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Significance of real estate projects and their management

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Abstract

A Real Estate Project is a group of people who have a common purpose or objective. A Real Estate Project usually comprises several undertakings which have to be accomplished by a certain date, within a given budget with some expected level of performance. All Real Estate Projects have some well-defined objectives and sufficient resources to complete the required tasks and sub-tasks. The basic objective of a Real Estate Project management is to control the overall Real Estate Project and maximize the use of the limited resources. For this purpose, a team is built in Real Estate Project management in order to increase the efficiency of a Real Estate Project and to control the overall activities of a Real Estate Project. This team includes a Real Estate Project manager and several Real Estate Project engineers. This article highlights the importance of Real Estate Projects.

Keywords: real estate project, project manager, management

Introduction

A Real Estate Project manager works like a leader, administrator, facilitator, mediator and coordinator. He builds a team and leads it in order to complete a Real Estate Project within the given time and budget. He should have the good communication skills to coordinate with his team members. He should also be pro-active so that if he comes to know that the Real Estate Project is delaying or going over-cost then he can take appropriate steps to complete the Real Estate Project in time and under the specified budget.

He should use the available resources in an efficient manner so that the Real Estate Project can complete in a specified schedule and budget. Besides these, he must also have the knowledge of Real Estate Project integration, scope, time, quality, human resources, communications and risk management.

A Real Estate Project manager is an important member of the team of the Real Estate Project management. He is responsible for the preparation of documents such as Real Estate Project study report, Real Estate Project's Project report etc. for the development of a Real Estate Project. He is also responsible to develop the design of the Real Estate Project. He has to follow engineering guidelines and standards while developing a design for the Real Estate Project.

A Real Estate Project manager controls the overall activities of a Real Estate Project and tries to accomplish the Real Estate Project within the specified time-period and budget. For a Real Estate Project to be completed within a specified time-limit, it is necessary to maintain a good co-ordination Real Estate Project personal.

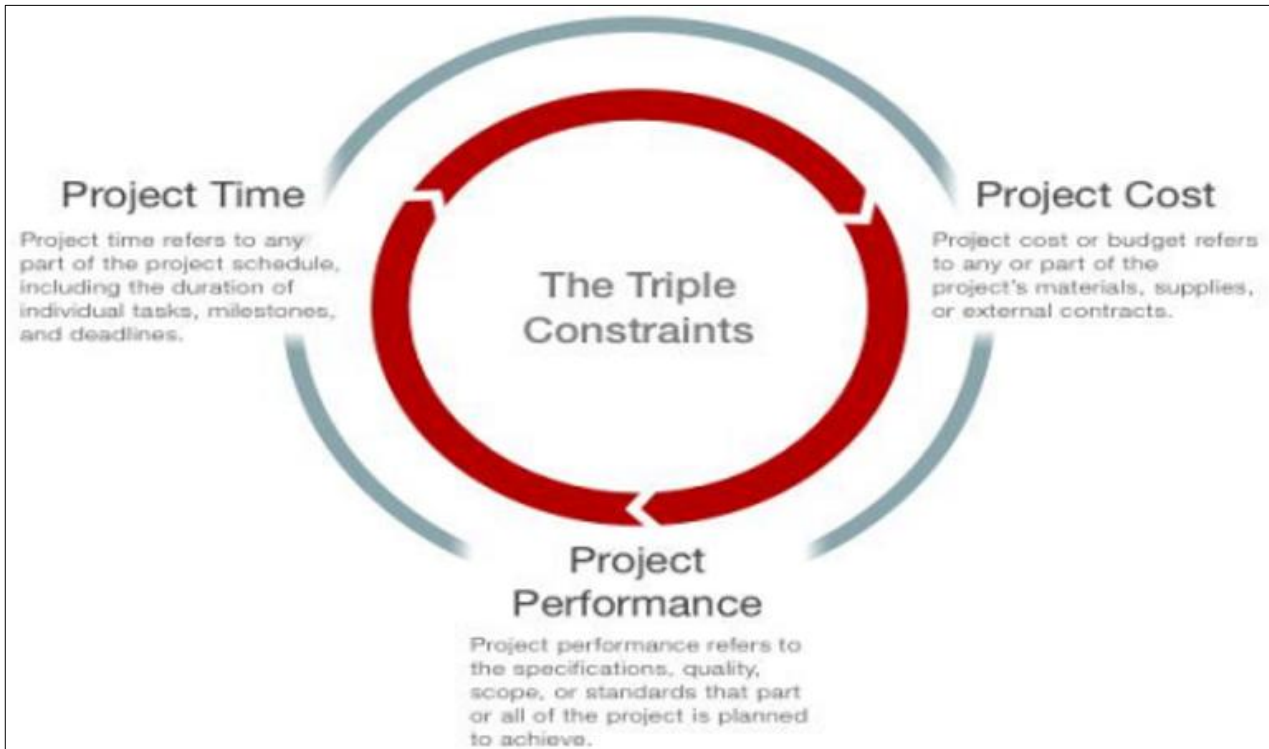
A Real Estate Project manager is responsible for completing all the steps of a Real Estate Project from its beginning to the termination of the Real Estate Project. It is believed that if only one Real Estate Project manager is assigned only one Real Estate Project at a time then he can work more efficiently as he gets the full freedom to take decisions according to his skills.

