

# The Impact of Moderation-Mediation Analysis between Effective Project Governance and Project Performance Management in Malaysia's Construction Industry

<sup>1\*</sup> Fauzan Choon bin Abdullah, <sup>2</sup> Logaiswari Indiran, <sup>3</sup> Anbalagan Krishnan

<sup>1,3</sup> Wawasan Open University, Penang, Malaysia

<sup>2</sup> Faculty of Management, Universiti Teknologi Malaysia, Skudai Johor, Malaysia

[https://doi.org/10.35609/gcbssproceeding.2024.1\(10\)](https://doi.org/10.35609/gcbssproceeding.2024.1(10))

---

## ABSTRACT

---

The construction industry was critical to Malaysia's economic growth. Despite its importance, major construction firms frequently faced project failure and delays, resulting in an inability to meet deadlines. Nearly 80 percent of outcomes in Malaysia involved cost overruns and project delays, affecting approximately 95 percent of homebuyers affected by the postponement of 580 projects in 2022. As of February 28, 2023, 581 projects had been reported as being delayed. Based on existing literature, and practical gaps this study proposed that effective project governance was one of the critical factors that could improve project performance and enable construction businesses to thrive in a competitive industry environment. Likewise, empirical evidence on the mediating role of benefit management and project management risk, as well as the moderating role of top management support, were still limited. Therefore, the study aimed to fill this knowledge gap by experimentally investigating the role of benefit management and project management risk as the mediator, as well as top management support as a moderator between effective project governance and project performance.

**Keywords:** Project Governance, Project Performance Management, Construction Industry, Quantitative Research.