

# SUCCESS FACTORS FOR URBAN REGENERATION PROJECT

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**ABSTRACT:** Objective of Urban regeneration project is a recovery of urban utilities through a physical, environmental, cultural, industrial and economic regeneration. The current paradigm of urban regeneration is not a simple redevelopment as physical redevelopment or improvement. Urban regeneration project is an overall development including a central commercial capacity and business capacity for administration and management, cultural facilities, sightseeing, a residential area. So Urban regeneration project include a various project. Project management of Urban Regeneration project is widely different with general project management. For that purpose, this research would offer to contribute the success factors of urban regeneration project for successful project. For offering these, this research analyzed the properties of urban regeneration project and success factors of construction project by reviewing a literature. The principal characteristics are variety objectives of each district of urban regeneration project, a diversity of stakeholder's objectives and complex structure of stakeholders, an unstructured decision-making system, a lack of plan for business cooperation. We abstracted factors for urban regeneration from brainstorming and verification by experienced experts. We suggest 2 factors related to achieving a goal effectively and 10 factors related to progress of urban regeneration project efficiently.

*Keywords: Urban Regeneration Project, Success Factors*

## 1. INTRODUCTION

We experienced the onrush of industrialization from 1960s in South Korea. In the process, unplanned cities had been grown rapidly, and now obsolete buildings are not able to function at its best. So urban has need of redevelopment that improves the function of city.

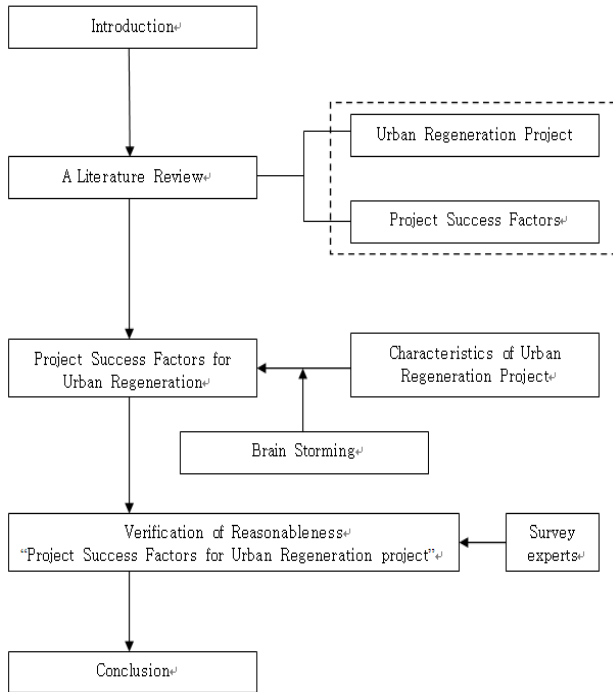
Objective of Urban regeneration project is a recovery of urban utilities through a physical, environmental, cultural, industrial and economic regeneration. Urban regeneration project is a systematic program to reconstruct the city. Urban regeneration project has characteristics such as variety objectives of each district of urban regeneration project, a diversity of stakeholder's objectives and complex structure of stakeholders, an unstructured decision-making system, a lack of plan for business cooperation.

Achieving success in a urban regeneration project is an important goal of project participants. Success has been the ultimate goal of every business activity. It is highly important for the organizations to be successful in their businesses in order to survive in competitive business environments such as urban regeneration project.

The urban regeneration project is dynamic in nature due to the increasing uncertainties in technology, budgets, and development processes. Nowadays, it is becoming much more complex and difficult. The project team is facing unprecedented changes. The study of project success and the success factors are considered to be a means to improve the effectiveness of project. In this study, we suggest 2 factors related to achieving a goal effectively and 10 factors related to progress of urban regeneration project efficiently for contributing a successful management of urban regeneration project.

## 2. RESEARCH METHOD

In this research, two approaches have been employed to identify success factors for urban regeneration Project. First, a literature review is conducted to identify urban regeneration and success factors in previous research. Those of lessons-learned indicated definition, characteristics of urban regeneration and method to deduct the success factors. And then, it investigates a propriety in about success factors of urban regeneration project which are extracted by brainstorming between experts. The feature of research method is as follows;

