

# Discussion on cost control experience in construction project management

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**Abstract:** With the current social and economic development, people have a new understanding of the development of the construction industry, from the quality of building to the cost of building work to management, it can be said to be a series of updates. Traditional cost control has been unable to meet the needs of the current society, for consumers, the quality is the most important, including the control and management of project cost. However, for the investors, it is necessary to control the cost and help the control of a large number of funds. This paper carries out work on the cost control and management of the whole process of the construction industry, from the relationship between the two to the suggestions between the two, to improve the economic benefits for the development of the construction industry, and to bring great benefits for the social development.

**Keywords:** Building engineering; project management; cost control; experience

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## 1. Introduction

The cost control price in the construction project management is an important link in the development of the construction industry. If the development of the construction industry is invincible, it is necessary to ensure the relationship between the two. From the analysis of both the building side and the consumer, the main core of consideration is to control the cost and ensure the quality of the building. In this construction link, a sound system should be carried out with scientific and reasonable means. However, there is an inseparable relationship between the project management and the cost control at the grass-roots level. The traditional control and management methods have been unable to improve the development of the current construction industry. No matter in the quality or the later management of the project, it is necessary to continue to deepen the cost control and management, which can also effectively benefit the social and economic benefits<sup>[1]</sup>.

## 2. Importance of cost control in construction project management

### 2.1 Cost control in engineering project management is the economic performance of market competitiveness

First, we should make clear the position of the project management cost control in the current construction industry. It can be said that without engineering management, the construction industry will be a beach and can not achieve the leading role in the market economy. Under such an environmental situation, it can be said that engineering cost is also a kind of commodity that begins to have competition in the market economy. This is a development trend, and it is also a way to break the traditional cost, and the best people can win. Secondly, in the market, it can be said that any product has its own value. The same is true for building products. It consists of many parts. However, in order to gain reason-

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bleness in material prices, competition must exist. It can be said that only competition can make the quality of building products reach the standard, thus achieving the control of the construction cost, and there is also a control over the economic profit of the entire building. The construction companies try to minimize the construction cost as much as possible<sup>[2]</sup>.

## **2.2 Cost control of project management is the internal basis for achieving economic benefits of projects**

From the construction project, there will be supervision by the field management department in the early stage of construction, which lays the foundation for the base work of the building and the cost control of the later period of the project; in many construction projects, there is still a traditional cost control. However, for the traditional cost control department, in the final work, it will find no substantial work significance, resulting in the final economic poor instability and so on; and now for the field construction management, the use of modern scientific management concept, constantly improve the technical level of workers, from the professional construction point of view to select personnel, thus reducing the entire construction cost. Fundamentally, it plays a key role in cost control of the whole process. Therefore, the construction management and the cost of the project are inseparable, the cost control of the whole project is not well, so the relevant management work has no substantial significance<sup>[3]</sup>.

## **3. Problems in cost control of construction project management**

### **3.1 Different management system of construction enterprises**

The development of any enterprise needs the management system to be restricted, and the construction enterprises will also have a great difference in the competition of the economic system. This competition will inevitably lead to high cost cost. Modern construction enterprises should set aside the traditional management system, introduce advanced technology as guidance, and manage the project cost in the light of market development. However, many small construction enterprises have poor internal management and no perfect management system. There is no reasonable overall effect in cost and cost input. As the saying goes, nothing can be accomplished without norms or standards. There is no related management system to improve the cost management, which eventually leads to poor market coordination, poor technical supervision system and poor construction level, which will restrict the dynamic management and control of construction cost<sup>[4]</sup>.

### **3.2 Awareness of cost control management is not strong**

In the construction project cost management, in many construction enterprises, the upper level, the managers, and the staff from the bottom to the grass-roots level have not made a correct understanding of the cost management. Many people fail to realize the importance and necessity of cost management, and the overall consideration is not perfect enough. Many grass-roots workers in construction companies believe that cost management belongs to senior management and leaders, and they have nothing to do with them. However, many managements think that cost management belongs to the grass-roots leaders and has nothing to do with themselves. The responsibility has not reached anyone, resulting in uncontrolled cost management. It is necessary to clarify the responsibility of each unit and not to cause lack of cooperation between departments because of personal selfishness. Cost management is difficult to reach agreement during construction. Therefore, construction companies are severely lacking in cost management and do not have complete cost management system<sup>[5]</sup>.

### **3.3 Imperfect cost inspection mechanism of project management**

First, the contents of construction projects are more comprehensive and complex. In the construction management industry, the late inspection mechanism is not perfect. It can be said that the management system and the inspection mechanism of each link should be linked together, such as the lack of strict supervision on the management of the professional skills, construction equipment, materials and other aspects of the construction workers. Second, most of the

construction enterprises now have problems in the management of various links, such as low level of management, and there is no specified index in the various inspection mechanism in the later period, so that there is no accurate budget in the cost management, which has caused a large amount of investment in capital and manpower. This is also the impact on dynamic management and control of internal cost of enterprises.

