

# 1 Identifying critical dispute causes in the construction industry: A 2 cross-regional comparative study between China and UK

3 Jinpeng Wang<sup>1</sup>, Shang Zhang<sup>2</sup>, Ruoyu Jin<sup>3</sup>, Peter Fenn<sup>4</sup>, Dongwen Yu<sup>5</sup>, Lilin Zhao<sup>6</sup>

4  
5 1: Ph.D. Candidate, School of Mechanical, Aerospace, and Civil Engineering, University of Manchester,  
6 U.K. Email: Jinpeng.wang@manchester.ac.uk.

7 2: Associate Professor and Head, Department of Construction Management, Suzhou University of Science  
8 and Technology, Suzhou, China. Email: zhangshfan@163.com. Corresponding author.

9 3: Associate professor, School of Built Environment and Architecture, London South Bank University,  
10 U.K. Email: jinr@lsbu.ac.uk.

11 4: Reader, School of Mechanical, Aerospace and Civil Engineering, University of Manchester, U.K. Email:  
12 Peter.fenn@manchester.ac.uk.

13 5: Ph.D. Candidate, School of Mechanical, Aerospace, and Civil Engineering, University of Manchester,  
14 U.K. Email: dongwen.yu@postgrad.manchester.ac.uk.

15 6: Ph.D. Candidate, School of Architecture, Civil and Building Engineering, Loughborough University,  
16 Loughborough, Leicestershire, LE11 3TU, United Kingdom. Email: L.Zhao3@lboro.ac.uk.

17  
18 **Abstract:** Construction disputes have long been identified as epidemics in the construction industry  
19 worldwide, which has become a more serious problem due to the impact of the Covid-19 pandemic.  
20 Previous studies on the dispute causes have primarily focused on country or region-specific contexts, and  
21 hence the results cannot be generalized in solving this chronic problem in a broader construction project  
22 worldwide. This study aims to explore and evaluate the critical dispute causes in construction projects  
23 through a comparative study between China and U.K. A total of thirty-three common dispute causes were  
24 identified through a comprehensive literature review and further consolidated by pilot surveys in the two  
25 countries. An online questionnaire survey was administered among the construction professionals in China  
26 and U.K., with 170 valid responses returned for data analysis. Principal component factor analysis, mean  
27 score ranking approach, quartile analysis, and Mann-Whitney *U* test were employed to identify the most  
28 critical dispute causes. Similarities and differences were mapped between the two countries. It was found

29 that the five most critical categories of dispute causes in the two territories are: *delay-related problems*,  
30 *lack of communication*, *contractual problems*, *site conditions*, and *design problems*. The importance of  
31 *variation in quantities*, *breach of contract*, *misinterpretation of contractual terms and conditions*, and *poor*  
32 *contract management* was perceived significantly differently by the respondents in China and U.K.,  
33 whereas *design defects* and *failure to make compensation for additional work* were the most critical  
34 common dispute causes in both countries. The research provides important findings for both academics  
35 and practitioners to holistically understand the similarities and differences of dispute causes in China and  
36 U.K., and aids preventing disputes more effectively in the global construction industry.

37 **Keywords:** Dispute causes; Comparative study; Construction project; China; U.K.

38

## 39 **Introduction**

40 The growing scale and complexity of construction projects make disputes among parties unavoidable  
41 (Seo et al., 2021), leading to costly and time-consuming settlements (Lee et al., 2021). Disputes  
42 originate from claims when the assertion of a party's right is neglected or rejected by the other party  
43 (Viswanathan et al., 2020), which may arise from increasing uncertainties, incomplete contract  
44 systems, opportunistic behaviour, and distrust (Assaf et al., 2019; Cheung and Pang, 2013; Lu et al.,  
45 2016). Although claim, conflict, and dispute have co-existed in the construction management  
46 literature, it is considered that conflict emerges when there is an irreconcilable disagreement between  
47 the parties, while a dispute is associated with distinct justiciable issues and requires third party  
48 interventions (Barman and Charoenngam, 2017). Construction disputes have long been identified as  
49 epidemics in the construction industry worldwide (Chan and Suen, 2005). The global average value of  
50 construction disputes has increased significantly from \$30.7 million in 2019 to \$54.26 million in 2020  
51 (Arcadis, 2021). The high volume of disputes has a devastating impact on the construction industry,  
52 including unceasing delays, bankruptcy, and detrimental relationships among project participants (El-  
53 Sayegh et al., 2020). These consequences may further lead to adverse social and economic effects  
54 (Zhu and Cheung, 2020).

55 To manage construction disputes, voluminous literature has focused on dispute prevention  
56 strategies and resolution mechanisms (Abdul-Malak and Senan, 2020; Cheung et al., 2020). These

57 include the evaluation of mediating tactics (Qu and Cheung, 2013); the alignment of dispute review  
58 boards in standard forms of contracts (Murphy et al., 2014); the investigation of core reasons for  
59 disputes escalation to litigation (Barman and Charoenngam, 2017); the operational mechanisms and  
60 factors for effective adjudication (Abdul-Malak and Senan, 2020); and the examination of the  
61 practices of reactive devaluation in construction dispute negotiation (Cheung et al., 2020). Due to the  
62 Covid-19 pandemic, significantly more projects have been under the unprecedented and severe  
63 influence of delivery delay, labour shortage and financing difficulty (Baral et al., 2022; Jeon et al.,  
64 2022), which have resulted in a considerable increase of disputes in the construction industry globally  
65 (Salami et al., 2021). It is commonly accepted that prevention is better than cure, hence dispute  
66 avoidance is preferred as one of the best ways to manage disputes (Zhu and Cheung, 2020). In this  
67 regard, it is necessary to identify the critical dispute causes so that more targeted prevention strategies  
68 can be implemented for effective construction dispute management.

69 Despite a significant amount of research has been conducted on finding better ways of managing  
70 construction disputes, many tend to focus on dispute resolution from a reactive perspective, rather  
71 than proactively preventing disputes with effective strategies (Naji et al., 2020). Moreover, the  
72 majority of existing studies addressing dispute management are undertaken in a single-country  
73 context, there still lacks a cross-national comparative study on identifying critical dispute causes and  
74 exploring their similarities and differences. For instance, El-Sayegh et al. (2020) identified the major  
75 dispute causes in the United Arab Emirates (UAE) construction industry. One of the critical problems  
76 is that these results were obtained using different measurement tools or instruments, and in turn it is  
77 not able to compare the importance of different causes leading to disputes in different regional  
78 contexts. In contrast, a cross-regional comparative study is important because the results will reveal  
79 the underlying causes for disputes in a broader context, and the results can be generalized to settle this  
80 chronic problem in a wider construction project population. Considering the huge volume of  
81 international construction market worldwide, this is particularly important for international  
82 construction projects where the parties involved have different backgrounds. For instance, the total  
83 international contracting revenue for the Top 250 Contractors was \$420.4 billion in 2020 (ENR, 2021).  
84 As another example, since 2013, the Beijing Construction Engineering Group International Company

85 (BCEGI) has become a construction partner of the Manchester Airport urban development project  
86 with a contract value of £1 billion, who was the first Chinese contractor being involved in major U.K.  
87 infrastructure project in the form of equity investment (Beijing Construction Engineering Group,  
88 2021).

89 To fill this knowledge gap, China and U.K. were used as cases for empirical study to identify and  
90 assess significant dispute causes in construction projects through comparative analyses. Cross-  
91 national comparative studies have been widely conducted in the field of construction management  
92 (e.g., Chan et al., 2012; Osei-Kyei et al., 2019), which can facilitate achieving deeper understanding  
93 by suggesting novel perspectives (Gharawi et al., 2009). Identifying the critical dispute causes and  
94 understanding their differences and similarities in cross-national construction industries provides an  
95 enhanced and broader view on the dispute causes, which facilitates enhancing dispute management  
96 for construction projects in cross-regional contexts. Hence, it is valuable to conduct comparative  
97 studies to create new knowledge in dispute management domain and provide holistic insights for  
98 practitioners in managing disputes in multicultural construction projects.

99 China and U.K. are selected for the comparative study based on the facts that: (1) China is a  
100 developing country which has witnessed a rapid development of the construction industry in recent  
101 decades. The unprecedented development of the Chinese construction industry has resulted in the  
102 immaturity of the construction market and the insufficiency of qualified project managers (Ye et al.,  
103 2015). As a result, many construction projects struggled in handling disputes (Xu and Cheung, 2016).  
104 Dissimilar to China, U.K. has a more developed construction market in terms of dispute resolution as  
105 evidenced by existing legislation and standards. The comparative study between China and U.K. can  
106 therefore provide more robust results to reveal the underlying causes for dispute occurrence. (2) The  
107 establishment of bilateral agreements between China and U.K. (e.g., Belt and Road Initiative) has  
108 fostered greater economic cooperation and professional mobility between the two countries (Perera et  
109 al., 2016), resulting in an increasing number of Chinese construction firms operating in the U.K.  
110 (Wang et al., 2016a). Hence, a comparative study is required to help achieve better understandings of  
111 how different practices of construction projects affect the occurrence of disputes in both countries. In  
112 summary, the research will not only expand the knowledge on construction dispute causes and

113 construction practices in China and U.K., but also contribute to proactive dispute management in  
114 multi-national construction projects with the involvement of the Chinese and U.K. practitioners. The  
115 objectives of this paper are: (1) to identify the critical dispute causes in the Chinese and U.K.  
116 construction industries. (2) to compare the similarities and differences of the perceptions on the  
117 importance of dispute causes among the professionals in China and U.K.

