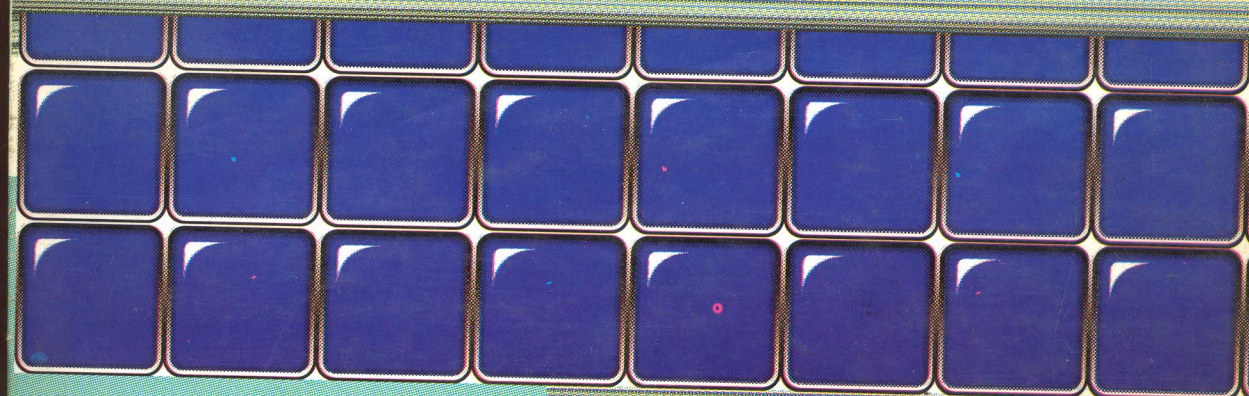




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ANALYSIS OF ENVIRONMENTAL INFLUENCES THAT IMPINGE ON PROJECT COMPLETION IN NIGERIA

By

EZIONYE F. EBOH, *Ph. D., MNIM, MNIPR*

Department of Economics
Abia State University
Uturu

And

NICK NGOZI IGWE, *Ph.D. JP, MNIM, MNIFST*

Management Consultant

ABSTRACT

In an effort to assist in the political, economic, social growth and development of the nation, the Federal, State and Local Government administrators embark upon projects that are tailored to improve the social welfare needs of the populace. Ever since the end of oil boom in 1982, this nation has been witnessing an ever increasing emergency of projects. Enterprises earlier well conceived, over night become ailing, moribund and later abandoned. The existence of poor planning and execution culture is an antithesis to development. This has widely presented a high ugly picture all throughout the landscape. Very little has been written on the environmental problems that influence project completion in this part of the world, its prevalence in developing countries notwithstanding. For instance, environmental influences that impinge on project completion could result to colossal waste of scarce resources, poor economic growth rates, low income per capita, technological backwardness and the failure syndrome among the entire citizenry. These problems could result to political instability, culminating in the failure to attract the much touted foreign capital the country desperately needs to lift itself from economic cataclysm. In conclusion, this paper recommends, amongst others, that sticking to the project timetable/schedule and enacting legislation to check project management recklessness on the part of contractors and stakeholders will ameliorate such unwanted project termination.

INTRODUCTION

Government at all levels exists mainly to provide the necessary conditions that would aid the positive growth of the social welfare functions of the governed or populace. This positive growth is achieved through the use of projects. The existence of poor implementation and execution culture is an antithesis to development. This is because the growth of any nation is predicated on successful execution of development projects. For the projects to be fully executed they must be adequately budgeted for and

funded. Funding is normally carried out through the allocation of scarce resources between competing alternative uses (Ndiomu, 1994).

Failed projects throw a nation backward through different ways and these are: (1) the financial loss of the failed projects; (2) the loss of the alternative projects; and (3) the mortgaging of future development of the nation through the servicing of the debts used in funding the projects from sources other than internally generated funds (Okoroafor, 1997). A nation does not exist in vacuum. She lives within her environment which provides resources and lays down limits on its activities. A nation just like an organism can survive and grow only if she continually adapts and responds in time and space to its environment. By environment we refer to the external conditions and factors that influence development or growth of people, animals, plants and their working or living conditions. Project realization within time, cost and performance specifications can be influenced by environmental factors that are psychological, cultural, economic, social and political, or succinctly stated, socio-environmental discharge. This environment, in essence includes people, desires, intelligence, their attitudes beliefs, physical resources, climate, economic conditions, state of the art technology and government laws and policy (Koontz et al, 1990).

