Formation and Preservation of Trust in Client and Contractor's Patnering Agreement.

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ABSTRACT

The construction industry is characterized by distrust, disputes and litigations, and high risk of contract failure between clients and contractors among others. The purpose of this paper is to determine the formation of trust and its preservation in client and contractors partnering agreement, which is achieved by examining the current state of construction industries, determining the existing relationship between clients and contractors, identifying the procurements method adopted in construction, necessity of partnering, trust and collaborative team work between clients and contractors. The research methodology adopted is qualitative and quantitative whereby Divers' construction firms within a particular area were understudied, sampled and surveyed which led to designs of questionnaires for respondents so as to determine and analyze their different views on the concept of trust in their different construction firms. Finding of this paper shows similarities in the perceptions of stakeholders in the current status of the construction industry and was discovered that over 90% of them are not satisfied with the current situation in the industry and as well want positive change in the current situation. This paper sensitizes available stakeholders in the industry on the benefits of partnering in construction and concludes that for trust to be enforced in construction, partnering method of procurement can be adopted as against the widely used traditional method.

Keywords: Trust, partnering, client, contractors, partnering, agreement.

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1. INTRODUCTION

The present situation in the construction industry is such that there is no mutual co-existence between clients and contractors and other professionals and as such, unresolved disputes, improper handing over, poor quality of works, abandon projects among others are feasible features in the construction industry. This deteriorating situation calls for an urgent change through which the concept of trust can be formed and preserved among stakeholders in the industry .This concept is achievable through the determination of existing relationship as well as analysis of collaborative team work between clients and contractors, examination of current procurement methods adopted as well as analysis of partnering method of procurements and the exploration of trust concept in the construction industry.

For construction project to be successfully executed there must be solid relationship between contracting parties in the industry. Contractors are always appointed based on consultant's advice to clients and through different procurement methods where the traditional JCT method is the widely used of the four methods known. Egan (2002) posits that the industry has been affected by issues of trust for long and has been characterized as having "too little trust", which hurts both the clients and industry. In this regard, kilemetti (2006) referred to lack of trust in projects as "condemning indictment "and opine that a "culture of conflict and inefficiency exists in the industry".

Such concerns have given rise to a number of government reports, such as in Egan (2002) and Berger,(2003). Meanwhile, clear and transparent processes as well as all activities, which serve the exchange of information and knowledge between client and contractor contributes to the development and upkeep of trust. People build relationships by working together. Repeated fulfilment of communications through action and outcome creates trust. If people consistently prove themselves to be reliable they will be trusted. The ability of project teams to solve problems together is vital. Problem-solving to mutual satisfaction is easier when project teams trust each other. Site personnel saw problem solving as an important element in building trust, especially if it is solved at point of the problem, rather than being referred to their superiors. This approach was seen as beneficial as it built a positive experience of working together.

In order to foster the development of trust between clients and contractors relationship, there is a need for divergence from the existing traditional ways of procurement (JCT) to the partnering procurement method by sensitizing and creating awareness on the benefit and betterment of partnering which will eventually change the present status in construction. According to Eriksson and Atkin(2008) the traditional ways for procurement are still in use because there is the lack of awareness and understanding of the impact of using the traditional methods. To this effect the views of the contracting parties were determined in this paper based on the questionnaires designed as conclusions and recommendations were drawn based on the research findings.

2. LITERATURE REVIEW

The project situation today

The project processes as well as the client-contractor relationship have evolved over decades and are shaped by bad experiences and are influenced by national, social and economic situations and thereby increase cost necessities directly and indirectly. Researchers conclude that every attempt to change the situation has never been effective. Thus, the factors below summarize the full reflection of the situation by showing the main reasons for problems and disputes between contractors and client.

Unexplainable Responsibility

There are more problems on the client side (from the contractor's point of view) than on the contractor side (from the client's point of view). But often vague responsibility causes troubles concerning all parties.

Poor data quality contributes to disputes

Every party has its own project data. So the parties have an unequal state of data quantity and data quality. This often causes a lot of disputes.

Unequal distributed Risks

This occurs when both sides have information about risks, which they do not communicate to each other. Thus, each party intends to transmit the maximum of risks to the other side. However this risks and troubles in a project include money and time which is for one party or both.