118

## 119 **Literature Review**

### 120 *Background Information of China and U.K.*

121 China is a major developing country in the world, which has benefited significantly from the booming  
122 construction industry. The added value of the construction industry accounted for 7.01% of the gross  
123 domestic product (GDP) in 2021, indicating that it remains a pillar industry of the national economy  
124 (China Construction Industry Association, 2022). The rapid growth of the construction industry calls  
125 for a more mature and complete legal environment, which otherwise would cause project uncertainties,  
126 opportunistic behaviour, and excessive administrative procedures (Ye et al., 2015; Zhang et al., 2019).  
127 The U.K. is a typical developed country with a more matured construction industry market and legal  
128 system. The U.K. construction industry contributed 6% of GDP in 2018 (Office for National Statistics,  
129 2019). It can be seen that the construction industries in China and U.K. have contributed significantly  
130 to their national economies, but they are facing similar challenges of labour and material shortages,  
131 poor productivity, and uncertain investment risks (CITB, 2021; Ye et al., 2015). However, they have  
132 major differences in terms of construction management practices, legal systems, and cultural  
133 backgrounds. For instance, maintaining good relationships with key stakeholders such as the  
134 government, clients, and suppliers is an important strategy for contractors working in China (Liu et al.,  
135 2017). Despite the Chinese construction industry has been gradually shifting from cooperative  
136 relationships to formal contracts, the Chinese practitioners tend to operate in the collectivistic and  
137 relational manner within a formal contractual setting (Lord et al., 2010). Dissimilar to the civil law  
138 system in China, U.K. adopted a common law system, which emphasizes a Western epistemology  
139 grounded in the notions of rationality, scientific thinking, and truth (Jordan, 1997). In addition, the

140 U.K. is one of the most individualistic countries in the Western world which is influenced by both the  
141 religious reformation and the industrial revolution (Liu et al., 2021). As a result, practitioners in the  
142 U.K. construction industry emphasize fairness to secure their interest and tend to take contractual  
143 approaches to protect their rights (Lord et al., 2010). These similarities and differences may have  
144 influences on the causes of dispute and dispute management in construction projects.

145

#### 146 *Construction dispute management*

147 Existing studies on construction dispute management can be drawn from two perspectives, namely  
148 dispute prevention from a proactive perspective and dispute resolution in a reactive manner. From the  
149 reactive view, research tends to focus on the settlement or remediation measures after the occurrence  
150 of a dispute. For example, the American Arbitration Association (AAA) manual (2013) suggested a  
151 wide range of early intervention and resolution methods (e.g., mediation, arbitration) to minimize and  
152 avoid lengthy litigation. Li and Cheung (2020) found that successful alleviation of the impact bias can  
153 save time for dispute settlement. Zhang et al. (2021) investigated how contract enforcement affects  
154 construction dispute resolution satisfaction of claimants, and they recommended reactive contractual  
155 governance for dispute settlement. In contrast, the proactive view tends to seek avoidance strategies  
156 before the occurrence of disputes, which focuses on the evaluation of pathogenic influences of dispute  
157 causation and the prediction of disputes (Love et al., 2010; Zhu and Cheung, 2020). For instance,  
158 Viswanathan et al. (2020) developed a dispute causal model through interpretive structural modelling,  
159 which demonstrates six-level hierarchical relationships among identified dispute causes. Ayhan et al.  
160 (2021) utilized machine learning techniques to predict the occurrence of construction disputes, which  
161 forms part of the early-warning mechanism for construction decision-makers. Wang et al. (2021)  
162 developed a Bayesian belief network predictive model for the avoidance of delay disputes in the U.K.  
163 construction industry and suggested that more emphasis should be placed on the managerial aspect of  
164 construction project management.

165

166

167 ***Construction dispute causes***

168 The causes of disputes have been extensively analyzed in existing literature. These research revealed  
169 various common causes or factors leading to disputes in the construction industry (Love et al., 2010).  
170 For instance, Chan and Suen (2005) found three main categories of factors resulting in disputes,  
171 including contractual matters, cultural matters, and legal matters, in international construction projects  
172 in China. The classification was similar to the findings of Cheung and Pang (2013), who proposed  
173 other three causes of disputes: task factor, people factor, and contract incompleteness. Similarly,  
174 Kumaraswamy (1997) identified eleven root causes and eighteen proximate causes based on the  
175 investigation of 61 projects in Hong Kong. El-Sayegh et al. (2020) identified twenty-seven sources of  
176 disputes, and they found the top five causes of disputes in the UAE are variations, material change,  
177 late approval from the government, delayed decision making, and inadequate time for design.  
178 However, these research results were generated in a single region or country. Based on these findings,  
179 thirty dispute causes under nine dispute categories were identified as shown in Table 1.

180 **<Place Table 1 here>**

181

182 **Research Methodology**

183 ***Overall research framework***

184 In order to achieve the research objectives, a questionnaire survey method was employed which was  
185 followed by factor analysis, mean score analysis, quartile analysis, and Mann-Whitney *U* test (Figure  
186 1).

187 **<Place Figure 1 here>**

188

189 ***Pilot study and questionnaire survey***

190 As shown in Table 1, a total of thirty dispute causes were preliminarily identified from existing  
191 literature, which is the basis for the design of the questionnaire. A pilot survey was conducted with  
192 seven professionals who have at least ten years of working experience in the construction industry.  
193 Among them, five interviewees were from China and the other two were from the U.K. Based on the

194 pilot study results, the questionnaire was refined by correcting the vagueness of some construction  
195 terminologies. In addition, three additional causes were suggested and included in the survey, i.e., the  
196 *lack of communication between main contractor and subcontractor; failure to make payment due to*  
197 *the discrepancy of parties' satisfaction to construction deliverables; and bid rigging.*

198 The questionnaire included two sections. In the first section, the respondents were asked to  
199 provide their professional backgrounds, including their working experience, type of organizations  
200 they worked for, and position. The second section requests the participants to evaluate the  
201 significance of the thirty-three variables, using the Likert seven-point scale (1 = strongly disagree, 2 =  
202 disagree, 3 = slightly disagree, 4 = neutral, 5 = slightly agree, 6 = agree, 7 = strongly agree). Given  
203 that many of the respondents from China were not familiar with the English language, the survey  
204 questions were translated to Chinese. One academic who is familiar with both languages and  
205 construction disputes was invited to double-check the translation to guarantee the quality of  
206 communication.

207

### 208 ***Data collection***

209 A purposive sampling technique with three pre-defined criteria was employed to ensure the high  
210 quality of the data collection processes. The criteria included: (1) they must have at least one year's  
211 working experience in the construction industry (adapted from Liang et al., 2021; Osei-Kyei et al.,  
212 2019). (2) the participants are construction professionals who have experience in the management of  
213 disputes in China or the U.K. (3) they must have professional qualifications and should be working  
214 for major construction enterprises.

215 In China, a total of 200 questionnaires were distributed to the potential respondents via email,  
216 post or face-to-face approaches in Jiangsu and Shanghai. The area was selected as the target area for  
217 investigation mainly because of the excellent networking between the research team and the industry,  
218 which can facilitate obtaining high quality of empirical data. This technique has been frequently  
219 employed in the construction management research domain. A total of 67 valid questionnaires were  
220 returned, indicating a response rate of 33.5%. In the U.K., 200 questionnaires were sent to targeted  
221 respondents by LinkedIn or emails. A total of 103 valid respondents were received, representing a



222 response rate of 51.5%. It is noted that the response rate from the U.K. is higher than that in China.  
223 This may be because LinkedIn serves as a reliable tool to refine target samples and it provides  
224 convenience in making contacts (Wang et al., 2021). The sample size and response rate were  
225 considered satisfactory and adequate for further analysis when compared with similar comparative  
226 studies in the construction management field (El-Sayegh et al., 2020; Osei-Kyei et al., 2019).  
227 Participants' demographic information from the two countries is presented in Table 2. Approximately  
228 49% and 64% of respondents from China and U.K. have more than 6 years of experience in the  
229 construction industry respectively, indicating that most of the respondents are experienced  
230 construction practitioners.

231 **<Place Table 2 here>**

232

### 233 ***Tools for data analysis***

234 Data analysis was conducted by using IBM Statistical Package for Social Science 25 (SPSS). This  
235 study employed six common statistical analysis techniques to analyse the data, namely the Cronbach's  
236 alpha reliability test, factor analysis, mean score ranking method, Kendall's concordance analysis,  
237 quartile analysis, and Mann-Whitney *U* test.

238 The Cronbach's alpha reliability test was conducted to verify the internal consistency of the  
239 questionnaire items. Cronbach's alpha values range from 0 to 1, where a larger value represents a  
240 higher level of reliability of the generated results. It is noted that 0.7 has been recommended as the  
241 threshold for a reliable scale measurement (Osei-Kyei et al., 2019). In addition, Kendall's  
242 concordance analysis was conducted to measure the level of agreement of different respondents in one  
243 single group (i.e., from China or the U.K.) on their rankings. If the Kendall's coefficient of  
244 concordance (*W*) carries a predefined significance level of 0.05, a reasonable degree of consensus on  
245 the rankings of items is indicated (Chan et al., 2012). If the number of items is greater than 7, the chi-  
246 square value should be applied as a near approximation instead (Chan et al., 2012). If the actual chi-  
247 square value equals or is greater than the critical value of chi-square, it indicates that there is a  
248 significant degree of agreement on dispute causes within the Chinese and U.K. groups, respectively.

249 Factor analysis is a statistical method used to identify a relatively small number of factors that  
250 can reveal the relationships among sets of variables (Deng et al., 2014). In this study, factor analysis  
251 adopted from Deng et al. (2014) and Yap et al. (2019) was conducted to explore the latent groups of  
252 construction dispute causes in China and U.K. To determine the suitability of factor analysis, two  
253 issues were considered: (1) sample size should be above the recommended ratio of 5:1 (Hair et al.,  
254 1998), and (2) the Kaiser-Meyer-Olkin (KMO) index  $> 0.5$ , and the  $p$  value of Bartlett's test of  
255 sphericity  $< 0.05$  (Deng et al., 2014). The optimal number of factors was determined by their  
256 respective eigenvalues, as the general rule applied for factor extraction in factor analysis is eigenvalue  
257 greater than one (Ye et al., 2015).

258 Mean score (MS) ranking technique was used to determine the relative importance of variables  
259 within each group of respondents. This method has been widely adopted and proved to be reliable for  
260 analysing Likert-type data (Deng et al., 2014). The seven-point Likert scale was used to calculate the  
261 MS of each variable. Then the importance ranking of each variable was generated based on the MS  
262 values. If two or more variables had the same MS value, the one with lower standard deviation was  
263 assigned a higher rank (Ye et al., 2015).

264 The Mann-Whitney  $U$  test is a non-parametric test used to determine any statistically significant  
265 differences of the same variable ratings among two independent groups. The rule is that if  $p$  value is  
266 less than the pre-defined significance level of 0.05, the null hypothesis which states that there are no  
267 significant differences in the ratings of the same item between two groups of respondents will be  
268 rejected (Chan et al., 2012). Quartile analysis adopted from Osei-Kyei et al. (2019) was employed to  
269 ascertain the most different and similar dispute causes in terms of importance perceived by the  
270 respondents. Quartile analysis is a statistical method used to assess the distribution of data. The  
271 quartiles divide a set of ranked values into four equal groups, where the upper quartile ( $Q_3$ ) delimits  
272 the 25% of the largest observations and the lower quartile ( $Q_1$ ) divides the 25% of the lowest  
273 observations.

