

## **ABSTRACT**

Private developers and the government of Kenya are investing huge amounts of money towards development projects that constitute many large infrastructure projects. Construction projects are very complex and require hefty amounts of knowledge, resources and coordination so as to meet specialized design and specification needs. Because of the above mentioned difficulties in the actualization of the projects, disputes are common in the industry which bring about great negative impacts to the parties and stakeholders involved along with the economy as a whole. The objective of the project is to identify the major causes of construction disputes and additionally shed light on the impacts and various resolution methods preferred by stakeholders.

The project was done using survey research, consisting of desk studies, interviews and questionnaires which provided an insight on the major causes of construction disputes as seen by key players in the industry. The research further expounds to ask the respondents on their views about the impacts of the disputes. Finally, the resolution methods which the respondents' thought were most favorable/preferable were also ranked. After the respondents gave their responses each cause, impact and resolution method were ranked using the RII method which is an adaption of the mean method derived to summarize the importance of each indicator.

The target population to sample were architects/project managers, Developers, Contractors, Quantity surveyors, Legal experts, utility companies and other consultants. The general ranking concluded payment delays and financial failure of the client as the most probable cause of dispute. The same ranking concluded project delays as the most severe impact of disputes and negotiation as the most preferred method of dispute resolution. A similar analysis was also conducted that ranked the causes, impacts and resolution methods of disputes according to the type of firm making it possible to analyze the view of each firm.

Following the critical analysis of the data collected, some suggested recommendations in the project include, firstly, an adoption of a single contract document that should be signed by participating bodies. Moreover, clients should ensure that they only start projects when they are confident about their finances and additionally, consultants should ensure quality of work is of required standards by conducting regular inspections or advising clients on employing a full time clerk of works for the purpose of quality assurance. Furthermore, awareness should be created on the different dispute resolution methods. It is expected that this project will help stakeholders in the industry to understand the causes and the negative impacts that the disputes bring along, as well as their solutions so that they can mutually try to avoid them together.