A critical look at our landscape would reveal the ugly sights of uncompleted, abandoned or aborted projects. If their costs are calculated, it would reveal a colossal waste of scarce resources (Ikedianya 1998). The question on the lips of every cost sensitive professional has been: Was there no proper feasibility studies before executing these projects. It seems very strange and unfortunate that political expediency overrides every other consideration in the selection of projects for execution in Nigeria. In other words, such projects are never planned to be executed with the targeted needs and aspirations of the would-be beneficiaries.

As Wilson (1986) noted, government is the agency or instrument of the state and so, of the people. It is the machinery of the state, a lever of social control and its offices act as agents of the state. It is on the basis of this concept of government that the various authorities or administrators of government of each country conceive and perform their economic, political and social functions and roles such as provision of certain amenities like pipe-borne water, electricity, construction of tarred roads and bridges, public schools and higher education institutions, health facilities etc, thus the genesis of development projects initiated and executed by the government. That is why Imaga (2003) very aptly stated that the problem of project management and feasibility analysis in Nigeria is that of poor conceptualization and management of development projects most of which have inbuilt deceitful mechanisms meant to serve and sub-serve selfish and self-centered objectives other than national goal and improvement on the lot of the Nigeria masses. The cumulative effect of this administrative

deceit at the high places has promoted Nigeria from the position of one of the most difficult nations to govern to that of the most corrupt country in the world. It is against this background that this paper seeks to discuss the environmental influences that impinge on projects completion in Nigeria and in the end proffer solutions on how to mitigate such factors.

PROJECT AND PROJECT MANAGEMENT

At this juncture, it becomes very pertinent to ask what a project is so as to guide our discussion of the above subject matter. A project has been variously defined by competent authorities in the field. Imaga *et al* (2003) defined a project as a scientifically evolved work plan devised to achieve a specific objective within a specified period of time. Also Newman, *et al*, (1987) define a project simply as a cluster of activities that is relatively separate and clear cut. A project typically has a distinct mission and a clear-cut termination point. Examples are building a new plant, construction of roads, designing a new package, rural electrification, soliciting gifts of N5m for elderly men's dormitory. The above definitions have been supported by Anuolam (1997), and UNIDO (1986). For this paper, we have chosen to define a project as a task or series of tasks that have a definable beginning and end and requires the expenditure of one or more resources that must be completed in order to achieve the objectives for which they are instituted.

Project management is concerned with the art and science of energizing, co-ordination, planning and controlling human and non-human resources in order to achieve set objectives with constraints on time cost and quality performance. This view was supported by Moder (1988) and Stickney and Grouse (1988). These definitions give us a leeway for the discussion of project abandonment or project termination/completion. If there is no time frame for projects completion, one cannot be talking of abandonment of projects and the accelerating impact of environmental influences.

Project abandonment is the giving up or discontinuation of a project which has taken off (mid-stream). Thus a project can only be said to be abandoned if it is discontinued after the implementation has commenced (Cleland and Kerzener, 1983). In project management, projects are terminated for two basic reasons: *project success or project failure*. Project success means that the project has met its cost, schedules and technical performance objectives and has been integrated into the customer's organization to contribute to the customer's mission. Also a successful project means that the organization has been successful in positioning itself for the future; a strategy has been designed and implemented. On the other hand, project failure means that the project has failed to meet its cost, schedules and technical performance objectives or it does not fit in the organization's future. Failure is therefore relative.

ENVIRONMENTAL INFLUENCES AND PROJECTS COMPLETION

It is important to identify at this juncture the various factors that influence projects' completion in Nigeria. This is necessary to put the project manager at alert and help him minimize those factors. It will equally help project funders or supervisors identify these factors with a view to mitigating their incidence.