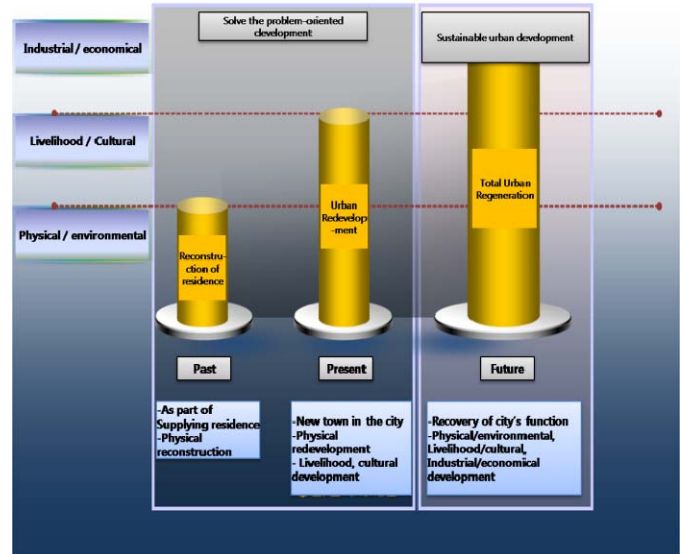


**Figure 1.** Research method

### 3. Urban Regeneration Project

As in figure 2, the present paradigm for urban regeneration is distinguished from the urban renewal which focuses on improvement of physical facilities and development profit and seeks for sustainable urban growth and development through improving and repairing physical and social environment of specific zones within existing urban area. In other words, an urban regeneration project means systematic program in which the downtown area is restored economically, socially and physically by reorganizing the deteriorated infra in the existing downtown area relatively underdeveloped due to industrial structure change and new town-oriented urban expansion policy and rebuilding urban spatial structure to introduce and create new function for new urban area.

An urban regeneration project is basically to reorganizing existing town rather than to develop new town. Thus, it is inevitable for the pre-developed area to have more interest-concerned parties than undeveloped area and to have various characteristics. In addition, a large scale construction project such as an urban generation project usually consists of multiple projects with different independent operators and project periods and takes considerable time for the large group of heterogeneous interest-concerned parties to agree on one development direction, scale and content. Thus, prolonged project period in such project increases business risk.



**Figure 2.** Paradigm shift of Urban Regeneration

Urban regeneration policy passing through the changes as in table 1 was conceptualized as the terminology 'urban renaissance' by Tony Blair administration in England and Koizumi administration in Japan in the 21<sup>st</sup> century in that it aims to improve social, educational, welfare and cultural services and ensure competitive power through restoration of urban economy. That is, urban regeneration is the concept emphasizing the comprehensive meaning that it intends to revive physical, environmental, industrial, economic, social and cultural aspects of urban area.

The urban reorganization or regeneration policies administered by governments until now are partial policies limited to specific fields and basically aimed at improvement of physical conditions so that they are insufficient for comprehensive achievements. In other words, although they can partially administer systematic urban reorganization and urban vitalizing projects, they cannot be regarded as comprehensive urban regeneration policies covering all aspects of economy, industry, culture and society in that they still focus on improvement of physical environment. As in table 2, the present paradigm for urban regeneration is changing into the direction of harmonized vitalization of administrative/control function including core commercial and business activities, broad culture/tourism function and proper level of housing function from physical development or reorganization such as urban renewal projects.

The characteristics of urban regeneration projects were divided and analyzed largely into three aspects including urban regeneration, multiple projects and complicated structure of interest-concerned parties.

#### 1) Restoration of urban function.

An urban regeneration project consists of multiple projects with different objectives to achieve a single larger goal; urban regeneration. An urban regeneration project pursuing complicated values which cannot be achieved by a single project needs links among the projects over different regions, zones and spaces.

## 2) Multiple Projects

An urban regeneration project may include multiple construction projects such as restructuring project through usage conversion/combination of functions, various space connection projects, extension/rebuilding construction project, remodeling project, structure recycling project and development project for dynamic complex space. With respect to construction project, although there may be a similar project due to the specificity of construction

industry, there is no equivalent project and each project has its own characteristics. In addition, each project has organic relationships with other projects. The following table shows the characteristics that may exist in a project.

## 3) Complicated structure of interest-concerned parties

Since an urban regeneration project is a project to reorganize existing downtown rather than to develop a new town, there exist various and complicated interest-concerned parties.

