

# **CVR or EVA: Which One is More Effective to Control Cost in Construction Project?**

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## **ABSTRACT**

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The aim of this research is to identify the characteristic of cost value reconciliation and earned value analysis, and also compare the effectiveness between cost value reconciliation and earned value analysis. Main contractors tend to fail because of poor financial management, especially inadequate attention to cost control. Most of the contractors are lack of knowledge and understanding of cost control system. The application of effective cost control system in construction project is crucial in order to ensuring the success of a project. Cost value reconciliation and earned value analysis will be chosen to lend a hand to contractor in order to control cost. A survey questionnaire is distributed to respondents to investigate the degree of understanding on CVR and EVA; characteristic of CVR and EVA; and the reason choosing CVR and EVA as most effective cost control systems. Data and information collected from survey result are analyze by using descriptive data analysis, frequency distribution analysis and weighted average index. In addition, T – test, two hypothesis sample mean is carry out to test the validity of hypothesis while correlation and regression is carry out to test the strength of relation between two samples. Thus, the research finding is found out the CVR is more preferable than EVA in construction industry.