274

275

276 **Results and Discussion**

277 *Reliability and consistency tests*

278 The Cronbach's alpha values for the investigation results in China and U.K. were 0.939 and 0.910,  
279 respectively, which indicate that the questionnaire items for dispute causes have a high level of  
280 reliability.

281 Table 3 shows the results of the Kendall's Coefficient of Concordance test, which reveal that the  
282 values of chi-square of the test within China and U.K. are all above the threshold requirements of  
283 46.194, and the levels of significance are all less than 0.05. As a result, there is a significant  
284 agreement on the importance of the dispute causes within the respondents in China and U.K.,  
285 respectively, which is appropriate to conduct further analysis.

286 **<Place Table 3 here>**

287

288 *Factor analysis results*

289 In order to reveal the main category of dispute causes in China and U.K., the dispute causes were  
290 extracted by principal component analysis with varimax rotation. According to Norusis (1992),  
291 varimax seeks to minimize the number of variables that have high loadings on a factor, thereby  
292 enhancing the interpretability and providing a good explanation for the factors. The sample size ratio  
293 of this study is higher than the ratio of 5:1 recommended by Hair et al. (1998), indicating that it is  
294 appropriate to conduct factor analysis. Table 4 shows the results of KMO and Bartlett's Test of this  
295 study. The KMO for the thirty-three variables is 0.860, which is higher than the acceptable threshold  
296 of 0.5, and the Bartlett's test of sphericity result is significantly less than 0.05, suggesting good  
297 strength of relationship among the variables (Deng et al., 2014).

298 **<Place Table 4 here>**

299 Factor analysis results indicate that eight factors account for 65.34% of the total variance  
300 explained, which is higher than 60%, the standard of adequate construct validity (Deng et al., 2014;  
301 Yap et al., 2019). The results indicate that dispute causes in the construction industry are diversified,  
302 which is similar to many previous studies (e.g., Love et al., 2010). Factor loadings stand for the

303 correlations of the variables with the factors, and the higher factor loading implies the item is more  
304 representative of the factor (Hair et al., 1998). The factor loadings for all dispute causes exceeding  
305 0.45 are needed (Liang et al., 2021). In order to ascertain the key groups of dispute causes, five factors  
306 that account for more than 50% of the total variance explained are further discussed. Table 5 shows  
307 the factor analysis results for these factors.

308 **<Place Table 5 here>**

309

### 310 Delay-related problems

311 The results indicate that delay-related problems, which accounted for 31.409% of the total variance,  
312 are the most important type of causes leading to disputes in the construction industry. Many studies  
313 have highlighted that delay is the most common dispute cause globally (e.g., Awwad et al., 2016; El-  
314 Sayegh et al., 2020). Delays could result from the client, contractor, government, and external factors  
315 (e.g., the Covid-19 pandemic). For example, Acharya et al. (2006) noted that late site handover to the  
316 contractor is one of the key dispute causes perceived by the consultant and contractor. Viswanathan et  
317 al. (2020) found that clients' delayed project decisions can directly influence project activities,  
318 causing idle resources and inefficient mobilization. El-Sayegh et al. (2020) suggested that poorly  
319 organized labour, poor supervision and site management can lead to contractor's progress delays,  
320 whereas the lengthy process of project assessment is a major cause of delayed approvals and  
321 permissions from governmental departments. Due to the impact of the Covid-19 pandemic, the delay  
322 issues have become more serious, since the parties in the overall supply chain have all been  
323 significantly influenced by unpredictable events (e.g., transportation suspension) or government  
324 control measures (e.g., quarantine) (Baral et al., 2022; Jeon et al., 2022).

325

### 326 Lack of communication

327 Lack of communication among key participants (e.g., client, contractor, designer) accounted for  
328 6.354% of the total variance. Poor communication has long been identified as a common dispute  
329 cause that remains persistently in the construction industry (Love et al., 2010). Ineffective  
330 communication processes could not only cause misinterpretations among project participants, but also

331 trigger mistrust and opportunistic behaviours that impede the successful delivery of projects  
332 (Viswanathan et al., 2020). Among those four variables, the lack of communication between the  
333 designer and contractor exhibited a higher loading (0.806) than others, indicating that the  
334 collaboration between these two parties is crucial to avoid construction disputes. For instance, when  
335 the client fails to clearly communicate the requirements of a project to the designer, it may cause  
336 unclear design specifications and it is less likely that the works could be implemented properly by the  
337 contractor and sub-contractor.

338

### 339 Contractual problems

340 Contractual problems are important causes directly leading to disputes (Cheung and Pang, 2013).  
341 Because of the large scale of modern construction projects and many more project participants  
342 involved, the contract and its management become much more complicated and hence more problems  
343 could occur, leading to serious disputes. Awwad et al. (2016) divided contractual causes of disputes  
344 into intra-contractual causes and party-specific causes. The intra-contractual causes are associated  
345 with the contract itself (i.e., ambiguities or incompleteness of contract, misinterpretation of  
346 contractual terms and conditions); while party-specific causes are concerning the inadequate  
347 implementation of the parties (i.e., breach of contract, poor contract management). The causes of  
348 contractual problems are interrelated. For example, ambiguous contractual terms can cause  
349 misinterpretations and consequently a breach of the contract provisions (Jelodar et al., 2016). Wang et  
350 al. (2016b) reported that due to the poor management of EPC (Engineering Procurement and  
351 Construction) contracts, China Railway Construction Group suffered cost overruns of \$0.676 billion  
352 in the Mecca Light Rail project in Saudi Arabia, which is 34.4% of the contract value.

353

### 354 Site conditions

355 Site conditions comprise three items: differing physical site conditions, inadequate site investigation,  
356 and poor site safety conditions. Kisi et al. (2020) found that site condition related issues such as  
357 unforeseen physical conditions and site possession are the most common types of construction  
358 disputes. In order to enhance the constructability of designs and capture reliable site information,

359 adequate site investigation including soil tests and subsurface investigations should be conducted to  
360 ascertain site conditions before commencing the project (Wu et al., 2017). This is particularly  
361 important for the projects where most of the construction activities are undertaken underground, such  
362 as the subway construction projects (Zhang et al., 2020). Alnualmi et al. (2010) reported that  
363 inadequate geotechnical investigation led to excessive change orders to a road project in Oman, which  
364 exceeded 35.6% of the original cost. In addition, poor site safety conditions may also cause accidents  
365 and fatal injuries, which could be easily escalated into legal disputes in the construction industry  
366 (Randall, 2011). However, the importance of site conditions is contrary to several previous studies  
367 conducted in different regions. For instance, both El-Sayegh et al. (2020) and Zaneldin (2020) found  
368 that site conditions (e.g., poor site investigation and different subsurface conditions) were ranked as  
369 least important dispute causes in the UAE construction industry.

370

#### 371 Design problems

372 Design problems comprise four variables which mainly relate to the quality of the design. They have  
373 been identified as critical dispute causes by many researchers (Assaf et al., 2019; Zaneldin, 2020).  
374 Design is a highly complicated and iterative process where all parties are required to be involved and  
375 kept constantly informed. Hence, consistency of design documents and clarity of design specifications  
376 are vital through various developmental phases of a project (Love et al., 2010). However, Kisi et al.  
377 (2020) found that despite design errors were perceived important, the problems related to design  
378 specification and drawings were ranked as one of the least significant dispute causes in road  
379 construction projects in Nepal. In order to improve the design quality, in terms of reducing design  
380 defects and consistency of the design documents, BIM (Building Information Modeling) has been  
381 advocated (e.g., Ham et al., 2018) to be an effective tool to achieve this target, which might facilitate  
382 preventing dispute occurrence.

383

384

385 **Ranking results**

386 Overall ranking results

387 The MS values for the dispute causes were calculated and ranked in descending order of significance  
388 as shown in Table 6. The values range from 4.04 to 5.57 and 4.37 to 5.83 for China and U.K.,  
389 respectively. The average MS value for China and U.K. is 4.78 and 5.23, which indicates that the  
390 ratings of construction causes given by the U.K. respondents were higher than those given by the  
391 Chinese respondents. It should be noted that both construction practices and cultural differences  
392 between the two countries may lead to the discrepancies in the perceptions of these variables (Chan et  
393 al., 2012).

394 **<Place Table 6 here>**

395  
396 Ranking results in China

397 The top three causes of construction disputes in the Chinese construction industry were: *design*  
398 *defects*, *variation in quantities* and *failure to make compensation for additional work*. The traditional  
399 design-bid-build delivery method is widely employed in China (Ye et al., 2015), which constrains the  
400 interaction between designers and contractors, resulting in *poor constructability of design*. In addition,  
401 due to the fast-paced phenomenon of the Chinese construction industry, the designers are generally  
402 under a high level of work overload which also has impacts on the design quality (Wu et al., 2017).  
403 *Variation in quantities* was ranked the 2<sup>nd</sup>, indicating construction projects in China have high  
404 uncertainty and risk of changes in quantities. Research revealed that these variations have frequently  
405 occurred due to the change order requirements of the client (Zou et al., 2007), design changes (An and  
406 Ma, 2019), and different site conditions (Wu et al., 2017) in Chinese construction projects. *Failure to*  
407 *make compensation for additional work* was ranked 3<sup>rd</sup> in China, which is consistent with many  
408 studies globally (e.g., Awwad et al., 2016). In China, clients frequently reject claims from contractors  
409 for compensation of additional work either using their strong purchasing power or because of the poor  
410 proven record for the claim from the contractor (Yu and Ni, 2012).

411

412

413 Ranking results in the U.K.

414 The top three causes of construction disputes in the U.K. construction industry were: *unclear design*  
415 *specifications, ambiguities in contractual documents, and scope of work changes*. According to Chong  
416 and Low (2006), incomplete and unclear design specification is the major cause for defective designs  
417 and frequent scope of work changes, resulting in frequent disputes related to delays and poor quality  
418 of works. Ambiguous contractual clauses may cause misinterpretations and opportunistic behaviour,  
419 which may jeopardize the successful delivery of projects (El-Sayegh et al., 2020). Construction  
420 professionals lack the proper legal background and knowledge to interpret legalese and technical  
421 jargon, which makes the interpretation process time-consuming and fatiguing. Hence, parties often  
422 fail to specify their rights and obligations clearly in order to expedite the contract signature process  
423 (Koc and Gurgun, 2021).