Claims contribution in projects

Claims often occur as a consequence of the change of requirements by the client or because of the poor quality of the technical specifications. In both cases it implies an increase of costs and an extension of time for the client, but also a risk of income for the contractor. The lack of defined processes and requirements for project changes tightens the situation and often lead to opening of disputes between the parties.

Technical specifications are often not clear:

This happens in operationalisation of projects whereby the technical specification are not well documented. In which the client demands specific technical specification which is not within the contract . This could strained the client-contractor-relationship and probably the cause of many disputes in construction operations.

Moreover, Berger (2003) reports in a European field study where managers of construction companies were asked about the future development of the market. The study concludes that importance of cooperation with clients, effective risk management, establishing new contracting models, cooperating with suppliers and establishing new operating models is of essence. In several parts of the world different types of cooperation have been developed and being called different names which are ‘‘Partnering’’, ‘‘Project Partnership’’, ‘‘Alliancing’’ or ‘‘Project Execution in Partnership’’. However, the largest American construction trade association, noted in 2006 that making collaboration the top priority in the execution of a project ‘should be adopted (AGC 2006).

Degree of participation of the contractor
An early involvement of the contractor in the project and in the design reduces the risk of insufficient technical specifications. But at the same time there is a strong influence of the contractor on the design and less chance of an independent client orientated design.

Choice of the ‘‘partners’’
Long term collaboration facilitates the development of trust but makes transparency difficult. Public tendering makes long term collaboration very difficult but facilitates transparency and competition.

Type of contracting and remuneration
There is a clear relationship between the type of contracting and remuneration (lump sum, target pricing, unit pricing or cost plus fee) and the quality of technical specifications, risks, contractor’s responsibility and competence (Klemetti, 2006). The more balanced the two sides are, the more cooperative the relationship may be. the relationship that could generate disputes between principal (the client) and agent (contractor) can be featured as follows:

In the tendering phase the principal often may not really evaluate the agent appropriately, his objectives and his intentions. Hence, he may choose a wrong or ‘‘not appropriate’’ agent.
The principal has more information about the project out of the design phase, so he has an advantage of information in the tendering phase. During the project realisation the agent has more information about the project than the principal. He cannot be certain, if the agent’s activities and decisions may be the right ones for him too and must take big efforts for the survey of the agent. Most of the agent’s activities influence the results of the principal. The principal decides on the payment and often pretends the conditions of contract

Their interests in the ‘‘common’’ project are not the same. The client wants maximum work for minimum costs while the contractor wants maximum remuneration with a minimum work. As a conclusion of the actual ‘‘real’’ and of the ‘theoretical’’ situation we seem to have an insoluble problem: everybody wants more cooperation and partnership, but the ‘‘system’’ demands contrary parties. A simple agreement or promise to work cooperatively will probably not be successful. So it could be a combination of soft and hard facts. As soft facts we mean the goodwill, a real intention for partnership and the acceptance of a win-win-situation, which will allow advantages and positive outcomes for both sides. As hard facts we mean clear regulations and processes for the most critical project elements. Rules and processes must be defined for a collaborative relationship between contractors and client in the contract.

Trust in contracting
An allied concept to trust is partnering, which is a commitment between the two or more parties to avoid adversarialism and cooperate with each other in order to achieve their common project objectives. Projects are dynamic in nature, therefore, the use of fixed or predetermined agreements in the initial stages of the project lead to problems such as time delays, cost overruns, trivial claims and dissatisfaction of the parties (Rahman and Kumaraswamy, 2001, 2002a, 2004, 2005). For trust to be formed and preserved there is the need for partnering between two parties.
Contracts with adjustment mechanisms facilitate both parties by creating an environment of trust and assist in the effective management of risk (Ring and Van de Ven, 1994; Klemetti, 2006). In addition to managing risk, partnering is helpful in improving technical performance and increasing client satisfaction.

