

MANAGING DEVELOPMENT PROJECTS FOR SUCCESS AND SUSTAINABILITY IN NIGERIA

Uzoma J.F. Ewurum^{*}

F.E. Eboh^{**}

N.N. Igwe^{***}

ABSTRACT

The rate of development projects failures and abandonment in Nigeria in recent times calls for thorough and sophisticated investigation. This paper thus focuses on effective management of development projects for success and sustainability. The work unveils the concept of development and development projects, highlighting so far the development projects in the local environment since independence. It examines the road map to adopt if these development projects must be managed properly and sustained. The paper concludes that the non-sustainability of development projects in Nigeria appears to be prevalent whose course for reversal requires continuous reinforcements obtained from the attributes of efficient and effective project management system.

Introduction

Development is a value word used to describe the process of economic and social transformation and advancement which enables people to realize their potentials, build self confidence and lead lives of dignity and fulfillment. Yesufu (2000:410) sees development as the process and result of improving the well being of people, not a category or some categories of people, but all persons within the national economy, the totality of the citizens including the baby just born, right up to the oldest or other citizen whose life term is about to expire. Development can also be viewed as the achievement of economic

^{*} Dr. Uzoma J.F. Ewurum, is a Senior Lecturer, Dept. of Marketing, University of Nigeria, Enugu Campus.

^{**} Dr. F.E. Eboh, is Head of Department of Economics, Abia State University, Uturu, Abia State.

^{***} Dr. N.N. Igwe, is Enugu-based Management Consultant.

growth for improved living standards of people especially through the use of a country's or society's human material and institutional resources (Mohammed, 2008:6).

From the foregoing, it can be said without contradiction that development refers to process, efforts or activities for change designed to enable individuals, communities, societies or nations, to take charge of their destinies and realize their full potentials, especially through building in them self confidence, pride, respect and material resources and assets, and information necessary to achieve their individual and collective goals and aspirations. For this to happen, a society must move from a given socio-economic condition to another more desirable socio-economic condition as a consequence of education in the appropriate attitudes and skills (Kindleberger and Herrick, 1997).

Concept of Development

Development means different things to different people depending on their socio-cultural background and exposure. However, in all cases it is very much sought after as a barometer of group actualization and fulfillment. Again, one's perception of what constitutes development can be influenced by external pressure. Aradeon (1983:355-394) in his analysis of the Bakalori Dam Project notes that the local communities' perception of the development impact was strongly influenced by the pressure external to the culture area as to what development means. Many in the rural environment would agree with the writer who describes it as the "longing for joy; support and comfort;" the violent reaction against fear and anguish is quite simply the human condition. In effect, the universal search for development is the human condition. At this juncture it becomes pertinent to ask; what is a development project?

King (1977) defines development project as activities that are initiated, formulated and executed towards solving and or arresting identified development need or problem for people in a given environment. Sustainable development as explained by the World Commission on Environment and Development (WCED 1987:46), seeking to meet the needs and aspirations of the present without compromising the ability to meet those of the future. It is a process in which the exploitation of resources, the direction of investments,

the orientation of technological development and institutional change, are all in harmony and enhance both current and future potential to meet human needs and aspirations. Within this context, sustainable development can be seen as having to do with choosing welfare enhancing objectives (development projects), achieving them so progressively on one's own and at little cost to the environment.

Sustainability refers to the long term continuation of a development project outcome following withdrawal of external support. NHS Modernization Agency (2002:12) defines sustainability as when new ways of working and improved outcomes become the norm. In effect, it has become an integrated or mainstream way of working rather than something "added on". As a result, when you look at the process or outcome (project) one year from now or longer you can see that at a minimum, it has not reverted to the old way or old level of performance. It should be noted that the concept of sustainability may acquire different meanings in different contexts and at different times.