424

#### 425 ***Results of the quartile analysis and Mann-Whitney U test***

426 Analysis of similarities in dispute causes between China and U.K.

427 The results of quartile analysis and Mann-Whitney *U* test were used to determine the similarities of  
428 dispute causes between China and U.K. As shown in Table 7, the MS values of dispute causes were  
429 grouped into upper and lower quartiles (Osei-Kyei et al., 2019). Among the seventeen dispute causes  
430 that do not have significant differences between China and U.K. (Table 6), two dispute causes locate  
431 in both China and U.K.'s upper quartiles, namely *design defects* and *failure to make compensation for*  
432 *additional work*. The results indicate that these two are common critical dispute causes in both  
433 territories.

434 **<Place Table 7 here>**

435

#### 436 ***Design defects***

437 *Design defects* was perceived as the 1<sup>st</sup> and 5<sup>th</sup> significant dispute cause in China and U.K.,  
438 respectively. This result suggests that design defects is a critical dispute cause in both countries,  
439 which concurs with the view that design problem is a persistent dispute cause in the construction  
440 industry globally (Love et al., 2010). In addition, it was highly ranked in the upper quartile by all the



441 parties in China, as shown in Table 8. As mentioned earlier, in the Chinese construction industry, the  
442 high intensity of organizational competition and monotonous market requirements have resulted in the  
443 popularity of fast-track model used in delivering construction projects. In this condition, design firms  
444 have to accelerate the design progress and sacrifice the quality of design solutions to meet the  
445 completion deadlines, which makes designs prone to changes and defects (Ye et al., 2015). Similarly,  
446 in the U.K., both the consultant (MS = 5.75) and client (5.58) agreed that the *design defect* is a critical  
447 dispute cause. Woo and O'Connor (2021) noted that information-related factors such as insufficient  
448 design information from suppliers and incorrect design specifications are crucial factors resulting in  
449 design defects. The results of this study also support this finding, since *unclear design specifications*  
450 was ranked 1<sup>st</sup> by the respondents in the U.K., also suggesting such design problems are significant  
451 dispute causes in the U.K. construction industry.

452

453 *Failure to make compensation for additional work*

454 *Failure to make compensation for additional work* is another critical dispute cause identified in both  
455 countries, which was ranked 3<sup>rd</sup> (MS = 5.30) and 4<sup>th</sup> (MS = 5.69) in China and U.K. respectively. It is  
456 consistent with Awwad et al. (2016)'s findings, who found that failure to make interim awards and  
457 compensation was ranked 2<sup>nd</sup> in the Middle East region. The competitive nature of the construction  
458 industry promotes an adversarial environment, where contractors may behave opportunistically to  
459 secure profits, while clients may refuse to fairly compensate contractors for additional works (Cheung  
460 and Pang, 2013). In China, this cause was perceived as the second critical cause by contractors,  
461 followed by the consultant and the client (Table 8). Due to the lower level of awareness of legal  
462 system in China, clients tend to suspend the payment and shift financial risks to contractors or other  
463 parties in the lower stream of supply chain, which often leads to disputes (Wu et al., 2011). Similarly,  
464 in the U.K., the designer perceived this cause as the most significant dispute cause, followed by the  
465 contractor and consultant. Additional work in the U.K. is often caused by changes of work scope  
466 where the contractor undertakes the work that is outside the contract due to unpredictable events.  
467 Since *unclear design specifications* and *scope of work changes* were highly ranked in the U.K., the

468 designer and contractor are more likely to issue claims to compensate for their additional work, which  
469 may be further escalated into disputes.

470 Further analysis also indicated that three types of dispute causes were perceived as least  
471 important in both China and U.K., namely, *variation in labour and equipment*, *lack of financial*  
472 *support from the client*, and *bid rigging* (in the lower quartile and not significantly different according  
473 to the *U* test results). *Variation in labour and equipment* includes the shortage of labour and  
474 equipment and the changes in their costs, which can be caused by adverse weather and inflations, and  
475 it is a more serious problem in the Covid-19 pandemic impacted period. *Lack of financial support*  
476 *from the client* refers to the failure to provide proper cost reimbursement to the contractor, which may  
477 result from bankruptcy and cash flow problems. El-Sayegh et al. (2020) found that poor financing  
478 condition of the client was perceived as a significant dispute cause in the UAE, which is different  
479 from the finding of this study. In addition, *bid rigging* is a type of fraud which can cause serious  
480 criminal problems in the construction industry, resulting in harmful social and economic impacts on  
481 the public (Lee et al., 2021).

482 <Place Table 8 here>

483

484 Analysis of differences in dispute causes between China and U.K.

485 Similarly, as shown in the last column in Table 6, sixteen out of the thirty-three dispute causes were  
486 perceived significantly differently by the respondents in China and U.K., in terms of their importance  
487 of the MS values. Among them, four causes are located in the upper quartile in China but in the lower  
488 quartile in the U.K. Therefore, these causes are considered the most significantly different dispute  
489 causes, which are *variation in quantities*, *misinterpretation of contractual terms and conditions*,  
490 *breach of contract*, and *poor contract management*.

491

492 *Variation in quantities*

493 *Variation in quantities* was ranked 2<sup>nd</sup> in China while it was only rated 26<sup>th</sup> in the U.K, indicating that  
494 quantity variation is a significantly more important dispute cause in China. As explained previously,  
495 the sources of quantity variations in China include incomplete design, design errors, and change of

496 work scopes (An and Ma, 2019). The major reason for the difference may be due to the different cost  
497 management systems and project management practices in the two countries. First, the predominant  
498 pricing approach used in China is resource-based pricing method where the bill of quantities is  
499 estimated relying upon quota systems, which is fragile when the market price fluctuates (Zou et al.,  
500 2007). In contrast, a risk-based and market-oriented pricing system is commonly employed in the U.K.  
501 construction industry, providing up-to-date costings and mitigating uncertain risks (Perera et al.,  
502 2016). Second, compared to the fragmented and fast-paced design process in China, the design stage  
503 in the U.K. construction industry has been split into various stages which facilitate effective cost and  
504 commercial management (Perera et al., 2016). As a result, the quantity surveyors in the U.K. play a  
505 more active role in assessing the quantity variations and managing related claims by performing  
506 variation valuations and issuing periodic reports of the project status. Third, construction projects are  
507 often procured in traditional lump-sum contracts in China, which are exposed to a higher-level risk of  
508 quantity variations (An and Ma, 2019; Wu and Xu, 2021). In contrast, more flexible options are  
509 provided in construction contracts in the U.K. For instance, the NEC (New Engineering Contract)  
510 with target cost contracting approach has been endorsed by the U.K. government for public sector  
511 projects, which offers an approach of seeking fair risk allocation and reducing variation claims (Smith  
512 and Wood, 2019).

513

#### 514 *Misinterpretation of contractual terms and conditions*

515 *Misinterpretation of contractual terms and conditions* was ranked 30<sup>th</sup> and 8<sup>th</sup> in China and U.K.,  
516 respectively. Misinterpretation of contracts mainly results from contract incompleteness,  
517 inconsistency of contractual terms, and contract ambiguity (Jelodar et al., 2016). If they are not  
518 properly managed, controversies in terms of the parties' entitlement of claims might occur, which  
519 could further escalate into a breach of contract and formal disputes (Zhang et al., 2019). The cultural  
520 difference on attitudes to the completeness of contractual terms may explain the significantly different  
521 perceptions on this variable between the respondents in China and U.K. The Chinese construction  
522 practitioners' attitudes to contracts are influenced by the inclusive social environment, which is highly  
523 tolerant to ambiguity and patient to changes (Holley and Wu, 2013). Practitioners in China frequently

524 do not seek excessively specified contract provisions in settling site problems, since it may represent  
525 distrust of the other party and prevent the development of their relationships (Lu et al., 2016). When  
526 misinterpretation occurs, "*guanxi*" (relationship in Chinese) serves as a bargaining chip, particularly  
527 when negotiating ambiguous contract terms in order to maintain a good business relationship with  
528 major stakeholders (Liu et al., 2017). In contrast, practitioners in the U.K. tend to pursue procedural  
529 justice and rely on the use of contract terms and conditions to claim rights and solve problems. A high  
530 level of term clarity and specificity not only define each party's rights and duties, but also provide  
531 adequate evidence for third parties to make fairer judgments (Lu et al., 2016). In this case, parties are  
532 likely to conduct a formal manner by adopting self-seeking postures because they consider themselves  
533 involved in zero-sum games (Lord et al., 2010). The results further imply the fact that contract terms  
534 and obligations ostensibly drafted in plain English (e.g., the NEC forms) are not easily understood by  
535 the U.K. practitioners.

536

#### 537 *Breach of contract*

538 *Breach of contract* was ranked 31<sup>st</sup> and 7<sup>th</sup> by respondents in China and U.K., respectively. The  
539 significant difference may be because the practitioners of the two countries tend to use different  
540 approaches to handle disputes arising from breach of contract. For most of the developed countries  
541 (e.g., U.K.), a contract is a crucial tool which provides a formal governance mechanism for regulating  
542 each party's behaviour (Sharif et al., 2020). Hence, the breach of contract provisions can directly  
543 cause contract termination, especially for the U.K. practitioners who emphasize contractual  
544 approaches as their preferred behavioural strategy in dealing with disputes. The contractual approach  
545 relies heavily on formal ways featured by temporal and discrete transactions to protect the party's  
546 rights and obligations (Zhang et al., 2019). In contrast, the Chinese practitioners tend to adopt  
547 traditional relational approaches to prevent the loss of profit and maintain relationships with partners.  
548 When dealing with contractual problems (e.g., breach of contract), they often hold the view that the  
549 contract can be renegotiated and seek alternative solutions (Ling and Low, 2007; Lord et al., 2010).

550

551

552 *Poor contract management*

553 *Poor contract management* was ranked 26<sup>th</sup> and 9<sup>th</sup> in China and U.K., respectively. The different  
554 perceptions of contract administration and different traditions of industry in the two countries may  
555 explain this variable. For the U.K., the management of contracts has been a heated topic in the  
556 construction industry. Practitioners and contract drafters in the U.K. have consistently focused on  
557 assessing and updating practical suggestions calling for changes to adopt market requirements (Lord  
558 et al., 2010). Despite this, contract administration issues have been reported as a continuous trend of  
559 the top dispute cause in the U.K. construction industry, with more than 60% surveyed respondents  
560 suggesting that proper contract management could greatly avoid disputes (Arcadis, 2020). This result  
561 is similar to current findings. In contrast, the practitioners in China have a relatively weak  
562 consciousness of the importance of contract and its management in achieving the project success, and  
563 in turn the traditional thinking of relationship generally determines their behaviour in the management  
564 of construction projects. In addition, some of Chinese contractors, especially those small-to-medium  
565 sized ones, are not familiar with contractual legal systems in China, and in turn they do not perform  
566 the contract strictly (Ling and Low, 2007). Some of the Chinese construction organizations still have  
567 no independent apartment or position for professional contract administration, and they are less likely  
568 to attribute disputes to contract management issues (Ye et al., 2015). This may have influenced the  
569 low ranking of this dispute cause in China.

