

Project Management Consultant (PMC) -Challenging Globalization-

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1. Introduction

Pacific Consultants International (PCI), the largest consulting company in Japan, has recently developed a field of Project Management Consultant (PMC) services for international and domestic business. This report presents how PCI has acquired, developed and performed PMC services in Malaysia, Thailand and Japan. The importance of PMC services is emphasized for Japanese consultants to appreciate the potential professional and economic benefits of the overseas market. The advancement PMC services will contribute to encourage and promote Japanese manufacturing and construction industries.

Among the growing Asian countries with advanced development such as Malaysia, Thailand, Korea and the Philippines, technology transfer is progressing very rapidly. These countries have the internal capability to perform a wide-range of disciplinary engineering services such as civil engineering, structural and geotechnical engineering, etc. Obtaining higher levels of education including study in the USA and European universities has further accelerated this trend. In addition, remarkable progress continues to be made in the computer and information technology sectors. Recognizing the technical development of these countries, PCI made a policy decision to promote management-oriented services; thus integrating technical disciplines and professional management expertise to its overall services. These services commenced with PMC services provided to Malaysia in 1993.

2. KLIA and SBIA

In 1993, PCI became involved in the design of the Passenger Terminal Complex (PTC) for Kuala Lumpur International Airport (KLIA) along with Kisho Kurokawa Architect and Associates and three top Malaysian consultants. These consultants formed MJAC, the Malaysian Japanese Airport Consortium, for the execution of the PMC services. PCI was the leading consulting company responsible for the overall project management responsibilities of design coordination, tendering, contracting, scheduling, quality assurance, construction monitoring, interface coordination, testing/commissioning and project acceptance from the Contractors.

KLIA, which opened in 1998, was designed as a regional hub-airport. It has a capacity of 25 MAP (Million Annual Passengers) and one million tons of cargo. The size and the scope of the PMC services required for projects of this scale and complexity are far more complicated to manage and integrate than the developing Asian countries' consultants can currently perform. In the past, European and American consulting firms dominated PMC services. Obtaining the PMC services for KLIA was a great breakthrough for PCI and the country of Japan. KLIA was completed on time, within budget and to a high level of international quality.

Immediately after the completion and successful opening of KLIA, PCI was commissioned to participate in the PMC services for the Second Bangkok International Airport (SBIA) in Thailand. PCI started as the OECF Consultant in May 1998 and was appointed as the PMC in September 1999 via international competition against American and European consultants. This was also

another major step forward for a Japanese consultant to be awarded the PMC services for such a prestigious international project. In the past, it was a common practice to appoint such consultancy services to American or European consultants in Thailand. The professional services required of the PMC are vast and complex for the development of a grass-roots international airport with 30 MAP including two 3700-meter runways by December 2004. PCI, with 3 prominent Thai consultants, is responsible for the overall PM services including ground improvement, polder construction, passenger terminal building, concourse building, airport pavements, utilities, highway and railway right-of-way networks, etc. Government and Privatized Projects such as the air traffic control tower complex, navigational aids, air cargo terminal, catering facilities, hotel, etc., are not included in the scope of direct management. However, infrastructure coordination and project development are monitored to ensure that they are being developed in accordance with the Project Master Schedule established by PMC.

Almost one and half years have passed since the award of the contract, but progress is not always favorable due to political intervention. Unfortunately, this is the fate of the SBIA project, since the beginning of the project in 1993, and the completion targets have been postponed several times due to the change of elected governments and corresponding new policies. Thailand's continuing annual increase in tourism is a great resource and the newly elected administration has given direction to take immediate action to complete the airport by December 2004. If delayed, Thailand will face serious congestion at the present airport in terms of physical space and advanced technology. More importantly, SBIA would be placed at a competitive disadvantage to newly opened hub-airports like Singapore, KLIA, Hong Kong and Seoul.

3. Abandoned Chemical Weapon Disposal Project in China

In February 2001 PCI with Japanese engineering company, JGC Corporation was jointly awarded the PMC services for the Disposal Project of Abandoned Chemical Weapons (ACW) in China. The success of KLIA and SBIA contributed to the award of this contract. Due to the stipulation of an international treaty to prohibit chemical weapons, established in 1997, Japan must dispose the Japanese ACW amounting to 700,000 ammunitions safely and without contaminating the environment. These ACW must be treated within 10 years, namely by April 2007. In order to utilize the knowledge and experience accumulated in the private sectors, the Japanese government, that is ACW Office decided to hire private consultants to oversee the weapons disposal. PCI intends to expand PMC services in Japan as it coincides with the policy of Japan to reduce the size of the government body by transferring civilian services to the private sectors.

4. Conclusion

PCI's involvement in providing project management services has been presented by actual projects overseas and in Japan. To meet the challenge of globalization, it should be one of the missions of Japanese consultants to advance management skills in the worldwide market. Not today but tomorrow, developing countries may be our competitors. If we continue to be technical consultants, as we are now, our market will become smaller and limited. As a result, Japanese consultants will lose their competitive advantage worldwide. This would be a fatal situation for Japanese construction and manufacturing industries. Consultant activity is very important for the encouragement of export as it plays an important role for the creation of standards for both goods and technology.