Root Causes of Project Abandonment in Tertiary Institutions in Nigeria

Uket E. Ewa

1 Department of Accountancy, Cross River University of Technology, Ogoja Campus, Nigeria

Correspondence: Uket E. Ewa, Department of Accounting, CRUTECH, Nigeria. Tel: 234-0803-723-8061. E-mail: uketewa@yahoo.com

Received: June 21, 2013         Accepted: September 24, 2013        Online Published: October 28, 2013
doi:10.5539/ibr.v6n11p149       URL: http://dx.doi.org/10.5539/ibr.v6n11p149

Abstract

This article explores the root causes of project abandonment in Tertiary Institutions in Nigeria. Structured questionnaires were distributed to targeted officials playing a role in the administration of project management in the Institutions, namely, bursars, internal auditors, directors of works, directors of physical planning, quantity surveyors in the physical planning and works Units. Four hundred and seventy five completed questionnaires returned were analyzed and tested using relative important index (R.I.I.) and simple percentages. The result from the study showed that the root causes of project abandonment in tertiary Institutions in Nigeria like any other government establishment are, the lack of articulated vision and objectives, lack of adequate planning for the project at inception, lack of adequate funds and budgetary allocation before projects are embarked upon, inefficient and effective legal system, poor contract documentation, corruption and compromises, lack of municipal services, non release of government white papers on investigations carried out on abandonment of projects, lack of true leadership, lack of continuity and Institutions’ long term strategic plans to drive the Institutions, ambiguity in contract documentations. The study concludes that any reason for project abandonment can be related directly or remotely to compromises on the above root causes.

Keywords: root causes, project abandonment, education policy, tertiary Institutions, white elephant

1. Introduction

1.1 Introduction of the Problem

The first official statement on African Education was issued in 1925 by the British government tagged “Memorandum on Education Policy in British Tropical Africa”. This is the foundation of Nigerian educational development. Government has since then been a major player in the three levels of education in Nigeria; Primary, Secondary and Tertiary levels through the implementation of various intervention programs involving huge capital outlay. These intervention programs includes, the Universal Primary Education, the Universal Basic Education, award of scholarships, and establishment of Education Trust Fund now Tertiary Education Trust Fund (TetFund), mandatory contribution of 2% tax on profit by companies operating in Nigeria. Today Nigeria has 40 Federal Universities, 38 State Universities, 51 Private Universities, 35 Federal Tertiary Health Institutions, 26 Federal Polytechnics, 38 State Polytechnics, 19 Private Polytechnics, 21 Federal Colleges of Education, 46 State Colleges of Education, 33 Private Colleges of Education. There are over one million University alone student's enrolment as at 2012/2013 academic session. This phenomenal growth in education requires enormous capital outlay from the stakeholders in terms of infrastructural development. Enormous capital projects were thus embarked upon after the civil war of 1966 and the oil boom era that followed in the 1970s to enhance the education sector and accelerate economic growth and development.

1.2 Importance of the Problem

Despite the anticipated benefits of capital projects implementation, most projects exerted no economic impact on the economic of Nigeria and were tagged “White elephant projects” and many more which would have exerted economic impact on the economic were abandoned half way in almost all tertiary Institutions in Nigeria. The consequence of the above is inadequate infrastructures and laboratories in the tertiary institutions across the country. This has negatively manifested in the deteriorating state of Nigeria’s higher educational standards. Thus, there is dearth of skilled manpower in the country as most of the science graduates have no practical knowledge
to operate optimally.

Various studies on causes of project abandonment in Nigeria generally has identified policy inconsistency, egoism of leadership on project conceptualization instead of impact on the citizenry, funding, lack of planning amongst others. This study is aimed at determining the major root causes for project abandonment and proffers solution to arresting the ugly trend in the future with a view to addressing the decay in higher education in Nigeria.

1.3 Objectives and Importance of the Study

Enormous reasons have been advanced in previous studies for project abandonment, this study focuses primarily:

1) To determine the major root causes that hinders the success of many capital projects in Tertiary Institutions in Nigeria.

2) To proffers solution to arresting the ugly trend in the future with a view to addressing the decay in higher education in Nigeria.