Political Reason

This is a pervasive reason. In Nigeria, it applies to both public and private sector projects though at varying degrees. The political factor begins to exert influence on projects right from their conception stage. Most projects are political projects that were not originally meant to be completed. In Nigeria, there are so many of these projects. The second bridge across River Niger and its dredging has been on the drawing board since the beginning of 1983. They were initiated merely to score political points. Because of such reasons, proper feasibility studies are never carried out and the consequence is that they never leave the drawing board. Imaga *et al* (2003) emphasized that projects are conceived with in-built deceitful mechanism which stifle their completion mid-way. Another inherent political fact is that politicians in Nigeria find it extremely difficult to complete projects started by their opponents. It is done aptly to avoid giving credit to any person in the opposing camp.

Economic Influence

The economic factor deals with the reward system employed in Nigeria. There is no correlation between effort expended by an employee and the reward that he receives in the project environment. When a project staff believes that equity does not prevail, he is bound to withhold a measure of his productivity in order to restore equity. Closely linked to the above is the inability of project managers or owners to give adequate compensation to project staff who inspite of the unconducive project situation put in their best in the attainment of project goals. There appears to be no commitment and no goal congruency. To encourage productivity in the project environment, it is essential that a system of reward must be designed that attempts to equate hard work and reward (Unyimadu, 2006).

The Social Environment

Managers of various development projects have been criticized for not being responsive to the social attitudes, beliefs and values of some individuals, groups or societies. But attitudes and values are different from project managers and project staff such as accountant, engineers, technicians etc (Koontz *et al*, 1990). This variety of values makes it very difficult for project managers to design an environmentally friendly

situation to performance and satisfaction. It is even more difficult to respond to their forces when they are outside the project environment. Yet project managers have no choice but to take them into consideration in their day to day decision making process.

Corruption

Corruption is another major reason for ill-completion of projects in Nigeria. Many projects are stifled because the funds made available for them are embezzled or because those whose duty it is to continue them are no longer interested in doing so because they cannot collect their "*kick back*" or 10 percent from it. In Nigeria, any project that was not completed by the regime that started it stands the risk of termination or outright abandonment. The culture of continuity is not there. Despite the Federal Government's effort to combat hydra-headed corruption, Nigeria's foreign partners including USA and Transparency International, still see Nigeria as corrupt. Jack Blum, an American congress man, said that Nigerian leaders stole forty billion American Dollars (about N480 Bn) from public coffers since the country became independent in 1960. Blum, an expert in Transparency and Corruption testifying before a USA House of Congress sub-committee on Domestic and International Monetary Policy in 2000 explained that the amount includes misappropriated oil revenue and misappropriated international project assistance loans (Newswatch, 2001).

Blum said that corruption remained the key factor in the failure of Nigeria to use its huge natural and human resources to embark on industrial projects and programmes that could improve the standard of living and quality of life. In his words, corruption is contagious. If the bosses are stealing, the subordinates feel that they can steal with impunity. It is common knowledge to hear top government officers saying that they are not willing to inherit the liability of other people. They regard such uncompleted projects are liabilities because they take money from their votes without giving them anything personally in return.

Inflation

Most projects are never completed because of the effect of inflation. The inflationary trend in Nigeria, as in many other developing countries, defies economic prediction. This makes nonsense of projects feasibility cost estimates, and this thus results to project abandonment and termination.

Doctored Feasibility Report

The effect of corruption in Nigeria even spills over to issues as serious as feasibility report. When feasibility reports are being written, those who have vested interests often gratify the feasibility *report writers* to ensure that the report is positive. So, if the approving officer, on the strength of the wrong report, commits himself to the project, the likely thing is that the

project will be abandoned later. Even when efforts are made to write a reliable feasibility report about a project, the absence of statistical data makes it difficult to do so.

Inadequate Culture of Accountability

In Nigeria, successive governments have paid lip service on their commitment to accountability. This issue of transparency and accountability has made project managers and promoters feel that they can do whatever they like with projects. Elsewhere, such people would be blacklisted. But what we see in practice is the reverse, where people who abandoned projects are assigned bigger projects, even with the much touted due process principle. There is the unending case of *godfatherism* in project implementation and management in Nigeria.

