

ANALYTICAL MODEL FOR INCORRECT COST ESTIMATION IN LOCAL GOVERNMENTS IN JAPAN

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ABSTRACT

Bid cancellation procedures owing to incorrect cost estimation corresponding to design have been occurring in many local governments. Incorrect cost estimation has a great influence on public services. In addition, incorrect cost estimation leads to a decrease in staff motivation. Each local government has been conducting internal investigations to prevent incorrect cost estimation. However, no local government has yet developed a firm diagnosis model and preventive measures.

Medical industries have attempted to understand the cause of human error through academic studies. However, local governments have not conducted academic research to analyze the cause of incorrect cost estimation.

In this study, the authors examine precedent cases on human error analysis in other fields and construct an analytical model for incorrect cost estimation. In addition, the authors propose its application to human resource development using the incorrect cost estimation analytical model.

KEYWORDS: *Human Error, Incorrect Cost Estimation, Local Governments in Japan, V-mSELC Model, Human Resource Development*

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