**Table 1.** The evolution of urban regeneration

Period Policy type	1950s Reconstruction	1960s Revitalization	1970s Renewal	1980s Redevelopment	1990s Regeneration
Major strategy and orientation	Reconstruction and extension of older areas of towns and cities often based on a 'masterplan'; suburban growth.	Continuation of 1950s theme; suburban and peripheral growth; some early attempts at rehabilitation.	Focus on <i>insitu</i> renewal and neighbourhood schemes; still development at periphery.	Many major schemes of development and redevelopment; flagship project; out of town projects.	Move towards a more comprehensive form of policy and practice; more emphasis on integrated treatments.
Key actors and stakeholders	National and local government; private sector developers and contractors.	Move towards a greater balance between public and private sectors.	Growing role of private sector and decentralization in local government.	Emphasis on private sector and special agencies; growth of partnerships.	Partnership the dominant approach.
Spatial level of activity	Emphasis on local and site levels.	Regional level of activity emerged.	Regional and local levels initially; later more local emphasis.	In early 1980s focus on site; later emphasis on local level.	Reintroduction of strategic perspective; growth of regional activity.
Economic focus	Public sector investment with some private sector involvement.	Continuing from 1950s with growing influence of private investment.	Resource constraints in public sector and growth of private investment.	Private sector dominant with selective public funds.	Greater balance between public, private and voluntary funding.
Social content	Improvement of housing and living standards.	Social and welfare improvement.	Community based action and greater empowerment	Community self-help with very selective state support.	Emphasis on the role of community.
Physical emphasis	Replacement of inner areas and peripheral development.	Some continuation from 1950s with parallel rehabilitation of existing areas.	More extensive renewal of inner urban areas.	Major schemes of development; 'flagship schemes'.	Reference : Peter Roberts, "Urban Regeneration" 1980s; heritage and retention.
Environmental approach	Landscaping and some greening.	Selective improvements.	Environmental improvement with some innovations.	Growth of concern for wider approach to environment.	Introduction of broader idea of environmental sustainability.

#### 4. A Literature Review

Investigation of the factors affecting the success of construction project has attracted interest of many researchers and practitioners. Although Albert P.C. Chan (2004), based on the fact that there are purposes in developing conceptual framework for the factors affecting the success of construction project, presented a new framework defining the 5 factors extracted from major journals as major success factor, he did not pass through verification process for the success factor in construction project extracted and reconstructed from the journals and failed to derive out new success factors. While Edmond W.M. Lam (2008) developed the factors affecting the success of the Design-Build (D&B) project to define 12 groups of success factors based on the perspective of overall success of Hong Kong construction projects in terms of construction period, expense, quality and performance and the perspective of the owner, this work needs to define the success factors from various perspectives over different stages in D&B life cycle. Based on the questionnaire survey and interview with 40 major Turkish construction companies, G. Arslan and S. Kivrak (1995) define the success factors from the company's perspective. However, since the forms and purposes of construction projects in construction industry as well as the company's pursuit vary according to the situations, defining the success factor from the company's perspective should have only limited value. Eddie W.L. Cheng, Heng Li, and P.E.D. Love (2000) redefine the success factors affecting the successful construction partnering in construction project from the manager's perspective. However, it needs to give a weight on each of the 8 groups of success factor defined in this study. Do Ba Khang and Tun Lin Moe (2008) provide the definitions for the successes and its affecting factor in each stage of life cycle to estimate the current and future status of the project while the non-profit construction project for international development proceeds stepwise. However, their work also oversees the fact that the definitions for the success from each participant's perspective may differ from the factors affecting them.

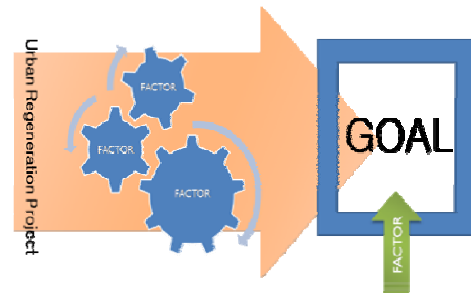
**Table 2.** A Literature Review

Researcher	Contents
D.K.H. Chua, Y.C. Kog, and P.K. Loh (1999)	This study defines 67 success factors using AHP method and give weights on each item.
Eddie W.L. Cheng, Heng Li, and P.E.D. Love (2000)	For successful construction partnering. It reorganized and defined success factors within the managers point of view.
Albert P.C.Chan, Danny C.K.Ho, and C.M.Tam (2001)	This study conducted multivariate analysis through the project success factors in panning-construction integrated project defined by questionnaire survey and interviews with 53 subjects.
Eddie W.L.Cheng and Heng Li (2002)	This study identifies the association between success factor and each of the partnering process stages using simple ratio method and AHP method for partnering construction.
Qiping Shen and Guiwen Liu (2003)	This study defines the success factors in value management (VM) significantly affected by time and cost limit through questionnaire and interview since time and cost management produces better results.
Qiping Shen and Guiwen Liu (2003)	This study defines the success factors in value management (VM) significantly affected by time and cost limit through questionnaire and interview since time and cost management produces better results.
Albert P.C. Chan (2004)	The purpose of this paper is to develop a conceptual frame of Critical Success Factors. Reorganization of 5 critical success factors that defined previous research.
Xueqing Zhang (2005)	This study defines CSFs (construction success factor) and sub-factors for private-public partnership (PPPs) in development project for infrastructure through literature review, expert questionnaire, interview and case studies.