1.4 Literature Review

There is large number of studies written to pinpoint the causes of project failure and abandonment. In IT projects, a vast number of recognized risk factors that have been identified to be responsible for failure include, project leadership and management, organizational culture and structure, commitment and patterns of belief, user involvement and training, developer expertise, technology planning, scope and objectives setting, estimation and choice/use of methodology, McFarlan (1981) and Cusing (2002). Citing Fichter (2003), Al-Ahmad, Al-Fagih, Khanfar, Alsamara, Abuleil, and Abu-Salem (2009) stated that from an investigative study carried out by The Coverdale Organization, seven major factors were reported to play a tremendous role in putting an IT project in trouble. This they stated as follows: Poor planning, unclear goals and objectives, having objectives changed during project implementation, unrealistic estimation of time and resources and lack of executive support and user involvement. Indeed the failure to communicate and act as a team and inappropriate skills were spotted as having a negative effect on IT project success (Jenster & Hussey, 2005). This was collaborated by Ewa, (2005) who identified that many projects are conceived without a well defined objective in mind, poor costing, no specific start and end points, poor documentation of contract, lack of performance criteria and properly developed monitoring and evaluation template by supervising organizations, fluctuation in government policies, lack of planning, project mismatch, over-ambitious projects, political influence in establishing projects, the ‘Nigerian Factor’, disbursement constraints, failure for successive regimes to issue appropriate white papers on failed contracts and granting of injunctions under exparte motions by Nigerian courts.

Johnson, (2001) identified the lack of executive support, the lack of user involvement, the lack of experienced project managers, the lack of clear business objectives and the minimized scope as factors that could hamper the IT project success.

In knowledge management projects, Lam and Chua (2005), identified three main categories of causes of Knowledge Management project abandonment (KM project abandonment), namely poor project implementation, organizational mismatch and content deficiencies.

In public/government project abandonment, in an article on causes of abandoned projects in the Ministry of Housing and Local Government in Malaysia, New Straits Times Newspaper stated that the MHLG findings have shown that abandon projects are due to financial problems of developers, poor marketing and sales strategies, poor company management and disputes between developers and contractors or with landowners. In their comment on abandoned housing projects in Malaysia, National House Buyers Association attributed the increase in the number of abandoned housing projects on inadeq uacy of the enabling housing law of December 1, 2002. Akuta, (2011) posited that policy continuation is something lacking and contributing to project abandonment in Nigeria. He stated that once a new government takes over power, they usually abandon previous government policies or programs. This policy inconsistency is made worse by past frequent military interventions in Nigerian polity. This policy inconsistency can be seen from the following:

1) Obasanjo introduced Operation Feed the Nation (OFN) meant to boost agricultural productivity introduced in 1976–1979.

2) Alhaji Shehu Shagari abandoned the OFN and introduced Green Revolution campaign.

3) On his assumption to office, General Buhari abandoned the OFN and the Green Revolution schemes. He scraped the Federal Electoral Commission (FEDECO).
4) General Ibrahim Badamasi Babangida introduced Mass Mobilization for Social and Economic Reliance (MAMSER) which was also aimed at increasing agricultural productivity. He also introduced Structural Adjustment Program (SAP). Part of these entails the deregulation of the agricultural sector by abolishing the marketing boards and the elimination of price controls. In 1992, he established the National Electoral Commission (NEC) and established two political parties fully funded by the federal government. The wife started the Better Life Programme for Rural Women.

5) Upon assumption of office in 1993, General Abacha scraped the two political parties and the buildings and other infrastructures therein abandoned to waste in all the 774 local government council headquarters and 36 State capitals including Abuja in Nigeria. He also scraped the National Electoral Commission (NEC).

6) On his second coming in 1999 as head of state, Obasanjo cancelled most of the contracts/projects started by Abacha and Abdulsami Abubakar. His wife instituted Child Care Trust Project.

7) On assumption of office as president in 2006, Musa Yar Adua’s wife abandoned Obasanjo’s wife project and instituted Women and Youth Empowerment Foundation (WAYEF). Similarly, various state governors and Local government chairmen’s wives have various pet projects which die with them on leaving office and classified under abandon projects in the country.

8) On the death of Musa Yar Adua and the subsequent assumption into office as president, Dr. Goodluck Jonathan’s wife abandoned the WAYEF project of Yar Adua’s wife and instituted her own tagged “Women for Change Initiative” thus abandoning all the projects concerning the WAYEF.