The Nigerian Factor

According to Imaga (2003), by the term Nigerian factor we mean to capture the various forms of dishonesty of purpose and corruption in high places, elements of administrative lapses, mis-governance, deceit and fraudulent tendencies at the level of government and all such frustrating and irresponsible behaviour patterns and activities which have collectively been code named 419. This Nigerian factor syndrome has already crippled project implementation and execution programmes. This is because when projects fail or is abandoned, policy makers and critics blame it on Nigerian factor and nothing happens. Nobody really wants to accept that he is responsible for failed projects or its completion. Rather buck-passing has become the order of the day in Nigeria. The unfortunate case here is that most of the government projects are not properly planned and executed, while the policies guiding their planning, execution and control are not rightly implemented. Contracts are awarded out of ignorance on the basis of ethnic relationship, abiding concept of favouritism, political assistance, repayment or appreciation and outright ambition to defraud the government. It is on these reasons that mobilization fees are paid to contractors who do little or nothing on the project execution, abandon them and only to come back for re-evaluation after many months or years, claiming astronomical rise in prices of materials, labour and machine as the causes for the abandonment.

Appointment of Mediocre Project Managers

Lashbrooke, (1999) defined a project manager as the person who is accountable for the successful completion of the project. The project manager plans, leads, organizes and controls the project and ensures that communication links are clearly established and used. In Nigeria, the appointment of project managers is mostly based on factors other than merit. It is either based on quota or on other primordial considerations.

Such people when appointed hardly understand the rudiments of project management. The consequence is that either extra fund are demanded while trying to implement them, or the projects are suddenly abandoned. As a result, the mediocre project manager is faced with a difficult job characterized by role-overload, frenetic activity, fragmentation and superficiality (Pinto and Levine, 1987).

The following table shows some of the abandoned projects in Enugu Metropolis, South East Nigeria.

Table I: Incidence of Project Abandonment in Enugu State

S/No	Location of Project	Description of Project	State of Work	Possible Completion Date
1.	Akpasha - Akcgebe Ozalla - Agbogugu Old Roads	A link road connecting 4 towns in Enugu East & West Senatorial District	Earth clearing and grading	Unknown (abandoned)
2.	Nara - Nkereffi Road Terminus	A Link Road Connecting Ozalla-Obe, Umueze Agbani Ugbawka-Nara-Nkereffi Roads (major towns in Nkanu Land)	Earth clearing and grading	Unknown (abandoned)
3.	Ikirike Health Centre	Primary Health Centre in Enugu West Development Council	Roofed and Plastered haphazardly	Unknown (abandoned)
4.	Rangers Avenue	International Conference Centre	Not yet roofed	Unknown (abandoned)
5.	Enugu State Cement Factory at Amechi Idodo	Cement Factory	Feasibility studies done	Unknown (abandoned)

Source: Directorate of Public Works, Enugu State Ministry of Works and Transport Enugu, 2005.

The above table shows some of the abandoned or uncompleted projects in Enugu State since the democratic process commenced in 1999. An overview of Nigeria's landscape since 1970 till date will reveal a catalogue of abandoned projects, projects that could not be completed by either direct labour or through contract by the governments (Federal, State, Local Government and their agencies). On the national level are such projects like the Federal Government low cost housing project, National post offices programme, Nigeria Machine Tools, Ajaokuta Steel Rolling Mill, Nigerian National Paper Manufacturing Company, Lagos Metroline Project, Second Niger Bridge Project, and Enugu International Airport Expansion Project.

CONSEQUENCES

When projects objectives are not realized, the human and material resources expended in the project formulation, planning and evaluation are wasted. Even though there is the possibility of resuscitating the project, the cost of leaving resources dormant can be enormous. This is because there are alternative projects that could have utilized these resources (Okoroafor, 1997). Another effect of environmental influences in project completion is the serious reduction in the rate of economic development. Most projects are designed to enhance economic growth. However, when these projects are not realized the rate of economic growth is drastically reduced. For instance, earlier completion of Ajaokuta Steel Complex would have had a spiraling linkage effects on other sectors of the Nigerian economy.