Local Environment for Development Projects

Over the last 45 years, growth in oil revenues has enabled the federal, state and local governments to embark on massive investment programmes in the development of Dams, roads, refineries, carports, power plants, steel mills, fertilizer complexes, water works, schools, hospitals, and other basic social and physical infrastructures. Available data indicate that under the various National Development Plans from the 1962-1968 Plan to the Structural Adjustment Programme of 1986-1991, the following infrastructural development projects have been constructed (Achinivu, 1999:80);

- 36, 610 primary schools, 6009 secondary schools and 125 tertiary institutions.
- 15 Federally operated Teaching Hospital, 14 Army Reference Hospitals, 50 Specialist Hospitals, 705 General Hospitals, 39 Leprosaria, 18 Maternity and Pediatric Hospitals, 688 Health Centres and 3500 Dispensaries etc.
- Road network consisting of 32, 097 km of Federal Highways including seven major bridges across the Niger and Benue and

the 3rd mainland Axial Bridge, 30,000 Km of state roads and 60,000 of local government roads.

- Three new refineries at Port-Harcourt, Warri and Kaduna including a National Wide pipe line distribution network of petroleum products.
- Tin Can Island, Calabar, and Warri Ports.
- Twelve airports including the Murtala Mohammed International Airport, Lagos, the Aminu Kano International Airport, Abuja and Port-Harcourt International Airport.
- Petrochemical Industries at Eleme and Port Harcourt, Sapele, Egbin and Afam Thermal Power Stations, Kainji, Jebba and Shiroro Hydro-power Stations.
- Two Sugar Mills at Bacita and Numan.
- Paper Mills at Jebba and Oku Iboku.
- Fertilizer complexes at Port Harcourt and Kaduna
- Six cement mills.
- Steel complexes at Aladja and Ajaokuta, steel Rolling Mills at Jos, Oshogbo and Katsina, Machine tools at Oshogbo
- 500,000 telephone lines with direct dialing facilities.
- Six vehicle plants.

The total value of these development projects and works accounts for almost two-third of the nation's capital stock. Not only does this represent wealth accumulated over the years, but also a vital factor in the production of new wealth. The preservation of the value and utility of this stock of infrastructure is, therefore, essential to the social and economic well-being of the citizenry.

However, available evidence suggests that, in general, these development projects have suffered much neglect and are not maintained and sustained to provide the services for which they were objectively muted. Investigations carried out by the writers indicate that majority of these projects are decaying and where they are maintained, maintenance budgets are being reduced to a point that it is difficult to achieve minimum standards necessary to combat the ravages of use and time. Early last year, the nation was awash with the revelation of 2008 power probe by the House of Representatives. It must be pointed out that the bargaining mechanisms in the

nation's public spending decision process is a highly imperfect one that leaves more to be desired; deep-rooted interests and unaccounted-for costs and gains in the political system are more prevalent than market failure in the private economy.

No wonder Imaga (2003) insists that the problem of Nigeria and her governance in the context of project management and feasibility analysis is the problem of dishonesty of purpose and ineffective sector. It is the problem of poor conceptualization and management of development projects, most of which have in-built deceitful mechanisms meant to serve and sub-serve parochial and self-centred objectives other than that of national goal and improvement on the lot of the masses. The cumulative effect of this administrative deceit in high places has promoted Nigeria from the position of one of the most difficult nations in the world to govern to that of the sole most corrupt country in the whole wide world.

Furthermore, to reflect on how others see this country, we may refer to recent report by the United Nations Development Programme (UNDP) on the state of human development in Nigeria. The report describes Nigeria as a paradox of inconsistencies, a country whose crude oil production of a million barrel per day translates to ₦12,000 per annum per person but whose government reports on average per capita national income is only ₦1,014 (UNDP, 1996). The Nigeria they see is indeed a land of miracles characterized by a docile and subservient populace; overpowered by a conspiracy of institutionalized bribery, corruption and official incompetence.

Nigeria qualifies, therefore, as a giant with atrophied limbs, a nation where a majority of the population are, according to the reports, "worse off than they were at the time of independence in 1960" but whose poor continue to confound the experts by displaying an uncanny ingenuity in finding the food to keep themselves alive. If these assessments of the current environment as per development projects in Nigeria are half correct, then we can mostly agree that the present crisis in our national life is largely institutional. In fact, it is a crisis of the state.

Towards A Sustainable Management of Development Projects In Nigeria

Generally speaking, project management is directed towards a successful end and not at maintaining a continuous activity. It therefore has a limited

objective within a limited time frame. However, this is not so for a development project that must be managed successfully in order to continue to deliver on the objectives for which such projects were earlier on conceived. This paper at this juncture x-rays some notable variables that could help sustain development projects even when such development projects have been seen to have successfully closed out:

The Role of the State

In Nigeria, the Federal, State and Local Governments, as well as non-governmental organizations have made concerted efforts to execute one development project or the other. More often than not, these development projects' implementations are riddled with special management problems.