Klemetti, (2006) defines trust "as a decision to become vulnerable to or dependent on another in return for the possibility of a shared positive outcome". To achieve a positive outcome, both the clients and the contractor become dependent upon one another. The client is vulnerable to the contractors and his project team for various types of skills that the project requires for completion. The project team is dependable on the client for wages in order to achieve the project objectives since this will enhance the reputation of the project team. A similar conceptualization of trust is in "situations in which the risk one takes depends on the performance of another actor" (Coleman 1990). This implies that trust "involves recognition of one's vulnerability to the actions and choices of the trustee and retaining that same vulnerability by not attempting to erect barriers to protect one's interests" (Klemetti, 2006). Guerriero and Halin (2010) posits that trust requires a development of a context which is divided into three sequences.

These sequences are (i) the perception of context (ii) the decision of trust, and (iii) actions.

i. The perception of context: This is the first step in the trusting process, the trustor evaluates and examines whether the trustee is trustworthy of performing the reason for which the contract is made. Trustor at this stage uses his existing knowledge about the reputation of the trustee and also, keeps in mind the risks associated with the activity under consideration.
ii. ii). The decision of trust: At this stage, the trustor makes the decision of trusting the trustee as related to his existing knowledge.
iii. The action: In this final step, the trustor delegates the object of trust. In the words of Mayer et al. (1995), the trustor is now vulnerable to the decisions of trustee.
iv. Trust has a number of benefits for the contracting parties; it lowers the transactions costs through mutual risk sharing during the life of the project (Zaghloul and Hartman, 2003). The modern form of relational contracting is in the form of partnering, alliancing, joint ventures, or ''Project Execution in Partnership.

Eriksson and Laan, (2007) suggest that trust is a precondition for partnering. Parties to the contract will only choose partnering as a procurement tool when trust exists among them (Black et al., 2000). The creation of trust starts right at the onset of agreement finalization (Rahman and Kumaraswamy, 2002a) whereby client's willingness to agree to the terms and conditions shows the level of trust. Successful partnering would lead to trust and cooperative relationship, open communication, mutual risk sharing and vigilant response to changes in the scope of the project (Chan et al., 2003). According to Colledge (2005), relational contracting in the form of partnering or alliancing helps in the creation of social capital (networks) and sharing of tacit knowledge (experience) leading to innovations and competitive advantages for the contracting organizations.

Formation and Preservation of Trust

A precondition for building up and sustaining trust is that each party is ready for partnership and gives the other party a leap of faith at the beginning of the project. Also there is the need to accept the win of the other party, because trust cannot grow up together with enviousness and fear of the partner's advantage. Researchers analysed some elements of building up trust in projects which are:

Regular project meetings

Client and contractor must have regular meetings to inform each other about the project news, project progress, need of changes and need of decisions. It is recommended to have different levels of meetings, for project managers, technical specialists etc. The meetings must be regularly from the beginning of the project, the frequency depends on the projects duration and dynamics.

Project reviews and feedback meetings

In addition to the regular project meetings, regular project reviews are recommended. Their purpose is to collect and evaluate actual experiences in the project in order to define best practice and lessons learned to continuously improve the project processes. These reviews should be held up jointly by client and contractor. The frequency depends on the project durance and may be quarterly or twice a year and at the end of the project (''Final review'').

Regulations for responsibility and decisions
Clear decision authority and clear responsibility for people as project managers and for decision makers on the client's and on the contractor's side is important. They are needed for fast decisions, for project progress and for reducing the dispute potential in a project. Trust will be created, if everybody knows the decision makers and the way of decisions.

Fair risk handling
Construction and plant projects generally contain a wide range of risks, which touch three main questions: 1). Are they known or identifiable? 2). What is their probability of occurrence? 3). Who will bear them in the contract? Risk handling and risk distribution between client and contractor are basic themes in the bidding and in the execution phase. There are typical contractor's risks as machine failure, logistics or quality of people's work. But there are risks as ground conditions, price of raw material, legal procedures or political conditions, which are hardly influenced by the contractor; these are typical client's risks.

Open communication
All information concerning the project, the participants and the stakeholders, who may influence the project, shall be transported in an open and fast way to the concerned persons in the project. Regulations about the information system should be a part of the contract, of the project handbook or of the kick-off documents. They should be defined jointly by client and contractors

Clear processes for project changes
Changes of requirements by the client, changes of project conditions or lacks at the technical specifications are in many projects the source of contract changes. Contractors often are pleased about this 'claims'', for having a basis for additional payment requests. Clients fear them, because they mean additional costs and often lead to cost overflows. Predefined processes and requirements (when, what, who) for project changes and claims relax the change situation and give transparency to processes and to the cost and time situation of the project.