570

## 571 **Conclusions and Recommendations**

572 Using China and U.K. as the case regions for empirical investigation, this study aims to explore the  
573 critical dispute causes in the broader construction industry and compare the major similarities and  
574 differences of dispute causes in the two countries, to provide a holistic view on dispute management  
575 for the practitioners in the two countries. The results indicate that *delay-related problems, lack of*  
576 *communication, contractual problems, site conditions, and design problems* are the main categories of  
577 causes leading to disputes in the wider construction industry. The findings are different from many

578 previous studies in a single-regional contexts (e.g., Assaf et al., 2019; El-Sayegh et al., 2020; Barman  
579 and Charoenngam, 2017).

580 More importantly, the results reveal both similarities and differences in the dispute causes in the  
581 two different contexts. In terms of similarities, the professionals in the two countries share around  
582 50% of similarities on the importance of these dispute causes. Among them, *design defects* and *failure*  
583 *to make compensation for additional work* are the two common critical dispute causes in the two  
584 countries. This highlights the importance of improving the design quality and making reasonable  
585 compensation to the contractor for additional work, to reduce the occurrence of disputes in the  
586 construction industry. As to the design, designers in both contexts should work collaboratively with  
587 other project parties (e.g., client, contractor) to provide high-quality design and detailed specifications  
588 in the pre-construction stage. In this case, excellent communications between the parties can facilitate  
589 preventing controversies in terms of design quality and variations. For instance, if the client  
590 communicates the requirements of project objectives clearly to the designers, the disputes arising  
591 from this aspect can be reduced (Assaf et al., 2019). Of course, the collaboration within design teams  
592 and the best quality control practices are also critical to reduce design errors and defects (Sha'ar et al.,  
593 2017). Specifically, for countries like China which places much importance on fast-track models to  
594 completing designs, adequate time should be allocated in the design stage to enhance the design  
595 quality through more meticulous design reviews and constructability assessments. As to the  
596 compensation, the parties are recommended to keep a proven record of all the variations from the  
597 tender to completion of a construction project. For instance, at the tendering process, both parties  
598 should have a common understanding on the scope of the works and define a detailed change order  
599 management process. During the execution of the construction works, it is important that the  
600 contractors timely notify the client when they are entitled to additional compensation because of  
601 change orders (Zaneldin, 2020). Moreover, inadequate compensation to the designer may result in  
602 incomplete design documents and further lead to contractors' frequent requests for change orders  
603 during construction, which may give rise to disputes among the parties. Hence, the client is advised to  
604 adequately compensate the designer for the design service to ensure the design quality and avoid the  
605 subsequent change order problems.

606 Significant differences also exist for the dispute causes according to the perceptions of the  
607 professionals in the two countries. This finding points to the importance of employing different  
608 targeted strategies in dispute management in China and U.K. For instance, variation in quantities is  
609 considered one of the most important dispute causes in China whereas it is one of the least important  
610 ones in the U.K. It is strongly advocated that the best practices used in the U.K. construction industry  
611 in reducing variations (e.g., active role played by the quantity surveyor) should be employed in China  
612 to reduce the potential problems downstream. It was also surprisingly found that three contract related  
613 causes were perceived as significant by the professionals in the U.K. construction industry, where the  
614 contract system is more developed and higher-level of importance is attached by the parties in  
615 comparison to the situation in China; whereas they were considered least significant by the  
616 professionals in the Chinese construction industry, where relationship is highly recognized in handling  
617 project management issues or resolving disagreements among the parties. This contradicts many  
618 previous studies which claimed that contract incompleteness is the root cause of construction disputes  
619 (Awwad et al., 2016; Cheung and Pang, 2013). This result also demonstrates that research efforts can  
620 be further directed to validate whether relationship management can be an effective strategy in dispute  
621 prevention in the Chinese construction industry.

622 The research outcomes contribute to the body of knowledge on dispute management in two main  
623 aspects. First, using a single survey instrument, the common and critical dispute causes were obtained  
624 in a cross-regional context. The results further enrich the understandings on the dispute causes in a  
625 single-regional context. Second, in terms of the differences of dispute causes in China and U.K., the  
626 broader views generated further validate that some certain factors more easily lead to construction  
627 disputes within different country-specific contexts. In this aspect, cultural differences (e.g.,  
628 relationship), practice (e.g., quantity surveyor's active role), and law and regulation system (e.g.,  
629 contract) might have influences on the importance level of different causes leading to the dispute in  
630 the construction industry. It is therefore important to take different degrees of prioritized measures in  
631 managing disputes in international projects or projects in the two countries.

632

633

634 **Limitations and Future Research Directions**

635 This study has some limitations which become the possible future directions on this topic. First, the  
636 comparative study was conducted in China and U.K., and in turn the results may not be applicable to  
637 other developing or developed countries. However, the outcomes of this study may be helpful in  
638 developing proactive dispute management strategies in the contexts which share similar cultural and  
639 economic features with China and U.K., respectively. It is therefore imperative to conduct survey  
640 investigations in other developing or developed countries to obtain more generalised results for more  
641 effective management of disputes in construction projects with multi-regional contexts. Second, the  
642 Covid-19 pandemic has brought severe and unprecedented impacts on the construction industry  
643 globally. As a result, this study has discussed this issue to highlight its influence on the severity of  
644 dispute causes. It is also acknowledged that this paper does not focus on the investigation of the  
645 influence of Covid-19 pandemic on the dispute causes. Hence it is not necessary to emphasize further  
646 on this issue. However, it is valuable to measure and compare the impact of the Covid-19 pandemic  
647 on the empirical results in comparison to the non-pandemic influence scenario. Third, although a set  
648 of quantitative methods were employed to obtain the results, qualitative methods (e.g., interviews) can  
649 be adopted to further triangulate and verify the findings. Fourth, the investigation in China were  
650 mainly conducted in Jiangsu province and Shanghai, which are the most developed areas in China,  
651 thus the generalizability of the results may be affected. Therefore, future investigations are suggested  
652 to be conducted in other regions in China to further complement the research findings.

653

654 **Data Availability Statements**

655 Some or all data, models, or code that support the findings of this study are available from the  
656 corresponding author upon reasonable request.

657

658



659 **References**

- 660 Abdul-Malak, M.A.U., and Senan, M.H. 2020. "Operational mechanism and effectiveness of  
661 adjudication as a key step in construction dispute resolution". *Journal of Legal Affairs and*  
662 *Dispute Resolution in Engineering and Construction*, 12(1), 04519051.
- 663 Acharya, N.K., Lee, Y.D., and Im, H.M. 2006. "Conflicting factors in construction projects: Korean  
664 perspective". *Engineering, Construction and Architectural Management*, 13(6), 543-566.
- 665 Alnuaimi, A.S., Taha, R.A., Mohsin, M.A., and Al-Harhi, A.S. 2010. "Causes, effects, benefits, and  
666 remedies of change orders on public construction projects in Oman". *Journal of Construction*  
667 *Engineering and Management*, 136(5), 615-622.
- 668 American Arbitration Association (AAA). 2013. "A guide to commercial mediation and arbitration  
669 for business people".  
670 [https://www.adr.org/sites/default/files/document\\_repository/A%20Guide%20to%20Commercial.](https://www.adr.org/sites/default/files/document_repository/A%20Guide%20to%20Commercial.pdf)  
671 pdf. (Accessed on December 15, 2021).
- 672 An, S., and Ma, T. 2019. "Causes of variations and their impacts upon construction projects in China".  
673 *43<sup>rd</sup> Australasian Universities Building Education Association Conference*. Australia.
- 674 Arcadis. 2020. "Global construction dispute report: Collaborating to achieve project excellence".  
675 Amsterdam, Netherlands: Arcadis.
- 676 Arcadis. 2021. "Global construction dispute report: the road to early resolution". Amsterdam,  
677 Netherlands: Arcadis.
- 678 Assaf, A., Hassanain, M.A., Abdallah, A., Sayed, A.M.Z., and Alshahrani, A. 2019. "Significant  
679 causes of claims and disputes in construction projects in Saudi Arabia". *Built Environment*  
680 *Project and Asset Management*, 9(5), 597-615.
- 681 Awwad, R., Barakat, B., and Menassa, C. 2016. "Understanding dispute resolution in the Middle East  
682 region from perspectives of different stakeholders". *Journal of Management in Engineering*,  
683 32(6), 05016019-1-11.

684 Ayhan, M., Dikmen, I., and Birgonul, M.T. 2021. "Predicting the occurrence of construction disputes  
685 using machine learning techniques". *Journal of Construction Engineering and Management*,  
686 147(4), 04021022.

687 Baral, A., Liang, Y., Li, M., Gonzalez, M., Shahandashti, M., and Ashuri, B. 2022. "Impact of Covid-  
688 19 on the diversity of the construction workforce". *Natural Hazards Review*, 23(3), 04022015-1-  
689 16.

690 Barman, A., and Charoenngam, C. 2017. "Decisional uncertainties in construction projects as a cause  
691 of disputes and their formal legal interpretation by the courts: Review of legal cases in the United  
692 Kingdom". *Journal of Legal Affairs and Dispute Resolution in Engineering and Construction*,  
693 9(3), 04517011.

694 Beijing Construction Engineering Group. (2021) Airport city Manchester, a place to embrace a  
695 changing future. <https://bcegi.co.uk/projects/airport-city-manchester/>. (Accessed on May 3,  
696 2022).

697 Chan, E.H.W., and Suen, H.C.H. 2005. "Dispute resolution management for international construction  
698 projects in China". *Management Decisions*, 43(4), 589-602.

699 Chan, D.W.M., Lam, P.T.I., Chan, J.H.L., Ma, T., and Perkin, T. 2012. "A comparative study of the  
700 benefits of applying target cost contracts between south Australia and Hong Kong". *Project  
701 Management Journal*, 43(2), 4-20.

702 Cheung, S.O., Li, K., and Chow, O.Y. 2020. "Reactive devaluation as a psychological impediment to  
703 construction dispute negotiation". *Journal of Management in Engineering*, 36(4), 04020025-1-12.

704 Cheung, S.O., and Pang, K.H.Y. 2013. "Anatomy of construction disputes". *Journal of Construction  
705 Engineering and Management*, 139(1), 15-23.

