3 Vendor Development Programmes .....	34
2.11.4 Maximize Value of IBS .....	35
2.11.5 Benchmark of IBS Technologies.....	35
<b>CHAPTER 3.....</b>	<b>36</b>
3.1 Introduction .....	36
3.2 Research Framework.....	37
3.3 Research Method.....	39
3.3.1 Quantitative Research.....	40
3.4 Data Collection.....	41
3.5 Questionnaire Survey .....	43
3.6 Data Analysis .....	44
<b>CHAPTER 4.....</b>	<b>45</b>
4.1 Introduction .....	45
4.2 Total Respondent of This Survey .....	45
4.3 Implementation of IBS in Perlis.....	46
4.4 Section A: Background of Respondent .....	47

4.4.1 Current Position .....	47
4.4.2 Years of Working Experience .....	48
4.4.3 Types of Project Handle .....	49
4.4.4 Number of Project Handle .....	50
4.5 Section B: Implementation of IBS in The Construction Industry .....	51
4.5.1 Level of Knowledge/ Exposure to IBS.....	51
4.5.2 Sources to Know About The IBS .....	53
4.5.3 Condition of the project that handle by respondents previously (implement IBS / not implement IBS).....	54
4.6 Section C: Barrier of IBS Implementation .....	55
4.6.1 Level of Agreement on the Barriers of IBS Implementation .....	55
4.7 Section D: Strategies to enhance the IBS Implementation .....	60
4.7.1 Level of Agreement on the Strategies to enhance the IBS Implementation.....	60
4.8 Conclusion.....	62
<b>CHAPTER 5.....</b>	<b>63</b>
5.1 Introduction .....	63
5.2 Summary .....	63
5.3 Limitations of Study.....	65
5.4 Recommendation.....	66
<b>REFERENCE LIST.....</b>	<b>67</b>
<b>APPENDICES.....</b>	<b>71</b>



## **LIST OF ABBREVIATIONS**

IBS	Industrialised Building System
CITP	Construction Industry Transformation Programme
CIDB	Construction Industry Development Board
MMC	Modern Method of Constructionad
R&D	Research and Development
CREAM	Construction Research Institute of Malaysia
GIBS	Gamuda Industrial Building System
GoM	Government of Malaysia

## LIST OF TABLES

Table 2. 1: Definition by several researchers.....	15
Table 4. 1: Number and Percentage for Condition of the Implementation of IBS among Private Developer Companies in Perlis.....	46
Table 4. 2: Number and Percentage of Current Position of The Respondents. ....	47
Table 4. 3: Number and Percentage for Years of Working Experience of Respondents.....	48
Table 4. 4: Number and Percentage for Number of Project Handle by the Respondents.....	50
Table 4. 5: Classification of Average Index for different Level of Knowledge or Exposure to IBS with Specific Rating Scale.....	51
Table 4. 6: Number and Percentage for Level of Knowledge or Exposure to IBS of the Respondents. ....	51
Table 4. 7: Number and Percentage for Sources to know about the IBS among the Respondents. ....	53
Table 4. 8: Number and Percentage for Condition of the Project that handle by Respondents previously whether Implement or Not Implement the IBS.....	54
Table 4. 9: Classification of Average Index for Level of Agreement on the Barriers of IBS Implementation with Specific Rating Scale.....	55
Table 4. 10: Number of Respondents in different Level of Agreement on the Barriers of IBS Implementation and its Average Index. ....	55
Table 4. 11: Classification of Average Index for Level of Agreement on the Strategies to enhance the IBS Implementation with Specific Rating Scale. ....	60
Table 4. 12: Number of Respondents in different Level of Agreement on the Strategies to enhance the IBS Implementation and its Average Index.....	60
Table 5. 1: Ranking of the Barriers of IBS Implementation among the Targeted Respondents in Perlis. ....	64
Table 5. 2: Ranking of the Strategies to enhance the IBS Implementation among the Targeted Respondents in Perlis.....	65