Clear and transparent organization
The project organization has to be clear concerning duties and responsibilities. The organizations of the client and of the contractor have to be linked in a manner that information is clear, open and fast and allows to find decisions in the demanded time Duties and responsibilities have to be transparent for all parties. For large projects it is recommended to have a steering committee (SC) with high representatives of the client's and the main contractor's side. The SC has to control the basic projects targets, take decisions of high importance on the project time, cost and targets.

Common data systems
During the contract time many data are necessary for the contractor as well as for the client (contract data, project changes, costs, milestones, risks, accounts etc.). These data are used by both sides or have a contractual impact and so it is necessary to agree about these data. If every party has its own data (collection), they are often a matter of disputes on which data are the right ones. Hence contractor and client should agree early on a common data collection, treatment and documentation.

Contractual incentive regulations
Generally contractors try to find the maximum advantages the contract will allow them, but they do not aim for a project optimum in the client's sense. The client is expected to motivate the contractor for further project optimisations. The contract therefore should contain predefined incentive regulations for a continuous optimisation and improvement of the project in technical, quality and cost terms. These may be additional remuneration for very high quality (higher than standard), shortening of the completion time or reducing costs for equivalent. The client eventually gets an added value by having more quality for the contracted prize or a lower prize for the contracted quality.

Contractual alternative dispute solutions
In addition to the above mentioned regulations, which will reduce the number of disputes in a project, there should be an alternative dispute regulation fixed in the contract. This regulation will contain several grades for a dispute before coming to court of law.

Shared Goals
The first is that it allows for the creation of shared goals. Shared goals mean that everyone can be seen to fulfilling a joint task, rather than viewing their own role as separate from the rest of the project team. The understanding of a shared goal means that the communication is improved.
The idea of reasonable behaviour is not necessarily about being non-confrontational, but it is about understanding what the people that you are working with understand as reasonable. It is all about working fairly and professionally with the people in the project team. Another is the creation of 'mutual understanding', which is inextricably linked to the idea of shared goals. This means that the project team understands the position of other members of the project team, or their individual or organisational goals, and appreciating the requirements and difficulties they may experience. "When people treat you as a member of the team you can begin to communicate. They will understand what you need from them and vice versa."

3. PARTNERING IN CONTRACTING

"Partnering is a structured management approach to facilitate team working across contractual boundaries. Its fundamental components are formalised mutual objectives, agreed problem resolution methods, and an active search for continuous measurable improvements." It requires openness between the parties, ready acceptance of new ideas, trust and perceived mutual benefit." Partnering in contracting is a commitment between the contracting parties (clients and contractors) to avoid adversarialism and cooperate with each other in order to achieve their common objectives (Erikson and Laan, 2007). Choquette (2017) submits that partnering is a project approach which is designed to allow the design and construction process to be performed within an environment of mutual trust, commitment to shared goals, and open communication among the client, architect/engineer, construction manager, general contractor (if applicable), and subcontractors. The National Economic Development Council (1991) defines partnering as a long term commitment between two or more organizations for the purpose of achieving specific business objectives by maximizing the effectiveness of each of the participants.

Therefore, a working and a more comprehensive definition of partnering can be a long-term commitment between two or more organizations for the purpose of achieving special business objectives'(NEDO, 1991). Partnering establishes a working relationship among all of the team members based on a mutually agreeable plan of cooperation and teamwork. Parties to the design and construction process, in agreeing to work under a partnering approach, work to create an atmosphere in which all parties are working in harmony toward mutual goals to avoid claims and litigation. Partnering as a concept has attracted a great deal of attention due to the tremendous amount of litigation which has occurred in recent years in our industry. Adversarial relationships and resulting claims and litigation have resulted in huge legal costs on many construction projects. Partnering has shown that this does not need to be the way (Choquette,2017). Hence, The essential elements of a partnering agreement according to choquette,(2017) are as follows:

Commitment to partnering by the top management of every organization involved in the project.
Trust relationship between all parties through personal relationships and open communication with mutual sharing and understanding of each party's risks and goals. A partnering charter developed jointly by all parties to the project which identifies specific mutual goals and objectives of the partnering participants for continuous evaluation and review against the agreed upon mutual goals.
Timely resolution of any disputes at the lowest level possible during the project

The Principles of Partnering

There are three clear principles namely, mutual objectives, problem resolution and continuous improvement.