706 China Construction Industry Association. 2022. "Statistical analysis of the development of  
707 construction industry in 2021".  
708 [https://mp.weixin.qq.com/s?\\_\\_biz=MzUyNjM4NzkzOQ==&mid=2247490151&idx=1&sn=ddc2  
709 f4415f2dc28907d9341129bb89d3&chksm=fa0ec5ebcd794cfd281603a9e628d1d8438eaa338a26  
710 7df4e713cd157fee259e93fc0096b750#rd](https://mp.weixin.qq.com/s?__biz=MzUyNjM4NzkzOQ==&mid=2247490151&idx=1&sn=ddc2f4415f2dc28907d9341129bb89d3&chksm=fa0ec5ebcd794cfd281603a9e628d1d8438eaa338a267df4e713cd157fee259e93fc0096b750#rd). (In Chinese) (Accessed on May 3, 2022).

711 Chong, H.Y., and Zin, R.M. 2012. "Selection of dispute resolution methods: Factor analysis  
712 approach". *Engineering, Construction and Architectural Management*, 19(4), 428-443.

713 Chong, W., and Low, S. 2006. "Latent building defects: Causes and design strategies to prevent them".  
714 *Journal of Performance of Constructed Facilities*, 20(3), 213-221.

715 CITB. 2021. "Construction skills network: the skills construction needs".  
716 [https://www.citb.co.uk/media/b4fpu2hg/uk\\_summary.pdf](https://www.citb.co.uk/media/b4fpu2hg/uk_summary.pdf). (Accessed on May 5, 2022).

717 Deng, X., Low, S.P., Li, Q., and Zhao, X. 2014. "Developing competitive advantages in political risk  
718 management for international construction enterprises". *Journal of Construction Engineering  
719 and Management*, 140(9), 04014040.

720 El-Sayegh, S., Ahmad, I., Aljanabi, M., Herzallah, R., Metry, S., and El-Ashwal, O. 2020.  
721 "Construction disputes in the UAE: Causes and resolution methods". *Buildings*, 10(171),  
722 doi:10.3390/buildings10100171.

723 ENR (Engineering News-Record). (2021). "The 2021 Top 250 International Contractors: Paving the  
724 road to recovery". [https://www.enr.com/articles/52258-the-2021-top-250-international-  
725 contractors-paving-the-road-to-recovery](https://www.enr.com/articles/52258-the-2021-top-250-international-contractors-paving-the-road-to-recovery). (Accessed on May 18, 2022)

726 Gharawi, M.A., Pardo, T.A., and Guerrero, S. 2009. "Issues and strategies for conducting cross-  
727 national e-government comparative research". *3<sup>rd</sup> International Conference on Theory and  
728 Practice of Electronic Governance*, November 10-13, 2009.

729 Hair, J. F., Anderson, R. E., Tatham, R. L., and Black, W. C. 1998. "Multi-variate data analysis". 5th  
730 Ed., London: Prentice Hall.

731 Ham, N., Moon, S., Kim, J.H., and Kim, J.J. 2018. "Economic analysis of design errors in BIM-based  
732 high-rise construction projects: Case study of Haeundae L project". *Journal of Construction  
733 Engineering and Management*, 144(6), 05018006.

734 Holley, E.C., and Wu, K. 2013. "A new voice in China". In Cooper, C.L. and Burke, R.J. (eds). *Voice  
735 and Whistleblowing in Organizations*. United Kingdom: Edward Elgar, 297-307.

736 Jelodar, M.B., Yiu, T.W., and Wilkinson, S. 2016. "Dispute manifestation and relationship quality in  
737 practice". *Journal of Legal Affairs and Dispute Resolution in Engineering and Construction*. 8(1),  
738 C4515003.

739 Jeon, J., Padhye, S., Bhattacharyya, A., Cai, H., and Hastak, M. 2022. "Impact of Covid-19 on the US  
740 construction industry as revealed in the Purdue Index for Construction". *Journal of Management  
741 in Engineering*, 38(1), 04021082-1-13.

742 Jordan, A.D. 1997. "Lost in the translation: two legal cultures, the common law judiciary and the  
743 basic law of the Hong Kong special administrative region". *Cornell International Law Journal*.  
744 30(2). <http://scholarship.law.cornell.edu/cilj/vol30/iss2/3>. (Accessed on May 5, 2022)

745 Kisi, K.P., Lee, N., Kayastha, R., and Kovel, J. 2020. "Alternative dispute resolution practices in  
746 international road construction contracts". *Journal of Legal Affairs and Dispute Resolution in  
747 Engineering and Construction*, 12(2), 04520001.

748 Koc, K., and Gurgun, A.P. 2021. "Ambiguity factors in construction contracts entailing conflicts".  
749 *Engineering, Construction and Architectural Management*, DOI 10.1108/ECAM-04-2020-0254.

750 Kumaraswamy, M.M. 1997. "Conflicts, claims and disputes in construction". *Engineering  
751 Construction and Architectural Management*, 4(2), 95-111.

752 Lee, J.S., Kim, W.R., and Jeong, K. 2021. "Estimating damages from bid-rigging in the construction  
753 industry". *Journal of Legal Affairs and Dispute Resolution in Engineering and Construction*,  
754 13(3), 05021003.

755 Li, H., Arditi, D., and Wang, Z. 2013. "Determinants of transaction costs in construction projects".  
756 *Journal of Civil Engineering and Management*, 21(5), 548-558.

757 Li, K., and Cheung, S.O. 2020. "Alleviating bias to enhance sustainable construction dispute  
758 management". *Journal of Cleaner Production*, 249, 119311.

759 Liang, Q., Leung, M., and Zhang, S. 2021. "Examining the critical factors for managing workplace  
760 stress in the construction industry: A cross-regional study". *Journal of Management in  
761 Engineering*, 37(5), 04021045.

762 Ling, F.Y.Y., and Low, S.P. 2007. "Legal risks faced by foreign architectural, engineering, and  
763 construction firms in China". *Journal of Professional Issues in Engineering Education and  
764 Practice*, 133(3), 238-245.

765 Liu, J., Zhao, X., and Li, Y. 2017. "Exploring the factors inducing contractors' unethical behavior:  
766 Case of China". *Journal of Professional Issues in Engineering Education and Practice*, 143(3),  
767 04016023.

768 Liu, Z. 2014. "The analysis of China's investment in V4". *International Scientific Conference*,  
769 Bratislava, Slovakia. 2014

770 Lord, W., Liu, A., Tuuli, M.M., and Zhang, S. 2010. "A modern contract: Developments in the UK  
771 and China". *Management, Procurement and Law*, 163, 151-159.

772 Love, P., Davis, P., Ellis, J., and Cheung, S.O. 2010. "Dispute causation: identification of pathogenic  
773 influences in construction". *Engineering, Construction and Architectural Management*, 17(4),  
774 404-423.

775 Lu, W., Zhang, L., and Zhang, L. 2016. "Effect of contract completeness on contractors' opportunistic  
776 behavior and the moderating role of interdependence". *Journal of Construction Engineering and  
777 Management*, 142(6), 04016004.

778 Murphy, S.E., Spillane, J.P., Hendron, C., and Bruen, J. 2014. "NEC contracting: Evaluation of the  
779 inclusion of dispute review boards in lieu of adjudication in the construction industry in the  
780 United Kingdom". *Journal of Legal Affairs and Dispute Resolution in Engineering and  
781 Construction*, 6(4), 04514002.

782 Naji, K.K., Mansour, M.M., and Gunduz, M. 2020. "Methods for modelling and evaluating  
783 construction disputes: A critical review". *IEEE Access*, 8, 45641-45652.

784 Norusis, M. J. 1992. *SPSS for windows, profession statistics*, Release 5, SPSS, Chicago.

785 Office for National Statistics. 2019. "*Construction statistics, Great Britain: 2018*".  
786 <https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/articles/constructionstatistics/2018#:~:text=The%20construction%20industry%20accounted%20for,indicators%20including%20inflation%20and%20employment>. (Accessed on May 3, 2022)  
787  
788

789 Osei-Kyei, R., Chan, A.P.C., Yu, Y., Chen, C., and Dansoh, A. 2019. "Root causes of conflict and  
790 conflict resolution mechanisms in public-private partnerships: Comparative study between  
791 Ghana and China". *Cities*, 87, 185-195.

792 Perera, S., Zhou, L., Udejaja, C., Victoria, M., and Chen, Q. 2016. "A comparative study of  
793 construction cost and commercial management services in the UK and China". UK: RICS  
794 Research Trust.

795 Qu, Y., and Cheung, S.O. 2013. "Experimental evaluation of logrolling as an effective mediating  
796 tactic in construction project management". *International Journal of Project Management*, 31,  
797 775-790.

798 Randall, T. 2011. "Construction engineering requirements for integrating laser scanning technology  
799 and building information modeling". *Journal of Construction Engineering and Management*,  
800 137(10), 797-805.

801 Salami, B.A., Ajayi, S.O., and Oyegoke, A.S. 2021. "Tackling the impacts of Covid-19 on  
802 construction projects: an exploration of contractual dispute avoidance measures adopted by  
803 construction firms". *International Journal of Construction Management*, DOI:  
804 10.1080/15623599.2021.1963561.

805 Seo, W., Kwak, Y.H., and Kang, Y. 2021. "Relationship between consistency and performance in the  
806 claim management process for construction projects". *Journal of Management in Engineering*,  
807 37(6), 04021068-1-11.

808 Sertyesilisik, B. 2010. "Investigation on particular contractual issues in construction". *Journal of*  
809 *Legal Affairs and Dispute Resolution in Engineering and Construction*, 2(4), 218-227.

810 Sha'ar, K.Z., Assaf, S.A., Bambang, T., Babsail, M., and Fattah, A.E. 2017. "Design-construction  
811 interface problems in large building construction projects". *International Journal of Construction*  
812 *Management*, DOI: 10.1080/15623599.2016.1187248.

813 Sharif, S.M.F., Naiding, Y., Rehman, A.U., Sahibzada, U.F., and Kanwal, F. 2020. "From partners'  
814 learning intent to knowledge leakage: The role of contract and trust". *Knowledge Management*  
815 *Research and Practice*, DOI: 10.1080/14778238.2020.1843985.

816 Sibanyana, G., Muya, M., and Kaliba, C. 2012. "An overview of construction claims: A case study of  
817 the Zambian construction industry". *International Journal of Construction Management*, DOI:  
818 10.1080/15623599.2012.10773185.

819 Smith, A., and Wood, G. 2019. "Target cost contracts and the development of collaborative  
820 behaviours and value for money in the UK construction industry". *Journal of International*  
821 *Business Research and Marketing*, 4(4), 7-15.