On the other hand, if the responsibility of accomplishing a Real Estate Project is given to more than one Real Estate Project managers then the probability of increase in budget and time-schedule is increased because their way of thinking may contradict each other thoughts. After getting the Real Estate Project, a Real Estate Project manager builds his team and makes some work plans to accomplish the job. After that, he uses the available resources to complete the Real Estate Project in time.

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He has the responsibility of accomplishing the Real Estate Project in time and within the given budget. If he feels that the Real Estate Project is delaying or is going over-budget then he has to take appropriate steps to ensure that the Real Estate Project would complete in the given time-limit and budget. He must use engineering standards and policies to develop a Real Estate Project and must use the given resources wisely.

The time period and approximate cost of the Real Estate Project is also estimated. And the whole Real Estate Project is supposed to be accomplished in the estimated time-limit and cost. A Real Estate Project manager controls and monitors each and every activity of the Real Estate Project and uses the available resources quite efficiently. There are three important factors which work for a good Real Estate Project management. These are: Time, Cost and Performance.



A Real Estate Project is said to be successful if it is completed on time, within the given budget and to the performance requirements. Many tools and methodologies are used in order to control the components of a Real Estate Project.

Literature Review

According to Gareis & Huemann *et al.* (2000) [2], the Real Estate Project-Oriented Company (POC) is an organization which deals with the Real Estate Projects. It assigns Real Estate Projects, monitors the quality of a Real Estate Project and program, controls the interaction between Real Estate Projects and maintains personal management in POC.

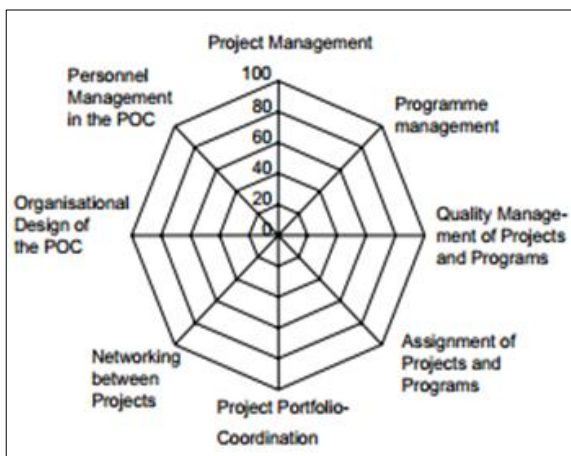
According to PMI (2004) [10], in Real Estate Project management; various activities like applying knowledge, skills, tools and methodologies are used to meet stakeholder's needs and expectations. In Real Estate Project management, all the human and material resources are directed and coordinated throughout the life of a Real Estate Project so as to achieve Real Estate Project objectives.

According to Declerck *et al.* (2007) [1] described that a Real Estate Project is a sequence of actions which are confined in time and size are in interaction with a politic-socio-economic environment. It has a specific goal which it needs to achieve.

According to Turner *et al.* (2009) [2] stated that a Real Estate Project is an entity where human-personal, money and resource materials are structured in such a way that they equally participate in accomplishing a common objective. He further specified that the constraints of time and cost are also considered while working on a Real Estate Project.

According to Sagar *et al.* (2011) specified that Real Estate Project management is an essential part of an organization. In this competitive world, an organization needs to have a Real Estate Project management which can monitor the overall Real Estate Projects and their activities. It is the responsibility of a Real Estate Project management to accomplish the Real Estate Project in time and under the given budget.

According to Yadav *et al.* (2011) [14] described that a Real Estate Project should be flexible so that if there is any need to add some new features in it to enhance its efficiency; it



should be easier to remove or add in it in future so as to increase its efficiency without interrupting the whole structure of a Real Estate Project.

According to Singh *et al.* (2012) ^[13], a Real Estate Project management controls various activities of a Real Estate Project. It assigns the Real Estate Projects to a Real Estate Project manager with a specified time and budget. Limited resources are provided for a Real Estate Project. It maintains coordination between the activities of a Real Estate Project. It also keeps an eye on changing business environment and provides flexibility in the Real Estate Projects.

According to Seymour *et al.* (2012) ^[11], Real Estate Project management is a core strategy to make some changes in an organization. In an organization, changes are needed in order to survive with the increasing competition in business environment. These days, organization has to look at the various updations which are taking place in the external environment and it also needs to adopt according to this changing environment.

According to Agarwal *et al.* (2012) described that Real Estate Project management performs a significant role in the development of an organization. It provides some kind of accountability for the top management of an organization about the work done. A final report is presented before the top management after the completion of the Real Estate Project.