According to a report by Kotangora (1993), there are about 4,000 uncompleted or abandoned projects belonging to the Federal Government with an estimated cost of =N=300 billion which will take 30 years to complete at the present execution capacity of government. According to the report this issue of abandonment has been left without adequate attention for too long which is now having a multiplier effect on the construction industry in particular and the national economy as a whole. Over a decade after this report, the situation did not improve for better but for worse as in 2011, the Presidential Projects Assessment Committee (PPAC) reported that the Federal Government has spent over =N=7.78 trillion on 11,886 ongoing and abandoned projects nationwide as at June 2011. Singling out Ajaokuta Steel complex started over 30 years, the committee stated that the sum of $4.5 billion has been spent which is lying waste. The committee in their report stated that the actual number of ongoing federal projects could be 20% higher than the reported 11,886. Similarly the total sum expended on the projects could surpass the =N=7.78 trillion contained in the report to the neighborhood of =N=8 trillion. According to Akinolu (1980), delays and cost overruns have a knock on effect on the economy. This is collaborated by El-Rufia who attributed the reasons for project abandonment to poor planning, haphazard procurement practices, incompetent project management, lack of coherence and consistency with other programmes and pervasive lack of continuation in policies as occupiers of political offices change. Akindoyeni (1989) qualitatively reasoned that some of the causes of project abandonment in Nigeria are: deaths of client, inability of client to attract funds and lack of planning. However, Ayodele and Alabi (2011) in their quantitative approach to determining the causes of project abandonment, reasoned the causes to include: inadequate planning, inadequate funding/financing, inflation, bankruptcy of contractors, variation of project scope, political factor, death of client, incompetent project manager, wrong estimates, inadequate cost controls, faulty design and delays in payments. Many commentators adverse that most projects fail to deliver their expected benefits and eventually are abandoned because they exert no significant impact on the citizenry rather egoism comes to play. Osemenan (1987) in his article on project abandonment reported that Nigeria has become the world’s junk-yard of abandoned projects worth billions of naira and it is greatly unthinkable that Nigeria blessed with so great potentials can experience such magnitude of project abandonment.

1.5 Research Questions

The following research questions will be address in this study:

a) Whether the University governing councils and top management teams have clear vision and objectives in mind before infrastructural projects are conceived in the University.

b) Whether the governing councils and top management teams have well articulated long term infrastructural strategic plans and undertake detailed and adequate planning for projects at inception before commencement.

c) Whether the extant Nigerian laws, sanctions for default and municipal services are very adequate to forestall project abandonment.

d) Whether the procedure in place in appointing Institution’s management and governing councils enables the selection of people with excellent leadership qualities and integrity.
2. Methodology

2.1 Participants/Characteristics

The author explored the root causes of project abandonment from an inductive research paradigm based on empirical data. The possible causes of project abandonment as enumerated in various studies earlier conducted were presented in a structured four point likert scale instrument and administered to Bursars, Directors of Works, Directors of Physical Planning, Internal Auditors and Chief Engineers in Nigerian Universities, Polytechnics and Colleges of Education during the 2012/2013 academic session. The subjects were to individually ascertain in other of significance the most essential root cause(s) of project abandonment as it relates to their institutions. The participants in this study are professional technocrats directly responsible for capital project management in their various institutions. They are heads of departments involved in either disbursement of funds, design and or supervision of projects execution and or ascertaining value for money on the various capital projects executed or being executed in their institutions.

2.2 Sample Procedure/Sample Size

A total of five hundred questionnaires were administered to the respondents in the study. Four hundred and seventy five questionnaires were returned completed constituting 95% (ninety five percent) success rate. Based on the assertion by Moser and Kalton that the result of a survey could be considered as biased and of little value if the return rate was lower than 30–40%, the return rate of 95% is considered adequate. By its definition, abandon is a verb connoting “to leave behind empty; move out of or give up” English Word Dictionary (2012). A root cause is the most basic reason for an undesirable condition or problem (Wilson, Dell & Anderson, 1993).