It was Stiglitz (1997) former World Bank Chief Economist remarks that an effective state is the cornerstone of successful economies. He observes that "few will disagree that a more effective state leads to better, faster and more sustained development." An effective state is one which harnesses the energy of the private businesses and individuals and which acts as their catalysts. Thus an effective state does not have to be a "god father" to the private sector or individuals or interest groups such as non governmental organization and other civil societies. Similarly the size of the state may not be as important as how the instruments of the state are used to determine whether the state acts as a catalyst in development project initiatives. Government is important in providing infrastructure and institutions such as the system of law, education, health and regulatory structures that enable development projects management to be more effective.

From the perspectives of rural settings, development is conceived as all that it takes to get the rural dwellers out from the clutches of poverty, hunger, and illiteracy. This is based on the simple fact that the rural people are at the receiving end in the provision of assistance rather than active participants in the development process of their communities. Therefore for sustainability of these development projects, the above trend should be reversed.

Transparent Project Financing Mode

Management and delivery of development projects exhibit a high degree of inefficiency especially among the developing nations. Perhaps these countries lack the desired capacities and structures required to power these development project initiatives. The decision to finance a project is usually based on the projections made in the project plan. Project financing refers to an arrangement whereby the project under consideration, its assets, contracts, inherent economics and cash flows are separated from their promoters (sponsors) in order to permit credit appraisals and loan to the project, independent of the sponsors (Nzotta, 1998).

Contributing, Pandey (1999) posits that project financing is a mode of financing a given economic unit in which a lender/financier is satisfied in looking at the cash flows and the earnings of that economic unit as a source of funds from which a loan can be repaid and the assets of the economic unit as a collateral for the loan. Without mincing words, transparent project finance, especially for accounting and tax considerations, is required for development projects initiatives to be sustained in Nigerian environment.

Application of Sound Project Management Principles

Project management is the planning, organizing, directing and controlling of organizations resources for a relatively short term objective that has been established to complete specific goals and objectives (Kerzner, 2002:4). For the Project Management Institute, project management is "the application of knowledge, skills, tools and techniques to project activities in order to meet or exceed stakeholder's needs and expectations. It is designed to make better use of existing resources by getting work to flow horizontally as well as vertically within the project organization. Long term projects, for instance in engineering projects six months – two years in construction, three to five year, in Nuclear component ten year and in development programmes up to five years or more consume huge resources. Time, cost and performance are the constraints on the project.

The growth of application of sound project management principles has come about more through necessity than through desire. The economic environment in Nigeria and indeed other developing countries characterized

by frequent changes in monetary and fiscal policies, inaccurate productivity records, imprecise development project objectives, non-application of project management tools, and over-dependence on imported materials, might be responsible for the state of non-sustainability of development projects in many developing countries.

Quality Manpower Development

It is not in dispute that people make a society and a nation. It is an accepted fact that people determine the wealth and development status of a nation. No nation can ever advance more than its level of planning and governance of its people and management of its resources. Business executives who firmly believe that people are the most important asset (Imaga, 2003) maintains that investment in people lead to optimal results. Policy makers in government must learn to appreciate this and continually work towards building quality manpower for sustainable management of development projects.

Too often, when we speak of infrastructure ostensibly for the benefit of the people and environment, we forget that the people must be developed, at least to appreciate the development projects provided and put them into proper and beneficial use. A nation that attracts, retains, and develops the most competent and productive workforce (manpower) is likely to enjoy a real competitive edge in this increasingly globalised world. A nation must, as a matter of priority, pay close attention to developing quality manpower for sustainable management of development projects (Eburajolo, 2005). After all, the most powerful force on earth is a people on fire. Our experience during the early years in independence points to the fact that economic growth alone can neither guarantee nor ensure that the benefits of growth will improve the well being of the citizenry. A new approach which will place human beings at the centre of development and of the core of all social and economic policies must have to be put in place, if our development projects initiatives must be sustainable.