According to Gittinger *et al.* (2012) ^[3], a Real Estate Project is a collection of several activities which access the specified resources to gain benefits. He further described that Real Estate Projects create an identified program which is less précised form of a Real Estate Project. According to him, a Real Estate Project should be small in size so that there should be no complexity in the Real Estate Project and also the risk factor goes decreased in this way.

According to Sharma *et al.* (2012) ^[12], the purpose of Real Estate Project management is to assign the Real Estate Project and related resources and control the activities of a Real Estate Project so that it can be accomplished in a specified time-period and within the given budget.

According to Jain *et al.* (2013) described that a Real Estate Project is led by a Real Estate Project manager who is responsible for keeping track of each and every activity of the Real Estate Project. If he finds that Real Estate Project is delaying and going beyond the budget then he takes the essential steps to overcome the problem. Real Estate Project manager creates a team of several members who perform different activities of the Real Estate Project.

According to Lock *et al.* (2013) ^[7] explained that there are many activities involved in a Real Estate Project and each & every activity has the same goal. Various constraints are used by the Real Estate Project management to complete the Real Estate Project in the specified time-limit and budget. Hence, every activity is interacted with other one to get the best output. Real Estate Project management keeps an eye on the given human and material resources so that they can be used efficiently to obtain the best result.

According to Kerzner *et al.* (2013) ^[5] specified that the Real Estate Project performs various activities like planning, organizing, directing and controlling of resources to achieve a specific goal. Many processes are performed in order to complete a Real Estate Project. These processes involve: Initiating, Planning, Executing, Controlling and Closing.

According to Nilsson *et al.* (2013) ^[9] described that to accomplish a Real Estate Project, various plans are made.

Many team members are involved in these plans and activities. Each plan has a specific goal which is achieved in a specified time-limit. Real Estate Project management monitors all these activities and plans so that the man goal of the whole Real Estate Project can be achieved.

Need of the study

In this changing world, a business also needs to change according to the external environment. It needs to adapt itself so as to survive in this competitive world. A business will be finished if it does not make any changes in its policies according to market requirements. Hence, it is very necessary for an organization to know what kind of changes are going on in the market; so that it can also adapt itself according to the changing environment and survive. Without a Project management, organizations may lose the knowledge and skills gained from the completed Projects.

The current study deals with the significance of Real Estate Project management in an organization. Project management plays an important role in making a Real Estate Project to be successful. However, it is not exact science. It does not give full guarantee for the successfully completion of a Real Estate Project. But, the probability for a Real Estate Project to be successful increases if Real Estate Project management is involved because it monitors each and every activity of the Real Estate Project.

It also monitors that every activity of a Real Estate Project should complete in the given time and cost constraint. Since, a Real Estate Project is a collection of various activities which are inter-related with each other, so if every activity is executed successfully then in the broader way; a Real Estate Project also gets successful.

Objectives of the study

The objectives of the current research work are as follows:

1. To analyze the concepts of Real Estate Projects.
2. To study the importance of development of Real Estate Projects.
3. To study the challenges of development of Real Estate Projects.

Research Methodology

Primary data

Primary data was collected through various research methods such as interview, questionnaire, survey method and case studies will be used for data collection. Interview method is supposed to be the best method to get qualitative information. Case study method is widely used for an in-depth investigation of a person or organization. Hence, these methods were used to obtain the primary data.

To get the required data, selected organizations of various districts of Haryana state were a part of this research. These districts included Gurgaon, Faridabad, and Panchkula etc. Data was gathered from the employees and managers of these organizations to know how Real Estate Project management was very helpful in the development of an organization.

Secondary data

The present study analysis was also based on the secondary data as well, which was collected from various international and national journals of repute, annual reports of various institutions and companies, Town & Country Planning

Department Haryana, Haryana Urban Development Authority.

Scope of the study

Today is the time of competition. An organization needs to be flexible in order to sustain in this competitive world. It has to change its policies and rules according to the changing environment of a business. Many Real Estate Projects are run by an organization to enhance its business. It is very difficult task for an organization to monitor each and every Real Estate Project. Each Real Estate Project is important for an organization as a lot of time and money is associated with a single Real Estate Project.

Hence, failure of a single Real Estate Project can cause a lot of financial loss for an organization. Therefore, Real Estate Project management is organized to keep monitoring on the Real Estate Projects of an organization. It is the responsibility of Real Estate Project management to control the activities of a Real Estate Project and accomplish it within the time-period and budget.

The current study highlights the importance of Real Estate Project management in the development of an organization. These days, many concepts are generating to assist Real Estate Project management. One of these concepts is Real Estate Project Management Office (REPMO). REPMO ensures the successful implementation of Real Estate Projects. The trend of REPMO in an organization is also increasing. REPMO is also very helpful in identifying the risk involved in a Real Estate Project. Hence, appropriate actions can be taken on time to overcome the risk of delay of Real Estate Project. The current study is very helpful to know about the importance of Real Estate Project management.

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