The respondents rated each cause (factor) on a scale of 1–4. The four point scale was then transformed to relative importance indices for each of the causes (factors) of project abandonment. The completed and returned questionnaires were analyzed using simple percentages and Relative Importance Index (R.I.I) based on the work of Lim and Alum (1995).

\[ \text{R.I.I.} = \frac{4n_4 + 3n_3 + 2n_2 + n_1}{4N} \]

Where 
- \( n_4 \) = Most likely
- \( n_3 \) = Likely
- \( n_2 \) = Not likely
- \( n_1 \) = Most not likely
- \( N \) = Number of respondents.

R.I.I. rate of 0.80 and above is considered critical root cause of project abandonment.

3. Results

<table>
<thead>
<tr>
<th>S/N</th>
<th>Causes</th>
<th>1 %</th>
<th>2 %</th>
<th>3 %</th>
<th>4 %</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lack of clear or deficiency of well defined vision/objective</td>
<td>0.00</td>
<td>0.00</td>
<td>0.21</td>
<td>0.79</td>
<td>475</td>
</tr>
<tr>
<td>2</td>
<td>Poor/ Lack of Planning</td>
<td>0.00</td>
<td>50.11</td>
<td>0.37</td>
<td>0.53</td>
<td>475</td>
</tr>
<tr>
<td>3</td>
<td>Poor costing of projects</td>
<td>0.00</td>
<td>45.09</td>
<td>0.21</td>
<td>0.69</td>
<td>475</td>
</tr>
<tr>
<td>4</td>
<td>Incompetent project managers/poor supervision</td>
<td>0.00</td>
<td>45.09</td>
<td>0.25</td>
<td>0.65</td>
<td>475</td>
</tr>
<tr>
<td>5</td>
<td>Improper documentation/poor documentation of contract agreement</td>
<td>0.00</td>
<td>100.21</td>
<td>0.25</td>
<td>0.74</td>
<td>475</td>
</tr>
<tr>
<td>6</td>
<td>lack of direction in project management</td>
<td>0.00</td>
<td>150.32</td>
<td>0.00</td>
<td>0.68</td>
<td>475</td>
</tr>
<tr>
<td>7</td>
<td>Widespread institutional mediocrity</td>
<td>0.00</td>
<td>100.21</td>
<td>0.25</td>
<td>0.54</td>
<td>475</td>
</tr>
<tr>
<td>8</td>
<td>Change of priority</td>
<td>0.00</td>
<td>0.00</td>
<td>150.32</td>
<td>0.32</td>
<td>475</td>
</tr>
<tr>
<td>9</td>
<td>Lack of policy continuation.</td>
<td>0.00</td>
<td>0.00</td>
<td>0.19</td>
<td>0.81</td>
<td>475</td>
</tr>
<tr>
<td>10</td>
<td>Inflation</td>
<td>200.42</td>
<td>100.21</td>
<td>175.37</td>
<td>0.00</td>
<td>475</td>
</tr>
<tr>
<td>S/N</td>
<td>Causes</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>R.I.I</td>
</tr>
<tr>
<td>-----</td>
<td>------------------------------------------------------------------------</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
<td>------</td>
</tr>
<tr>
<td>1</td>
<td>Lack of clear or deficiency of well defined vision/objective</td>
<td>0</td>
<td>0</td>
<td>100</td>
<td>375</td>
<td>0.947</td>
</tr>
<tr>
<td>2</td>
<td>Poor/ Lack of Planning</td>
<td>0</td>
<td>50</td>
<td>175</td>
<td>250</td>
<td>0.803</td>
</tr>
<tr>
<td>3</td>
<td>Poor costing of projects</td>
<td>0</td>
<td>45</td>
<td>100</td>
<td>330</td>
<td>0.853</td>
</tr>
<tr>
<td>4</td>
<td>Incompetent project managers/poor supervision</td>
<td>0</td>
<td>45</td>
<td>120</td>
<td>310</td>
<td>0.842</td>
</tr>
<tr>
<td>5</td>
<td>Improper documentation/poor documentation of contract agreement</td>
<td>0</td>
<td>100</td>
<td>25</td>
<td>350</td>
<td>0.776</td>
</tr>
<tr>
<td>6</td>
<td>lack of direction in project management</td>
<td>0</td>
<td>150</td>
<td>0</td>
<td>325</td>
<td>0.684</td>