822 Viswanathan, S.K., Panwar, A., Kar, S., Lavingiya, R., and Jha, K.N. 2020. "Causal modelling of  
823 disputes in construction projects". *Journal of Legal Affairs and Dispute Resolution in*  
824 *Engineering and Construction*, 12(4), 04520035.

825 Wang, H., Sexton, M., and Lu, S. 2016. "Investment by Chinese construction firms in the UK  
826 infrastructure sector: Volumes, patterns and trends". *the 32<sup>nd</sup> ARCOM Conference, Sep.*  
827 *Manchester*, 1127-1136.

828 Wang, P., Fenn, P., Wang, K., and Huang, Y. 2021. "A bayesian belief network predictive model for  
829 construction delay avoidance in the UK". *Engineering, Construction and Architectural*  
830 *Management*, DOI 10.1108/ECAM-10-2020-0873.

831 Wang, T., Tang, W., Du, L., Duffield, C.F., and Wei, Y. 2016. "Relationships among risk  
832 management, partnering, and contractor capability in international EPC project delivery".  
833 *Journal of Management in Engineering*, 32(6), 04016017.

834 Woo, J., and O'Connor, J.T. 2021. "Causal factors for engineering design defects and their impacts".  
835 *Practice Periodical on Structural Design and Construction*, 26(2), 04020071.

836 Wu, J., Kumaraswamy, M., and Soo, G.K.L. 2011. "Dubious benefits from future exchange: An  
837 explanation of payment arrears from 'continuing clients' in mainland China". *Construction*  
838 *Management and Economics*, 29(1), 15-23.

839 Wu, X., and Xu, F. 2021. "Detection model for unbalanced bidding in railway construction projects:  
840 Considering the risk of quantity variation". *Journal of Construction Engineering and*  
841 *Management*, 147(7), 04021055.

842 Wu, Z., Nisar, T., Kapletia, D., and Prabhakar, G. 2017. "Risk factors for project success in the  
843 Chinese construction industry". *Journal of Manufacturing Technology Management*, 28(7), 850-  
844 866.

845 Xu, Q., and Cheung, S.O. 2016. "Influence of Confucianism and Taoism on construction dispute  
846 handling behaviors in China". *Journal of Legal Affairs and Dispute Resolution in Engineering  
847 and Construction*, 8(1), C4515002.

848 Yap, J.B.H., Chow, I.N., and Shavarebi, K. 2019. "Criticality of construction industry problems in  
849 developing countries: Analyzing Malaysian projects". *Journal of Management in Engineering*,  
850 35(5), 04019020-1-15.

851 Ye, G., Jin, Z., Xia, B., and Skitmore, M. 2015. "Analyzing causes for reworks in construction  
852 projects in China". *Journal of Management in Engineering*, 31(6), 04014097.

853 Yu, J., and Ni, H. 2012. "Analysis of the existing problems and countermeasures of construction  
854 claims" (*In Chinese*). *Engineering Construction*, 23, 216-216.

855 Zaneldin, E.K. 2020. "Investigating the types, causes and severity of claims in construction projects in  
856 the UAE". *International Journal of Construction Management*, 20(5), 385-401.

857 Zhang, L., Fenn, P., and Fu, Y. 2019. "To insist or to concede? Contractors' behavioural strategies  
858 when handling disputed claims". *Engineering, Construction and Architectural Management*,  
859 26(3), 424-443.

860 Zhang, L., Fu, Y., and Lu, W. 2021. "Contract enforcement for claimants' satisfaction with  
861 construction dispute resolution: Moderating role of shadow of the future, fairness perception, and  
862 trust". *Journal of Construction Engineering and Management*, 147(2), 04020168.

863 Zhang, S., Sunindijo, R.Y., Loosemore, M., Wang, S., Gu, Y., and Li, H. 2020. "Identifying critical  
864 factors influencing the safety of Chinese subway construction projects". *Engineering,  
865 Construction and Architectural Management*, <https://doi.org/10.1108/ECAM-07-2020-0525>.

866 Zhu, L., and Cheung, S.O. 2020. "Power of incentivization in construction dispute avoidance".  
867 *Journal of Legal Affairs and Dispute Resolution in Engineering and Construction*, 12(2),  
868 03720001.

869 Zou, P.X.W., Zhang, G., and Wang, J. 2007. "Understanding the key risks in construction projects in  
870 China". *International Journal of Project Management*, 25, 601-614.

871



872

873

874

### **Figure caption list**

875

876 Figure 1 Flow chart of the research framework

877

**Table 1 Causes of disputes drawn from existing literature**

<b>Dimensions and factors</b>	<b>Literature sources</b>	<b>Description</b>
<b>1. Change order</b>		
Variation in quantities	Kumaraswamy et al. (1997); Assaf et al. (2019); Zanelidin (2020)	Quantity variation is the discrepancy between the estimated and actual quantities of a project. The change of quantity may affect contractor's cash flow and result in claims and disputes.
Scope of work changes	El-Sayegh et al. (2020); Love et al. (2010); Viswanathan et al. (2020); Zanelidin (2020)	Scope of work changes include the changes of design, schedule, material procurement and construction conditions, which can affect project time and cost.
Variation in material prices	Sibanyama et al. (2012); Awwad et al. (2016); Cheung and Pang (2013)	The actual cost of a project may exceed the original budget because the estimated cost for project is based on the market price at the time of bidding.
Variation in labour and equipment	Acharya et al. (2006); Love et al. (2010)	This cause arises when there is inadequate or late supply of labour and equipment on the construction site, which may affect project schedule.
<b>2. Design problem</b>		
Unclear design specifications	Kumaraswamy et al. (1997); Cheung and Pang (2013); El-Sayegh et al. (2020);	Design specifications provide explicit information (e.g., quantities and schedules) about how the design can be executed. Unclear or incomplete specification may cause project delay or failure, which can lead to disputes.
Design defects	Acharya et al. (2006); Assaf et al. (2019); Zanelidin (2020)	Defective designs include design errors and omissions which can result in rework, change orders and delay in construction stage.
Inconsistency of design documents	Cheung and Pang (2013); Assaf et al. (2019); Zanelidin (2020)	Poor coordination among design teams can cause inconsistency of drawings and specifications, leading to design defects and errors.
Poor constructability of design	Acharya et al. (2006); Sibanyama et al. (2012)	This cause can impede the successful delivery of projects, including the sequence of activities, project quality, and health and safety issues.
<b>3. Site condition</b>		
Inadequate site investigation	Kumaraswamy et al. (1997); El-Sayegh et al. (2020); Zanelidin (2020)	Inadequate site investigation (e.g., subsurface conditions) may cause foundation design failure, project delays, and safety issues, which are often controversial and prone to disputes.
Differing physical site conditions	Love et al. (2010); Sibanyama et al. (2012)	This cause is one of the most prominent dispute causes when geo-environmental condition is different from what has been specified in the contract, causing additional expenses and work.
Poor site safety conditions	Acharya et al. (2006); Assaf et al. (2019); Zanelidin (2020)	This cause arises when accidents or injuries occur due to poor site safety management or contractor's negligence of safety issues.

4. Contractual problem		
Ambiguities in contractual documents	Awwad et al. (2016); El-Sayegh et al. (2020); Viswanathan et al. (2020)	This cause pertains to contract documents include vague or unclear terms, either intentional or unintentional, which could lead parties to take advantage of other parties for profits.
Misinterpretation of contractual terms and conditions	Acharya et al. (2006); Assaf et al. (2019)	It is common for contractors to misunderstand or overlook some provisions in the contract because of lengthy terms and conditions or quality of communication, which may affect project budget and progress.
Poor contract management	Love et al. (2010); Awwad et al. (2016); Zaneldin (2020)	Disputes may occur when there is a failure to the successful execution of contract terms or to the timely record keeping of contract changes.
Breach of contract	Sertyesilisik (2010)	Breach of contract can result in termination of contracts and delays, which is a direct cause to construction disputes.
5. Delay problem		
Late approval and permission	El-Sayegh et al. (2020); Zaneldin (2020)	This cause pertains to the late acquiring of permits and approvals from the government authority, which could lead to schedule delays and variations.
Late handover of designs to the contractor	Acharya et al. (2006); Love et al. (2010)	This cause is resulted from delayed or incorrect design information when the designer fails to complete and handover detailed design for construction.
Site-handover delay to the main contractor	Kumaraswamy et al. (1997) ; Acharya et al. (2006)	Before the commencement of construction, disputes may occur when the client fails to hand over the possession of the site to the main contractor within the stipulated dates.
Late decision-making by the client	Awwad et al. (2016); El-Sayegh et al. (2020); Viswanathan et al. (2020)	This is a cause when the lengthy decision-making process delays the construction activities and results in disputes between the client and contractor.
Progress delay by the contractor	Assaf et al. (2019); Viswanathan et al. (2020)	This cause may result from poorly organized labour, poor quality of work, and poor productivity and control.
Material and equipment delay	Acharya et al. (2006); Zaneldin (2020)	This cause is related to delay or shortage in material and equipment supply, which can be caused by the late identification of the types of material and equipment needed.
6. Lack of communication		
Lack of communication between designer and client	Li et al. (2013); Assaf et al. (2019); El-Sayegh et al. (2020)	In the design stage, when the client fails to clearly specify requirements and provide feedback on the design, design expectations cannot be met properly, leading to excessive design changes.
Lack of communication between designer and	El-Sayegh et al. (2020)	In the construction stage, insufficient communication between the two parties may cause

contractor		contractor's misunderstandings of the design intentions, and consequently result in rework and delay.
Lack of communication between contractor and client	Awwad et al. (2016); Viswanathan et al. (2020)	This cause may lead to mistrust, decreased productivity, and failure to comply with contracted obligations.
7. Payment problem		
Late payment issued by the client	Assaf et al. (2019); Viswanathan et al. (2020)	When the client fails to make progress payment on time, mistrust and hostility may occur between the contractor and client, leading to serious problems in the execution of construction activities.
Failure to make compensation for additional work	Awwad et al. (2016); El-Sayegh et al. (2020); Arcadis (2021)	A common dispute source is that the contractor's payment rights cannot be protected when the client fails to comply with contractual obligations to compensate contractor's additional work.
8. Opportunistic behaviour		
Contractors' opportunistic behaviour to secure profit from the lowest bid	Love et al. (2010); Cheung and Pang (2013)	The contractor may behave opportunistically to recover their profits after being awarded the lowest bid.
Lack of financial support from the client	Cheung and Pang (2013); El-Sayegh et al. (2020)	The client may purposely issue extra orders but refuse to provide proper cost reimbursement to the contractor.
9. Bid problem		
Unbalanced bidding	Li et al. (2013); Awwad et al. (2016)	Unit-price contracts allow for the freedom of quotation, which could lead to the manipulation of item prices without affecting the total bid price.
Errors caused by insufficient time for bid preparation	Kumaraswamy et al. (1997); Zanelidin (2020)	This cause pertains to the client's failure to grant adequate time for bid preparation. Consequently, the contractor may not have enough time to review contract documents, leading to errors in bid documents and disputes.