Mutual Objectives: Defining mutual objectives at the outset of a project is the cornerstone of Partnering. These goals need to be tangible and should be subjected to measurement in order to prevent a tendency to carry under-performing team members. These mutual objectives need to be kept under review throughout the project, via feedback from project meetings and effective communication across the team. The basis for these mutual objectives is mutual trust and confidentiality, an open book arrangement, which allows each party to review and understand the requirements of other members of the team, reducing the risk of corruption and encouraging respect for other team members. Early Partnering projects tended to be based on a formal Partnering agreement which all parties were required to sign. Such agreements would contain clauses covering all (or some) of the following areas: Completion scheduling ,Cost control ,Design safety ,Quality across the complete design and construction process ,Sensitivity to the needs of the local community ,Environmental diligence ,Respect, trust and fair treatment of all other members of the team ,a process of continuous improvement, Sharing of cost-savings resulting from project improvements .

Problem Resolution: Successful Partnering relies on a systematic approach to problem resolution. The basic strategy is to eliminate problems before they occur. In the crucial site meetings, which should be supervised by a client representative, all parties should be encouraged to seek solutions, rather than to apportion blame. Problems should be resolved as quickly as possible at the lowest possible level (Eriksson and Atkin (2008).

Continuous Improvement: Strategic alliances are formed which can run smoothly over successive contracts. Lessons learnt from one project are carried forward to the next. Improvements to the procurement process and site operations are made and built upon. For continuous improvement to work effectively, it is vital that quantifiable targets are set, progress recorded and overall performance measured against set targets.

Requirements for partnering

Chen and Chen (2007) added two very important factors to the requirements for a successful partnership which are consistency in objectives and focus on quality in the long run of the project. All the parties to the contract must have something to gain from the relationship and quality must not be compromised. Another important issue raised by Eriksson et al. (2008) is a need for a radical change in the procurement procedures of contracting organizations. As mentioned by Chan et al. (2006), partnering is a philosophy that requires a change in thinking and practice. Eriksson et al. (2008) argues that the reason why partnerships does not work successfully with some organizations is that they are still into the traditional practices of procurement like competitive bidding, lower bid selection and so on. The concept of partnering requires emphasis on soft parameters in tendering and bid evaluation.

Vennström and Eriksson (2010) has endorsed the argument and explains that focusing on soft parameters in bid selection is more appropriate for selecting a suitable partner as it is something that looks into other factors like experience, achievements, and so on in addition to the financial aspect. Further, it helps in the selection of a partner who is motivated and expects to build long term relationship with the contracting party. A number of studies (Eriksson and Atkin, 2008; Vennström and Eriksson, 2010) have been conducted to see how clients perceive partnership in contracting. It is interesting to note that clients do acknowledge the benefits derived from partnering and also accept a need for a radical change in organizational culture and structure, however; it is observed that they still do not apply the concept while implementing partnership contracts. They still use the traditional ways for procurement, the reason for this according to Eriksson and Atkin (2008) is the lack of awareness and understanding of the impact of using the traditional methods.

Necessity of partnering

Main reason for selecting partnership is because all the risks in the construction industry are unforeseeable and unidentifiable, even the risks that are identified in advance may change in nature and intensity over the life of a project. Partnering allows the contracting parties to manage the risk in a more responsible way and that risks are distributed equitably among the contracting parties (client, contractors and others) (Rahman and Kumaraswamy, 2005). One of the benefits of partnering is joint risk management (JRM), a strategy used by the contrac ting parties to justly combat expected risks within the projects.

Partnering may take a number of forms starting from a very traditional adversarial relationship to a very cooperative and collaborative relationship based on open communication, common objectives and mutual resource sharing (Rahman and Kumaraswamy, 2005). Partnering which is based on mutual cooperation and understanding is more lucrative and beneficial to the contracting parties. Palaneeswaran et al. (2003) also urges in the use of such partnering because according to them, it is an effective strategy in reinforcing relationship between the contracting parties, especially when the parties share common objectives. Contracting parties usually face time delays, cost overruns, trivial claims and dissatisfaction (Rahman and Kumaraswamy, 2001, 2005) if the contracts developed in the beginning of the project are more of a traditional nature and closed ended with everything predetermined; Formal contracts with predetermined penalty clauses are a sign of low trust among the contracting parties (Kadefors, 2004). Researchers submits that controlled project costs, improved technical performance and improved client satisfaction as compared to projects that are managed through partnering.