Stemming the Incidence of Corruption

In very simple terms, a corrupt practice is said to have taken place when a person in a fiduciary position acts in a manner prejudicial to the cause of his

or her employer benefit or consideration from a third party who is ultimately the beneficiary of the action taken (Guardian, 2005). In other words, corruption involves dishonestly using one's position or power to advance one's advantage. Since it is an act propelled and fuelled by greed, it is often at the expense of another.

Corruption gives continuous concern for the socio-economic and political issues that most threaten the sustainability of development project initiatives and the survival of Nigeria: the most populous Black Country on earth as a single indivisible nation state. Many authorities, researchers and observers have variously considered that bribery and corruption are the twin evils that may dismantle and disintegrate the country in the final analysis. Imaga (2003) remarks, in one of his eleven bullet points, that excessive accumulation of unearned wealth by leaders only succeeds in stultifying their off-springs who end up as total figures.

Corruption exacerbates deprivation and accelerates the scourge of unfulfilled development initiatives culminating in poverty, diseases, ignorance and illiteracy among the citizenry of a country, as it enriches only a marginal few. It takes from the poor and gives to the rich. As people get pauperized, their purchasing power declines, aggregate demand also declines with negative impact on investment. Again the environment and reality of corruption radically alters attitudes and disposition in a people. One of the first causalities is the loss of faith and confidence in government's development projects activities. To many Nigerians nothing good can ever come out of government, so it is extremely difficult to convince the majority that the reverse is possible and that development project activities can be managed, sustained, by the people. Without doubts of any contradiction, it is easy to locate the marrow deep distrust and skepticism in Nigeria where in the past leadership had failed the people in areas of real development project activities in more ways than one.

Surprisingly, many can acknowledge the fact that corruption is the reason why development projects and programmes are poorly managed and sustained in the world's tenth most popular nation. Corruption is the reason why close to fifty years after independence and with one of the best concentrations of human and material resources in the world, Nigeria is ranked amongst the poorest countries in the world (Ribadu, 2006:23).

Development project contracts awarded by the executives are overpriced and they underperform. No complaining because palms have been greased. Corruption undermines economic growth and development. The World Bank rating in 2005 that Nigeria is one of the poorest countries among committee of nations confirms. There is no better possibility that corruption is endemic in this country (*Sunday Guardian*, 2005).

Application of Project – Program Technique

A project can be defined as a finite endeavour or undertaking having specific start and completion dates, carried out to create a unique product or service which brings about beneficial change or added value. A project is within a program as an undertaking with a scheduled beginning and end and which normally involves some primary purpose (Kerzner, 2002: 68).

The government sector tends to run efforts as programs, headed by a program manager. The majority of the industrial sector, on the other hand, prefers to describe efforts as projects headed by a project manager. Whether we call our undertaking project management or program management is inconsequential because the same policies, procedures and guide lines that regulate programs most often apply to projects also. For this paper, we shall see projects normally as the first-level sub division of a program. Programmes exist because they can generate benefits over and above those which project can generate on their own (Imaga, 1981).

The project program technique is an approach to project management which tries to see the end of one project as the beginning of another project. This is a departure from the traditional concept whereby once a project is completed, the project team is disbanded. A typical example is the building of a church edifice which can be followed subsequently with an erection of nursery and primary school, secondary school and even a university within the same land space or premises. The objective is for continuity and sustainability. The wide use of projects is becoming a preferred or dominant business process and their use in realizing development project initiatives has also brought with it the need to marshal project-based activities in some beneficial way.

It was perhaps Pellegrinelli and Bowman (1994:125-32) that first openly advocated the use of project program approach as a way of managing

the interdependence between projects and the requirements to learn and respond to changing circumstances associated with strategy implementation and monitoring. The United Nations Development Programmes (UNDP, 1996) appears to have imbibed the program approach in their advocacy on management of Development programs in developing countries.

Courageous Tax System

Earlier this January, President U. Musa Yar'Adua told the nation that the 2009 budget would be funded with tax revenue in view of the falling crude oil prices engineered by the global economic melt down (*Business Day*, 2009:56). After years of snubbing every entreaty prodding and public upbraiding, Nigeria's ruling class seems to have bowed to the pressure to run a state based on taxation of incomes.