879

880

881

882

883

884

**Table 2 Demographics of survey respondents**

Background	Categories	Total (170)	China (N=67)		UK (N=103)	
			Number	Percentage	Number	Percentage
Years of working experience	1-5	71	34	50.7	37	35.9
	6-10	34	12	17.9	22	21.4
	11-15	25	9	13.4	16	15.5
	16-20	23	9	13.4	14	13.6
	>20	17	3	4.5	14	13.6
Type of organization	Client	40	28	41.8	12	11.7
	Contractor	52	10	14.9	42	40.8
	Designer	32	16	23.9	16	15.5
	Consultant	35	11	16.4	24	23.3
	Others	11	2	3.0	9	8.7
Position	Project management staff	93	43	64.2	50	48.5
	Design professional	30	14	20.9	16	15.5
	Construction professional	24	2	3.0	22	21.4
	Others	23	8	11.9	15	14.6

885

886

887

888

889

890

**Table 3 Results of Kendall's concordance analysis**

<b>Characteristics</b>	<b>China</b>	<b>UK</b>	<b>China and UK</b>
Number of survey respondents (N)	67	103	170
Kendall's Coefficient of Concordance (W)	0.065	0.092	0.060
Chi-square	138.726	303.667	327.440
Degree of freedom (df)	32	32	32
Critical value of chi-square	46.194	46.194	46.194
Asymp. Sig.	0.000	0.000	0.000

891

892

893

894

895

896

**Table 4 Results of KMO and Bartlett's Tests**

<b>Parameter</b>	<b>Value</b>
Kaiser-Meyer-Olkin measure of sampling adequacy	0.860
Bartlett's test of sphericity	
Approximate chi square	2768.054
Df (degree of freedom)	528
Sig.	0.000

897

898

Table 5 Factor analysis results

Details of the factors and dispute causes	Factor loading	Variance explained (%)	Cumulative variance (%)
<b>Factor 1: delay-related problems</b>	-	31.409	31.409
Site handover delay to the main contractor	0.745		
Late handover of designs to the contractor	0.716		
Late decision-making by the client	0.706		
Progress delay by the contractor	0.621		
Late approval and permission	0.618		
<b>Factor 2: lack of communication</b>	-	6.354	37.763
Lack of communication between designer and client	0.806		
Lack of communication between main contractor and sub-contractor	0.764		
Lack of communication between contractor and client	0.726		
Lack of communication between designer and contractor	0.709		
<b>Factor 3: contractual problems</b>	-	5.560	43.323
Misinterpretation of contractual terms and conditions	0.768		
Ambiguities in contractual documents	0.740		
Breach of contract	0.716		
Poor contract management	0.691		
<b>Factor 4: Site conditions</b>	-	5.005	48.328
Differing physical site conditions	0.721		
Inadequate site investigation	0.691		
Poor site safety conditions	0.593		
<b>Factor 5: Design problems</b>	-	4.845	53.173
Design defects	0.707		
Inconsistencies of design documentations	0.706		
Unclear design specifications	0.583		
Poor constructability of design	0.497		

900 Note: (1) Only loadings that exceed 0.45 are presented in the table. (2) The five extracted key factors explained  
901 53.173% of total variance.



**Table 6 Mean score analysis and test results for causes of construction disputes in China and U.K.**

Codes	Causes of disputes	China and UK		China		UK		Mann-Whitney U test		
		Mean	Rank	Mean	Rank	Mean	Rank	U statistics	Z	Sig.
D1	Variation in quantities	5.19	9	5.46	2	5.01	26	2778.5	-2.198	0.03*
D2	Scope of work changes	5.60	2	5.28	4	5.81	3	2647.5	-2.652	0.01*
D3	Variation in material prices	4.64	30	4.73	18	4.58	31	3265	-0.605	0.55
D4	Variation in labour and equipment	4.46	31	4.42	29	4.49	32	3326.5	-0.403	0.69
D5	Unclear design specifications	5.49	4	4.96	7	5.83	1	2164	-4.239	0.00*
D6	Design defects	5.61	1	5.57	1	5.63	5	3301.5	-0.492	0.62
D7	Inconsistency of design documents	5.05	20	4.79	15	5.21	21	2922	-1.718	0.09
D8	Poor constructability of design	5.19	8	4.91	10	5.37	14	2797	-2.132	0.03*
D9	Inadequate site investigation	4.93	24	4.48	28	5.22	18	2507	-3.081	0.00*
D10	Differing physical site conditions	4.75	28	4.70	20	4.78	29	3405	-0.149	0.88
D11	Poor site safety conditions	4.41	32	4.04	33	4.64	30	2746.5	-2.283	0.02*
D12	Ambiguities in contractual documents	5.36	5	4.67	22	5.81	2	2082	-4.483	0.00*
D13	Misinterpretation of contractual terms and conditions	5.14	14	4.42	30	5.60	8	1956	-4.874	0.00*
D14	Breach of contract	5.14	15	4.40	31	5.62	7	1962	-4.849	0.00*
D15	Poor contract management	5.15	12	4.49	26	5.58	9	2090	-4.442	0.00*
D16	Late approval and permission	5.18	10	4.90	12	5.37	13	2926.5	-1.717	0.09
D17	Late handover of designs to the contractor	5.16	11	4.76	16	5.43	10	2436	-3.317	0.00*
D18	Site-handover delay to the main contractor	4.90	25	4.70	19	5.03	25	2927.5	-1.704	0.09

D19	Late decision-making by the client	5.11	17	4.93	9	5.22	20	3026	-1.387	0.17
D20	Progress delay by the contractor	5.26	7	5.15	5	5.34	15	3278	-0.565	0.57
D21	Material and equipment delay	4.79	27	4.63	23	4.89	27	3052.5	-1.301	0.19
D22	Lack of communication between designer and client	5.01	22	4.67	21	5.22	19	2715	-2.402	0.02*
D23	Lack of communication between designer and contractor	5.14	13	4.75	17	5.39	12	2538.5	-2.984	0.00*
D24	Lack of communication between contractor and client	5.12	16	4.94	8	5.23	17	3124.5	-1.066	0.29
D25	Lack of communication between main contractor and sub-contractor	5.10	18	4.85	14	5.26	16	2988	-1.509	0.13
D26	Late payment issued by the client	5.04	21	4.49	27	5.40	11	2424.5	-3.350	0.00*
D27	Failure to make compensation for additional work	5.54	3	5.30	3	5.69	4	2867	-1.921	0.06
D28	Failure to make payment due to the discrepancy of parties' satisfaction to construction deliverables	5.34	6	4.91	11	5.62	6	2606.5	-2.768	0.01*
D29	Contractors' opportunistic behaviour to secure profit from the lowest bid	5.08	19	5.12	6	5.06	23	3355	-0.312	0.76
D30	Lack of financial support from the client	4.69	29	4.52	25	4.80	28	3153	-0.967	0.33
D31	Unbalanced bidding	5.00	23	4.87	13	5.09	22	3217	-0.762	0.45
D32	Errors caused by insufficient time for bid preparation	4.85	26	4.54	24	5.05	24	2675.5	-2.529	0.01*
D33	Bid rigging	4.32	33	4.25	32	4.37	33	3252.5	-0.642	0.52

905 Note: When the Mann-Whitney *U* test result (right most column) is less than 0.05 (highlighted with \*), it means significant different perceptions existing among the two types of respondent  
906 groups.

907

908  
 909  
 910  
 911

**Table 7 Quartile analysis of dispute causes in China and U.K.**

Quartiles	China	Mean	UK	Mean
Upper quartile (Q <sub>3</sub> ) <sub>China</sub> = 4.93 (Q <sub>3</sub> ) <sub>UK</sub> = 5.58	<b>Design defects</b>	5.57	Unclear design specifications	5.83
	<b>Variation in quantities</b>	5.46	Ambiguities in contractual documents	5.81
	<b>Failure to make compensation for additional work</b>	5.30	Scope of work changes	5.81
	Scope of work changes	5.28	<b>Failure to make compensation for additional work</b>	5.69
	Progress delay by contractor	5.15	<b>Design defects</b>	5.63
	Contractor's opportunistic behaviour	5.12	Failure to make payment due to discrepancy	5.62
	Unclear design specifications	4.96	<b>Breach of contract</b>	5.62
	LoC between contractor and client	4.94	<b>Misinterpretation of contractual terms and conditions</b>	5.60
	Late decision making by the client	4.93	<b>Poor contract management</b>	5.58
Lower quartile (Q <sub>1</sub> ) <sub>China</sub> = 4.52 (Q <sub>1</sub> ) <sub>UK</sub> = 5.03	Lack of financial support from the client	4.52	Site handover delay to the contractor	5.03
	<b>Poor contract management</b>	4.49	<b>Variation in quantities</b>	5.01
	Late payment issued by the client	4.49	Material and equipment delay	4.89
	Inadequate site investigation	4.48	Lack of financial support from the client	4.80
	Variation in labour and equipment	4.42	Differing physical site conditions	4.78
	<b>Misinterpretation of contractual terms and conditions</b>	4.42	Poor site safety conditions	4.64
	<b>Breach of contract</b>	4.40	Variation in material prices	4.58
	Bid rigging	4.25	Variation in labour and equipment	4.49
	Poor site safety conditions	4.04	Bid rigging	4.37

912  
 913

914

915

916

917

**Table 8 Critical dispute causes perceived by different project participants**

Dispute causes	Client	Mean	Contractor	Mean	Designer	Mean	Consultant	Mean
<i>Critical dispute causes in China</i>								
Design defects	√	5.61	√	5.50	√	5.56	√	5.64
Failure to make compensations for additional work	√	5.14	√	5.80			√	5.55
<i>Critical dispute causes in the U.K.</i>								
Design defects	√	5.58					√	5.75
Failure to make compensations for additional work			√	5.74	√	6.38	√	5.50

918

919

920

Note: √ represents that the dispute cause was perceived as critical (in the upper quartile) by the particular group of respondents.