

**CONFIDENTIAL**



**UNIVERSITI TUN HUSSEIN ONN MALAYSIA**

**FINAL EXAMINATION  
(TAKE HOME)  
SEMESTER II  
SESSION 2019/2020**

COURSE NAME : LEADERSHIP & SUPERVISION  
COURSE CODE : BPB 34502 / BPA 31102  
PROGRAMME CODE : BPC  
EXAMINATION DATE : JULY 2020  
DURATION : 24 HOURS  
INSTRUCTION : ANSWER ALL QUESTIONS  
OPEN BOOK EXAMINATION

THIS QUESTION PAPER CONSISTS OF **THREE (3)** PAGES

**CONFIDENTIAL**

**TERBUKA**

- Q1** Recently, Datuk Chang Kim Loong has offered an objective overall emphasis on the need for a 'Legal Shield' for contracts' in various online media. The current COVID 19 pandemic which had resulted in a Movement Control Order (MCO) in Malaysia, calls for the need of a specific law to be enacted to provide a 'legal shield'. This should offer legislative protection to contractors, from legal consequences arising from failures or inability to perform their contractual obligations / scheduled performance during this period.

The need for such legislation is to resuscitate the economy, which has now been ravaged by the pandemic, causing unprecedented and unforeseeable economic and social impact. Disruption of supply chains (e.g food, products and services), manpower shortages, the closing of offices, factories and suspension of construction works on sites are among the serious consequences. Most of these cases have culminated in the hardship for individuals and business entities to fulfil contractual obligations. The government should enact a COVID-19 Moratorium & Relief Act to provide some respite to the construction industry's affected parties. IIBA has proposed the following provisions on reprieve for 'Inability to perform Construction Contract' and 'Construction Related Contract'.

One such area is likely to be the hardest hit is the construction industry. According to a statistic reported in the media on the topic 'Construction industry's dilemma – Covid-19', the impact of the MCO would be immense to contractors.

The construction industry has suffered a decline of 60% during the 2016-2018 period, the industry's annual turnover has been declining from a peak of RM273 billion in 2016 to RM106 billion in 2018. – Param Sivalingam, Former Project Director, MRT Serdang-Sungai Buloh Line –

According to his report, it would be more severe as only contractors registered as G1-G4 with CIDB (Construction Industry Development Board) are allowed to resume works on-site, whereas contractors from G5-G7 are precluded from this exemption.

As a result, a total of 17,000 companies would be affected, and these companies are the key drivers of the construction industry. They represent a majority of the personnel and labour workforce amounting to a total of 850,000 workers in the construction industry, based on 2018 statistics from CIDB. Post-MCO, it's likely that some of the foreign workers may decide to return to their home country out of fear and uncertainties. Since then, eventhough all classes of contractors are allowed to resume construction work at site subject to approval, but by then the damage is done.

Amidst the need to comply with the onerous health and safety requirements, fear and anxiety of infection, elements of uncertainty and the reduction of foreign

workers; the morale of the workers would have taken a heavy hit and their productivity disrupted in the process.

Furthermore, there is a risk that the supply chain disruption may not be re-established in the short term – such as the suppliers of key building materials, equipment rentals and imported items. These statistics and predicaments alone would suggest the construction industry would indeed need more than a helping hand from the government.

*(iProperty, 2020)*

Outline challenges faced by site supervisor during Covid-19 pandemic in order to help reduce employee's stress, support health and safety and to ensure employees are ready to return to work when the pandemic settles.

(25 marks)

- Q2** It seems only a matter of time before COVID-19, or “Coronavirus”, is officially declared a ‘pandemic’ by the World Health Organisation. The absence of the ‘pandemic’ label so far, however, has not in any way lessened the seriousness of the disease’s impact on business around the world.

Construction could be one of the sectors hit hardest by Coronavirus. The official advice is for anybody who has travelled to an affected country, or who may be displaying symptoms, to self-quarantine. This may not impact too severely on office workers, who can in many instances work from home (sometimes more effectively than if they were in the office). For the vast majority of those involved in construction operations, however, working at home is simply not an option.

If you participate in any capacity in major construction projects, particularly if your operations cross national boundaries, the chances are that you will soon begin to feel the fallout – if you haven’t already done so. Even if you are not directly affected, your suppliers and subcontractors are likely to be, and this will inevitably impact your operations.

Your principal obligation will be ensuring the safety of your employees: no matter what the project, it is essential to not put personnel in harm’s way. Unfortunately, ensuring employee safety may only contribute to disrupting project performance. And any disruption will, most likely, only be covered by insurance to a limited extent. All of this gives fertile ground for disputes.

*(Law Business Research, 2020)*

Analyse using steps of Crisis Risk Assessment to minimise exposure to COVID-19 at construction site.

(25 marks)

**- END OF QUESTIONS -**