Hitherto, our rulers had been impervious to our need for an efficient tax administration system, thanks to easy money from petrodollars. The addiction to oil has blinded the leadership of this country for too long. It has burdened the nation with lazy, unimaginative and gutless leaderships that have lacked the courage to empower this country. If the current federal government administration can implement this new taxation drive seriously, the chances for empowerment with sustainable development projects can lead to change of the people's mindset, that government project is nobody's project.

Taxation, nonetheless also has unambiguous economic significance for it is a rational economic exchange. This is because under the current oil dependent revenue system, government's failure to keep the social contract of taxation and service provision has yielded a harvest of industrial and development projects abandonment. For we believe that when Nigerians start paying for sustaining development of projects, one does not need to be told what would happen to any government that chooses to embezzle funds meant for development projects and infrastructure repairs, instead of using it for the public good. That would be the beginning of real and nationalized citizenship because most of the citizens will finally come out to fight for their rights, when they are abridged; change will come and managing development projects for sustainability will become a reality. They will become real citizens rather than the subjects they are today.

Conclusion

The non-sustainability of development projects in Nigeria and other developing countries appear to be prevalent, whose capacities and structures for effective realization of this strategy are weak. These capacities and structures require continuous reinforcement obtainable from the attributes of efficient and effective project management. To realize this, we need to enshrine in our national psyche and value system the precedence of responsibility over power, institutional over personal considerations, consensus over authority, and accountability over office and development over security, for there is no favorable wind for people who do not know where they are going.

References

- Achinivu, O. C. (1999) "The Intervention of the Petroleum (Special) Trust Fund on Physical and Social Infrastructure" in *Understanding Research and its Implication for Development* P.O. Adeniyi (ed.) UNILAG Consult, Lagos.
- Aradeon, D. (1983) "Public Learning and Participation in the Development Processes", *Habitat International*.
- Business Day*, February 2009.
- Eburajolo V. O. (2005) "Building Quality Manpower for Sustainable Development" Nigerian Institute of Management (Chartered) International Management Conference, Abuja.
- Imaga, E. U.L (2003) *Administrative and Management Theory and Practice*, Enugu: Land Publishers.
- Imaga E. U. L (2003) *Theory and Practice of Production and Operations Management*, Enugu, Rhyce Kerex Publishers, Book cover page.
- Imaga, E. U. L. (1981) "Undermanaged not Underdeveloped – The Nigeria Economy" in a monograph of *Comparative Management*, Jos.
- Kerzner H. (2002) *Project Management A System Approach to planning, Scheduling and Controlling*, New Delhi Book Publishers.
- Kindlebrger, C. P. and Herrick, B. (1997) *Economic Development*, New York; McGraw Hill.

- King, R. W. (1977) *Managing High-Technology, Programs and Projects*, Chichester: John Wiley.
- Mohammed, Z (2008) "Education and Sustainable National Development" in *Management in Nigeria*.
- NHS Modernisation Agency (2002) *Improvement of Leaders' Guide to sustainability and Spread*, Ipswich: Ancient House Printing Group.
- Nzotta, S. M. "Project Financing" Annolam, M. O. (ed.) (1998) *Topical Issues in Finance and Management*, Owerri: Katzens Publishers.
- Pandy, I. M. (1999) *Financial Management*, New Delhi: Vikas Publishing House.
- Pellegrinelli, S and Bowman, C. (1994) "Implementing Strategy through Projects," *Long Range Planning*, 27 (4).
- Project Management Institute, Website: www.pmi.org.
- Ribadu, N.(2006) "EFCC: Between Perception and Reality" in *This Day Newspapers*, Lagos: Leaders and Company.
- Stiglitz J. (1997) "Rethinking the State" Washington DC: *World Bank News* vol. xvi No. 24 June 20 World Bank Development Report.
- The Guardian Newspapers: (2005) "Lagos State Seeks World Bank's \$ Loan for Metropolitan Development Project" July 4.
- UNDP, (1996) "Human Development Report: An Agenda for Peace," *Report of the Secretary General Para. 17 United Nations*, New York: UNDP Publication 1297.
- World Commission on Environment and Development (WCED) (1987) "Our Common Future" Oxford: Oxford University Press.
- Yesufu, T.M. (2000) "The Human Factor in National Development: Nigeria" in the Nigerian Economy: Growth without Development (University of Benin Social Science Series for Africa, Benin: University Press.