The low income per capital being experienced today by Nigeria can be traced to poor project realization. Think of the huge sums of Naira sunk into the Turn-Around Maintenance (*TAM*) of *NNPC* refineries yet nothing has changed in the upstream sector of our oil production. This is so because when projects are poorly managed, the production rate is reduced and this in turn will lead to reduction in the nation's income per capita. A fall out from the low income per capita is low standard of living of the people. That is why Drucker (1979) very succinctly stated that without too much over-simplification, there are no under developed countries; there are only under managed economies.

Some projects are very crucial for technological advancement and when such projects are not realized, the nation is kept in technological prison. A project like Ajaokuta Steel and *NAFCON* that have direct relevance to our technological and agricultural development are in jeopardy. Reporting on the cases of abandoned development projects in Nigeria from the late 1970s to early 1990s, Usen *et al* (1992) avers that from Lagos to Maiduguri and from Sokoto to Calabar, various projects of high economic and special values, worth billions of naira, lie fallow: rusting and crumbling under rain and sunshine are abandoned hospitals, clinics, markets, dams, airports, housing projects, office blocks, school buildings, factories, industries, libraries, and theatre complexes. It is important to note that the non-completion of these and other abandoned projects is at great cost to the national economy, with adverse consequences on national income and productivity as much costs have been incurred, financial and other resources of irretrievable nature sunk and their alternative uses become zero (Inyanga, 1999).

Finally in any nation where there are many failed or uncompleted projects, people are unconsciously made to accept failure as a way of life. Psychologically, this breeds in people the failure syndrome. The direct consequence of this is that our trained professionals and experts have continued to leave the shores of this nation in droves unabated. In effect

they are leaving for greener pasture to environments where skills and labour are adequately remunerated.

CONCLUSION AND RECOMMENDATIONS

Governments exist mainly to provide the necessary enabling conditions that support the positive growth of people's social welfare and their esteem. This positive growth is achieved through the use of special ladders called projects. For the ladder to achieve the desired objectives they must be well planned and managed hence the advocacy of articulate project management culture to be installed in our body polity. This will go a long way in mitigating the incidence of these environmental influences that lead to project abandonment.

Change is the essence of life. If there is anything that is constant it is change. Change also implies progress. We are living in a dynamic world that is continually in flux. The chief cause of failure of a nation is absence of adaptability as occasioned by its environment. It is in view of the above discussion that we recommend the following as antidotes to the issue of environmental influences that impede projects completion in Nigeria:

1. Sticking to the project time table/schedule will inevitably minimize or eliminate project abandonment in our environment. When projects are delayed, certain nascent factors like increase in prices of goods, services and technological changes can and do make the projects not to be realized.
2. Proper costing of projects will go a long way in realizing their objectives. In Nigeria, when projects are deliberately under-costed to lure the approving authority to accent on execution, the tendency is for the contractors to insist on contract revaluation and this might hamper the timely execution of such contracts.
3. Advance purchase of project materials and deliverables may beat the incidence of inflation inherent in our environment. It will certainly mitigate the incidence of project abandonment.
4. Independence of project managers should be asserted to avoid undue interference with execution. Such undue interference come about as imposition of staff and contractors on the project managers. This greatly reduces their project authority on sites. Consequently, conflicts are made to thrive on sites.

5. Laws to check project management recklessness either on the part of contractors or other stake holders should be enacted and passed by the National Assembly to mitigate or ameliorate such unwarranted project termination. If already in existence, they should be invoked.
6. Development projects should be planned and given to the communities or beneficiaries that need them most and not merely initiated and executed to win political points by the government or as a result of political favouritism and ethnic or cultural relationship.
7. Projects' contracts should be awarded on merit and only to those who can execute the projects and in time as agreed by the parties. The competency of the contractor should be based on human, financial, material and other technical resource availability and efficiency.
8. In this era of due process and transparency, government should not embark on similar projects that have been abandoned while the uncompleted ones are still rusting and wasting away.

We therefore support all those who have been clamouring and advancing the cause for the institution of proper project management principles and culture in our society.

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