4. RESEARCH METHODOLOGY

The study was carried out through questionnaire administration upon 70 respondents who are contracting parties in various construction projescts in the state of Osun Nigeria. These population were the contracting parties in the ongoing projects which ranges from private to public sector (State Government to Local Government) that has been in active construction work from 2011 till date. Presently the state of Osun is known for series of construction projects ranging from large scale construction project to construction of mini-projects. Out of 70 respondents that were identified were 28 clients, 34 contractors and 8 were consultants. the questionnaires were sent to respondents on construction site out of which 32 of them were government projects and 16 were private site, 16 were taken to offices and 6 were mailed to respondents. In the process of this primary data collection, 62 questionnaires representing 88% of the distributed questionnaire were retrieved and 13 were found not useful for the findings and analysis.

The questionnaire is divided into four sections. The first section was designed to analyze the personal bio-data of the respondent the second and third sections were designed differently for the two parties in which available respondents were provided with statements related to procurement and concept of trust as identified in the literature and were asked to determine on a 4-point Likert scale their level of agreement to the conceptual model. In this section as well, respondents were asked to rate their opponents party based on their performance in the construction industry of using also the 5-point Likert scale to determine their performance rating.

5. Discussions and Analysis

The result of the findings From the tables 1a and 1b below shows that the respondents are 20 clients, 24 contractors and 5 consultants which represent 41% of clients, 47% of contractors and 10% of consultants of the 49 respondents. Their academic backgrounds with professional registrations were acknowledged based on the information supplied by the respondents. It was observed that 10 out of the respondents were not professionals in the building industry (clients), 6 were members of management team of Government agencies and others are professionals(see table 1 and 2). The data obtained was subjected into simple descriptive analysis of frequencies and percentages. The analysis shows that over 90% of them are not satisfied with the current situation in the industry, they all attested to the use of traditional method of procurements, those aware of partnering method of procurements were below average.

Although nearly all of them wanted change in the industry yet more than 80% of them are not ready for team work as they believe partnering method of procurement is not functional in this part of the country.

Table 1: Educational background of respondents

category	client	contractor	consultant
NON PROFESSIONALS	10		
NABTEB	2	2 builders	
OND		5 draughtsmen	
HND	1	3 builders,6 civil eng.2 Q.S	
B Sc		1 architect	
PGD	1	3 builders,1 civil eng	
M Sc		1 Civil Engineer	
MANAGEMENT TEAM	6		
B.Sc (M.Sc) NIA (ARCON)			1
B.Sc (M.Sc) NSE (COREN)			2
HND,PGD,CORBON			2

Table 2: Respondents data

Category	Clients 20 (41%)	Contractor 24 (47%)	Consultant 5 (10%)
Years of experience			
2-5	3		
5-15	8	9	
15-35	9	13	5
35 and above		2	
Satisfied with situation in industry			
Yes	-	-	
No	18	16	5
Indifferent	2	8	
Procurements method used to			
Traditional JCT method	15	14	3
Design and build method	2	6	
Partnering method	3	4	2
Awareness on partnering method of procurement			
Yes	8	10	5
No	4	14	-
Indifferent			
Type of organisation			
Private	5	13	-
consulting	-	-	3
government(public) state Govt ,local Govt,	12	5	2
private partner		6	-
Possibility of partnering/formation of trust in construction			
Yes	2	8	5
No	4	9	-
Indifferent.	14	7	-
Ready for team work in construction			
Yes	9	12	5
No	11	5	-

The figure 1 below shows the summary of the attitude of contractors in construction industry from the client's point of view as expressed through the statements below. It was observed that there are no close relationship between the clients and consultant in such a way that there are similarities in their level of agreement on attitudes of contractors in construction apart from F and G which shows difference in their level of agreements.

