

## CHAPTER V

### CONCLUSIONS AND SUGGESTIONS

This chapter contains the conclusions of the research results and the suggestions for further research.

#### 5.1 Conclusions

The conclusions of this research are as the follow:

1. The uncertainty has a positive and significant effect on transaction cost in construction project with a value of T-Statistics is 9.970. It means the greater the uncertainty of the project, the greater the transaction costs that will be incurred.
2. The uncertainty has a positive but no significant effect on project performance in construction project. This means, the uncertainty in construction project will affect the project performance, but the effect is not significant.
3. The transaction cost has a positive and significant effect on project performance with a value of 8.645. It means the more transaction costs incurred, the more problems associated with the project performance in construction project.
4. There is an indirect affect between the uncertainty and project performance in construction project. The uncertainty effects to the project performance through transaction cost with a value of 6.146. It can be concluded that the transaction cost is an effective mediator variable that increase the effect of uncertainty to project performance in construction project.
5. The proposed suggestions to decrease the uncertainty and transaction cost are based on the most significant effects of each variable, which is the most significant effect on uncertainty is the uncertainty of transaction

environment and the most significant effect on transaction cost is post-contract transaction cost. The suggestions are as follows:

- a. The suggestions to minimize the uncertainty of transaction environment is by preparing all the documents in a complete and structured, make sure the engineering design is as complete as possible before bids are sought from contractors, explain all the information related to construction projects in detail and clearly in order to reduce claims on construction projects, early contractors involvement, improved the integration, collaboration and communication between design and construction with all the parties and transfer all the risks with the contractors and owner.
- b. The suggestions to minimize the post-contract transaction cost is by preparing all the detailed engineering cost, improving the quality of detailed engineering design (DED), conduct more detailed and accurate field surveys, and understand all the project administration system.

## 5.2 Sugestions

In this section, there will be some suggestions that can be a reference in the implementation of further research. The suggestions are:

1. This study only focused on construction project in Dinas Perumahan Rakyat Kawasan Permukiman dan Pertanahan (DPRKPP), Further research can be conducted to another project in construction project such as private and public sector.
2. This research only used 4 variables of project performance. Therefore, it is expected that further research can find other variables in project performance such as safety (K3) and Environmental Sustainability.

3. Use variables and indicators in this study for further research with different types of projects.