Researcher	Contents
Ann T.W.Yu, Quping Shen, John Kelly, and Kirsty Hunter (2006)	This study defines the success factor in the early stage of briefing period to reduce failure of construction project due to lack of understanding of demands from the owner through content analysis.
Edmond W.M. Lam (2008)	It defined 12 groups of success factors related to time, cost, quality, function for Design-Build(D&B) project in Hong-Kong.
Do Ba Khang, Tun Lin Moe (2008)	This study provides the definition for success over each stage in life cycle to estimate current and future status of the project while the non-profit construction project for international development proceeds stepwise.
Pollaphat Nitithamyong and Mirostaw J.Skibniewski (2006)	Based on experts' experiences, this study defines 42 elements regarding the factors affecting the success and failure of WPMSs (commercial web-based project management system) and verifies them through the ratio of content validity.
Weisheng Lu, Litin Shen, and C.H.Yam (2008)	This study defines 35 success factors in Chinese construction projects from the contractor's perspective.
Researcher	Contents
G.Arslan and S.Kivrak (1995)	Based on questionnaire survey and interview with 40 major Turkish construction companies, this study defines the success factors from the company's perspective in construction industry.
Robert L.K.Tiong (1996)	This study defines 6 groups of the success factors in successful implementation of public tender for BOT projects with uncertainty and high risk.

#### 4. Success Factors for Urban Regeneration Project

As feature 2, we suggest 2 factors related to achieving a goal effectively and 10 factors related to progress of urban regeneration project efficiently for contributing a successful management of urban regeneration project. Two approaches have been employed to identify success factors for urban regeneration Project. First is to identify the factors by brainstorming, second is to verify the extracted them by experienced experts of urban regeneration project.



**Figure 3.** Two aspects of success factors for urban regeneration project

The success factors for urban regeneration project which relates with achievement of aim are 1) accomplishment of public value, and 2) satisfaction with the profit of individual stakeholders'(who participate in urban regeneration project) interests.

Aspect of recovering a function in old city, it is difficult to progress without the public involvement. In order to improve total functions of city from development of specific area, the achievement of public value is important factors to decide the success of project. Also, If it cannot be satisfied the profit of land owner and resident, they may object to its progress. It leads to failure of urban regeneration project. Not that it is development of undeveloped area, but that it is development of developed area.

10 factors related to progress of urban regeneration project efficiently are 1) Minimum of conflict between stakeholders, 2) (administration) optimization of business, 3) Instant decision-making standard, 4) Communication without a hitch / sharing a information, 5) Propriety of project's plan, 6) Propriety of project management system, 7) Propriety of organization, 8) Amity of stakeholders for the project, 9) Management of outcomes step-by-step process, 10) Balance of benefit between public and private.

**Table 3.** Success Factors for Urban Regeneration Project

**5. CONCLUSION**

To derive out management elements for successful administration of an urban regeneration project which has such characteristics as multiple projects, complicated structure of interest-concerned parties and prolonged project life cycle, defining and analyzing the factors that determine the success of the project should be done first.

This study defines the success of such urban regeneration project dividing into the aspect related to effective goal achievement and the aspect related to efficient project implementation. The 12 success factors derived out in this study will be the management basis for successful implementation of an urban regeneration project.

It is recommended that the work to reach agreement on experts' objective opinions using Delphi method will be needed in the future.

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Categories	Success Factors
Factors related to achieving a goal effectively	Achievement of public value
	Satisfaction of each stakeholders' benefit
Factors related to progress of urban regeneration	Minimum of conflict between stakeholders (administration) optimization of business
	Instant decision-making standard
	Communication without a hitch / sharing a information
	Propriety of project's plan
	Propriety of project management system
	Propriety of organization
	Amity of stakeholders for the project
	Management of outcomes step-by-step process
	Balance of benefit between public and private