## **4. Strengthening project cost management and control at all stages of construction projects**

### **4.1 Define the basic principles of project cost management and improve the management mechanism**

First, we should make clear the quality control. The staff should make clear what the quality of the project is, not only to achieve the rationality of cost control, but also to get effective management control. Take the project as the goal of construction, through a multi-level management stage, carry out reasonable audits one by one, so that the quality of the construction is checked once, and it is also to avoid the negligence of the construction staff in the work. Second, effectively control the economic market. In order to obtain reasonable control over project management, it is necessary to understand the market conditions of the social market and reduce the cost of the consumer's investment in the project so as to increase the economic efficiency of the owner. In this process, it is necessary for the construction unit to make a comprehensive construction plan and give affirmation to both parties before implementation can be implemented. Therefore, it is possible to avoid delays in the construction period due to inconsistent opinions. Third, strengthen the importance of business leaders in understanding cost management, strengthen their own awareness of cost control, and establish a sound management system; effectively highlight the status of cost management, strengthen the assessment of various departments; use effective mechanisms to improve cost management and control<sup>[6]</sup>.

### **4.2 Do a good job of engineering decision making in the early stage**

In the decision-making stage, in order to get a good feasibility of building project cost, it is necessary to estimate the work in the early stage of construction. This process seems simple, but it needs to be analyzed in detail. Managers should be fully aware of the nature of the project, and also have to do technology and price assessments on investment and income. This link requires a professional construction engineer to make a project decision. No matter to human management or construction management, it will be of great significance for its effective control<sup>[7]</sup>.

### **4.3 In the process of construction, cost control should be done well in the design stage**

The cost of engineering project management is mainly divided into design cost and material cost. In terms of design and construction costs, many construction projects have a large investment in design and a large proportion of the project cost in order to win a good plan. Therefore, management of project costs must not be ignored. In the project management, the design is the most important task. This task is to make use of the engineering value to impel the dynamic management of the project cost. At the design stage, the value of the building should be strictly analyzed. At the same time, the construction cost should be strictly controlled and the dynamic control should be done for the cost of the design stage.

### **4.4 Strengthen the supervision and management of the project**

For construction enterprises, it is necessary to establish a strict supervision system in the process of project construction, and carry out reasonable supervision and management of the project. From the beginning to the end, it is necessary to improve according to the design standards and national standards to avoid problems in construction. Once problems arise, it will affect the management of construction costs. At the same time, relevant supervisory departments must strengthen management control and improve the advantages of supervision. This is also an important task in improving cost management.

### **4.5 Strengthening the cost control consciousness of construction personnel and management**

## **personnel**

Construction construction can not be separated from technical personnel and management personnel, especially in project cost management, if the management implementation is perfect and effective, it is necessary to study and train regularly. In the initial stage of construction, the concept of dynamic management of construction cost is clarified, and the impact of the significance of construction cost on the economic benefits in the later period is clarified. Everyone needs to detail the work, for example, in the management, conduct regular inspections, supervise their design guidance and construction guidance. The construction personnel should make reasonable use of the materials and wastes on the construction site, effectively bring changes and impacts to the development of the building, and make the influence of construction more and more powerful<sup>[8]</sup>.

## **5. Experience and suggestion of cost control in construction project management**

### **5.1 Basic principles of improving project management and cost control**

Engineering project management and cost control should abide by the basic principles and use principles to optimize deficiencies. First, we must clarify quality control. In the project cost work, the staff should make clear what the quality of the project is, not only to achieve the rationality of the cost control, but also to get the corresponding management and control. Take the project as the target of construction, through the multi-level management stage, one layer on the basis of reasonable audit, so that the quality of construction is a check, but also to avoid the negligence of the cost staff in the work.

### **5.2 The principle of effective control of the economic market**

In order to obtain reasonable control over the project cost, it is necessary to understand the market conditions of the social market, in order to minimize the cost of the consumer's investment in the project, so as to improve the owner's economic efficiency. In this process, it is necessary for the construction unit to make a comprehensive construction plan and give affirmation to both parties before implementation can be implemented. Therefore, it is possible to avoid delays in the construction period due to inconsistent opinions.

### **5.3 Using modern science and effective management to realize construction projects**

Before the construction is carried out, the first is to evaluate the construction site and the cost budget. This needs to provide the relevant data and data for the comprehensive statistics, so as to ensure the precision of the project cost. In the collection and statistics of data, we should discard the traditional statistical methods and carry out scientific and reasonable technical means to achieve the effectiveness of statistical work. For example, now commonly used software processing data, this greatly improves the accuracy of the project cost accounting, avoids the artificial calculation of possible errors and errors<sup>[9]</sup>.

## **6. Conclusion**

To sum up, for the cost control in construction project management, we need to control and manage the work throughout the whole construction process. This not only relates to the market competitiveness of enterprises, but also analyzes some deficiencies in management and eases the management work from some issues. However, this link needs scientific and reasonable management and supervision. At the same time, it must continuously improve the overall quality and ability of cost review staff to ensure the reasonableness and accuracy of the cost, so as to improve the economic benefits of the entire project. At the same time, we should constantly improve the cost control and the comprehensive quality and ability of the staff to ensure the rationality and accuracy of the cost, so as to improve the economic benefits of the whole construction project. For the development of China's engineering industry and the development of construction enterprises, we will expand a new road and lead the way forward.

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