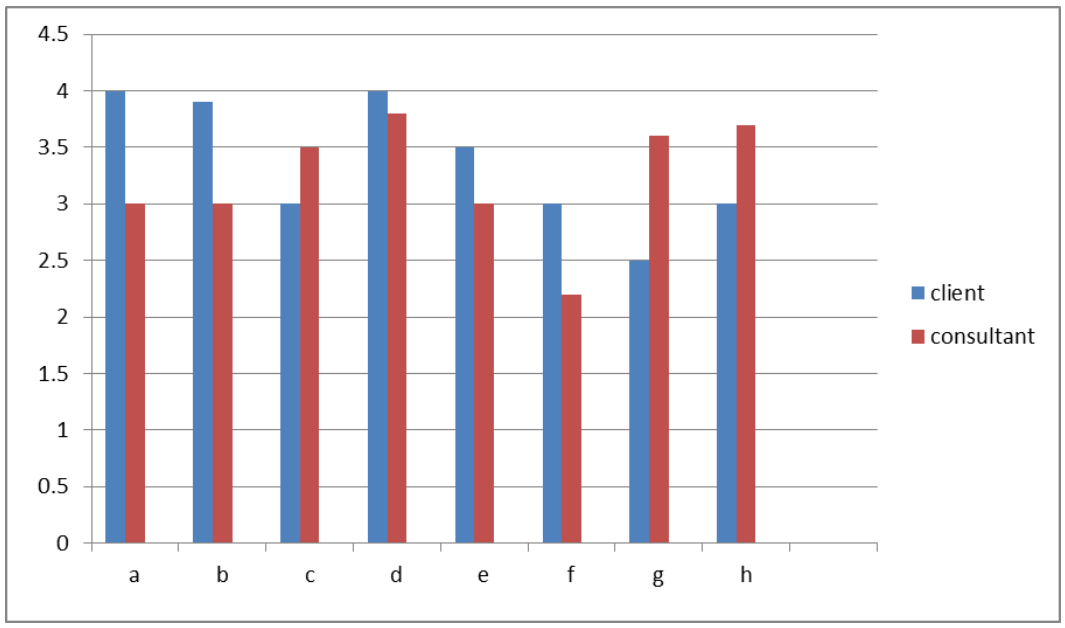

Fig I: General attitude of contractors in construction industry from the client's point of view.

1-strongly disagree, 2-disagree, 3- agree, 4-strongly Agree

	Statements
a	Situation in construction is non-professional.
b	Generally Contractors are unreliable and not trustworthy in the industry
c	Contractors violate consultants specification at times
d	Disputes and lack of trust are common features in construction industry
e	Poor quality of work and late delivery
f	Trust is impossible between client and contractor in the building industry
g	Situation in construction is liable to change for the better.
h	Contractors delay a lot in giving Site reports and feed backs in site meetings

Figure 2 below gives the summary of clients and consultants behavioural attitude in construction from contractors' point of view were determined based on their level of agreements from the data analyzed.