## LIST OF FIGURES

Figure 2. 1: Precast System.....	19
Figure 2. 2: Steel Formwork System. ....	20
Figure 2. 3: Steel Framing System.....	21
Figure 2. 4: Prefabricated Timber Framing System.....	22
Figure 2. 5: Block Work System.....	23
Figure 2. 6: Distribution of project awarded in 2013, by state. ....	26
Figure 2. 7: Types of building that had been construction in Perlis by using IBS. ....	26
Figure 3. 1: Research Procedure and Framework. ....	38
Figure 4. 1: Pie chart for Implementation of IBS among Private Developer Companies in Perlis. .....	46
Figure 4. 2: Pie Chart for Current Position of Respondent in their Company in Perlis.....	47
Figure 4. 3: Pie Chart for Years of Working Experience among the Respondents. ....	48
Figure 4. 4: Bar Chart for Types of Project Handle by the Respondents in their Companies in Perlis. ....	49
Figure 4. 5: Pie Chart for Project Number that Handle by the Respondents in their Companies in Perlis. ....	50
Figure 4. 6: Bar Chart for Level Knowledge or Exposure to IBS among the Respondents. ....	52
Figure 4. 7: Pie Chart for Sources to know about the IBS among the respondents.....	53
Figure 4. 8: Pie chart for have the project that handle by respondents previously to implement the IBS. ....	54
Figure 4. 9: Bar Chart for Level of Agreement on Barriers of IBS Implementation among Respondents in Perlis.....	56
Figure 4. 10: Bar Chart for Level of Agreement on Barriers of IBS Implementation among Respondents in Perlis (Cont'd). ....	58
Figure 4. 11: Bar Chart for Level of Agreement on Strategies to enhance IBS Implementation among Respondents in Perlis.....	61

# CHAPTER 1

## INTRODUCTION

### 1.1 Introduction

Based on the research shown that the population of Malaysia had reached 32.7 million in 2021 from 2020 and it is estimated to grow 2 million every five years. The housing market was increased followed by the increase in the population. A system architecture that takes the advantage of new technology could change the entire construction industry. This is because the new technology will help the construction more efficient which fulfill the increasing requirement for housing. Nowadays, there are many construction industry has moved their attention to mass production and prefabrication construction methods to fulfil the high demand for housing. This strategy motivated the construction industry in Malaysia to analyze the industries that have achieved the implementation of prefabrication technology from various countries such as the United Kingdom (UK), United States (US), Australia, Hong Kong and Singapore. Prefabrication is not merely focused on mass production but also delivers a unique product using a systematic approach (Rahim and Qureshi, 2018).

By understanding the benefits and potential of IBS, the Malaysian government steering the local construction industry to shift from traditional practices to IBS based production. The CITP 2016-2020 stated that the strategies of the government in ensuring the faster and higher adoption of IBS application in the local industry. Despite acknowledging its benefits and top-level advocacy, the construction industry should consider to adopt IBS. Arditi, Ergin and Gunhan had highlighted that most of the stakeholders do not realize the significant cost savings in the IBS application through speedy erection and long term investment. Moreover, there are many developing countries are depending on technology from industrialised countries. It was highlighted that effective communication and higher financial capital are required to accelerate technology transfer (Yunus, Hamid and Noor, 2019). Then, the agenda of IBS has been duly highlighted in the Malaysian Construction Industry Master Plan (2005-2015) as being of significance to the Malaysian construction industry. Malaysia government committed that not only addressing the IBS agenda but also to meet its target and adopt innovation in future (Kamaruddin *et al.*, 2013).

This study is set out to investigate the implementation of IBS at Perlis. Based on the research, the researchers had found out from which source do they know about this IBS. The researcher found that the highest percentage is the printed media which is 28% followed by the mass media and others, which is 27 %. Lastly, the Internet is the source from which they find out about the system, as claimed by 18 % of the population. The printed media such as newspapers, magazines, articles in brochures was contributed a higher percentage than the others because it is easily accessible in the state. Then, the mass media and other sources are second higher because most of them are the information which able to obtain from the television, radio, from friends during conversations, and maybe from their experiences when visiting other states or places. The Internet is the last to contribute as the source of knowledge about the IBS because most of the Perlis population rarely use it. This is because they lack the knowledge to use it. However, this is different for teenagers, the government and computer-savvy groups who tend to use the Internet to get information for work and other particulars purposes (Kassim, 2012). Finally, by research, the overall percentage for the project which is using the IBS in Perlis is the lowest compared to the other state in Malaysia. The percentage of the IBS project at Perlis only occupy 1% compared to other states. Therefore, shall find out why there is a low implementation of IBS in the construction industry Perlis (Hung *et al.*, 2015).

## **1.2 Problem Statement**

The low implementation of IBS is the problem that are facing by the construction industry Malaysia now. There are a lot of developer companies in Malaysia are still using the conventional method instead of implementing the IBS to construct the building (Ali *et al.*, 2018).

On the other hand, a lot of developer companies was lack in technical knowledge which cause the developer companies not to implement the IBS. Therefore, they reject to try this modern construction technology as they worry it will cause the company loss money (Ali *et al.*, 2018).

Last but not least, the oversupply of cheap foreign labour in Malaysia construction industry also caused many companies not to implement the IBS. They felt the cheap foreign labour will save more money as compared to implement the IBS that need high initial cost (Akmam Syed Zakaria and Amtered El-Abidi, 2020).