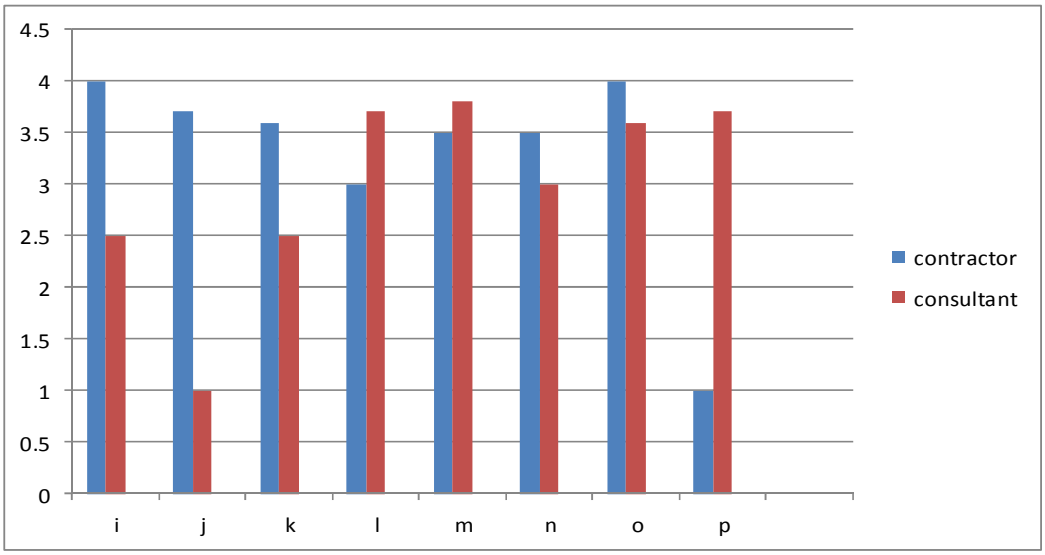

Fig 2: General attitude of contractors in construction industry from the client's point of view.

1-strongly disagree, 2-disagree, 3- agree, 4-strongly Agree

Statements	
Clients hide details about projects.	I
Consultants form alliance with client to disregard contractors effort	J
Clients are not ready to share risk amicably	K
Dispute and lack of trust are common features in construction industry	l
Partnering is the solution to the present situation in construction	M
Trust is possible between client and contractor in the building industry	N
Situation in construction is liable to change for the better.	O
Contractors delay a lot in giving Site reports and feed backs in site meetings	P

The findings from the figure 1 and 2 shows that,

- Client and contractor are not always in good and cordial relationship with each other.
- Consultants are always the intermediary between the two parties.

Performance rating

Table 3and 4 below shows performance in percentage of each party as rated by their opponent parties based on good and not good as being analysed from the data collected. From the analysis above it is glaring that there is no cordial relationship between contracting parties and concept of trust is not observable in construction based on their rating with each other.

Table 3 :Performance of contractors rated by clients

Performance of contractor	**good**	**Not good**
Quality of work done	20%	80%
Effective Communication	20%	80%
Openness and transparency	10%	90%
Risk managements	25%	75%
Technical specifications	20%	80%
Time consciousness	15%	85%
Proper delivery and handing over	30%	70%
increasing expenses for claim	25%	75%
Preparation of schedules of work in time	15%	85%

Table 4: Performance rated by contractors

Performance of contractor	good	Not good
Issuance of detailed specifications	20%	80%
High level of motivation and incentives	25%	75%
Principle of fairness between consultant and contractor	5%	95%
Proper definition of project objectives	25%	75%
Proper dissemination of information	12%	88%
Effective channels of Communication	20%	80%
Risk managements	10%	90%

From table 3 and 4 above, It was discovered that large percentage of the respondents want change in the situation of the construction industry, yet they are not ready to partner with each other based on experiences from past contracts and the believe that no one can be trusted based on the reasons supplied by some of the respondents most especially the clients. Though this, corroborate the theory that states that the relationship between principal (the client) and agent (contractor) cannot be neglected (Müller and Turner 2005). However Based on the performance rating of the two parties it was observed that they are not dependable on each other as this oppose one of the principle of trust. As was expressed in the literature defining trust “as a decision to become vulnerable to or dependent on another in return for the possibility of a shared positive outcome”.

6. CONCLUSION AND RECOMMENDATION

6.1 Conclusion

It is observable based on the findings of this paper that the concept of trust is a fact and not a fiction. This is absent in many construction organizations and quite a number of contracting parties are yet to identify the mutual benefits associated with partnering method of procurements despite their urgent need for positive changes in the current situation in the construction industry. Some understands the partnering method of procurements very well but they are of the belief that this method cannot function well in this part of the world due to diversity in background, experiences from past projects and cultures of contracting parties. An allied concept to trust is that of partnering and partnering agreement; which is a commitment between the clients and contractors to avoid adversarialism and cooperate with each other in order to achieve their common contract objectives. Simply put, formation and preservation of concept of trust can be determined when clients and contractors understand completely the partnering procurement method in construction.

6.2 Recommendation

From the above conclusion the concept of trust can be formed and preserved between clients and contractors agreement, if the contracting parties can divert away from the traditional ways of procurement into the partnering method by forming alliance in which total commitment to achieve set objectives is be enforced. This could be achieved by creating a sense of awareness among stakeholders in construction about the benefits and betterment of partnering as against the traditional ways. They still use the traditional ways for procurement, because according to Eriksson and Atkin (2008) there is the lack of awareness and understanding of the impact of using the traditional methods.

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