</tr>
<tr>
<td>7</td>
<td>Widespread institutional mediocrity</td>
<td>0</td>
<td>100</td>
<td>120</td>
<td>255</td>
<td>0.726</td>
</tr>
<tr>
<td>8</td>
<td>Change of priority</td>
<td>0</td>
<td>0</td>
<td>150</td>
<td>325</td>
<td>0.921</td>
</tr>
<tr>
<td>9</td>
<td>Lack of policy continuation.</td>
<td>0</td>
<td>0</td>
<td>90</td>
<td>385</td>
<td>0.953</td>
</tr>
<tr>
<td>10</td>
<td>Inflation</td>
<td>200</td>
<td>100</td>
<td>175</td>
<td>0</td>
<td>0.276</td>
</tr>
<tr>
<td>11</td>
<td>The effect of international economy.</td>
<td>0</td>
<td>150</td>
<td>200</td>
<td>125</td>
<td>0.579</td>
</tr>
<tr>
<td></td>
<td>Cause Factor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>----------------------------------------------------------------------------------------------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Political factor</td>
<td>0</td>
<td>0</td>
<td>145</td>
<td>330</td>
<td>0.924</td>
</tr>
<tr>
<td>13</td>
<td>Peer Group Syndrome (Nigerian Factor)</td>
<td>0</td>
<td>0</td>
<td>200</td>
<td>275</td>
<td>0.895</td>
</tr>
<tr>
<td>14</td>
<td>Disbursement delays</td>
<td>0</td>
<td>0</td>
<td>200</td>
<td>275</td>
<td>0.895</td>
</tr>
<tr>
<td>15</td>
<td>Over ambition (Egoistic syndrome)</td>
<td>0</td>
<td>0</td>
<td>175</td>
<td>300</td>
<td>0.908</td>
</tr>
<tr>
<td>16</td>
<td>Failure or refusal for successive regimes to issue the appropriate white papers on various panels set up to investigate abandoned projects in Nigeria</td>
<td>0</td>
<td>0</td>
<td>150</td>
<td>325</td>
<td>0.921</td>
</tr>
<tr>
<td>17</td>
<td>The granting of injunction under exparte motions in the cause of trying to enforce sanctions on defaulting contractors</td>
<td>0</td>
<td>75</td>
<td>100</td>
<td>300</td>
<td>0.789</td>
</tr>
<tr>
<td>18</td>
<td>Inefficient/effective legal system</td>
<td>0</td>
<td>0</td>
<td>140</td>
<td>335</td>
<td>0.926</td>
</tr>
<tr>
<td>19</td>
<td>Corruption/Compromise</td>
<td>0</td>
<td>0</td>
<td>130</td>
<td>345</td>
<td>0.932</td>
</tr>
<tr>
<td>20</td>
<td>Inadequate/lack of budgetary allocations.</td>
<td>0</td>
<td>0</td>
<td>120</td>
<td>355</td>
<td>0.937</td>
</tr>
<tr>
<td>21</td>
<td>Poor coordination between government officials</td>
<td>0</td>
<td>0</td>
<td>140</td>
<td>335</td>
<td>0.926</td>
</tr>
<tr>
<td>22</td>
<td>Lack of adequate and efficient municipal services such as the provision of electricity, transport, security and water supply all of which the contractors have to arrange privately.</td>
<td>0</td>
<td>0</td>
<td>150</td>
<td>325</td>
<td>0.921</td>
</tr>
<tr>
<td>23</td>
<td>Project mismatch</td>
<td>0</td>
<td>0</td>
<td>150</td>
<td>325</td>
<td>0.921</td>
</tr>
<tr>
<td>24</td>
<td>Poor/Faulty designs</td>
<td>0</td>
<td>0</td>
<td>150</td>
<td>325</td>
<td>0.921</td>
</tr>
<tr>
<td>25</td>
<td>Variation of project scope</td>
<td>150</td>
<td>150</td>
<td>0</td>
<td>175</td>
<td>0.368</td>
</tr>
<tr>
<td>26</td>
<td>Unqualified/Inexperienced consultants</td>
<td>120</td>
<td>300</td>
<td>55</td>
<td>0</td>
<td>0.087</td>
</tr>
<tr>
<td>27</td>
<td>High cost of financing the capital projects</td>
<td>125</td>
<td>100</td>
<td>250</td>
<td>0</td>
<td>0.395</td>
</tr>
<tr>
<td>28</td>
<td>Lack of true leaders</td>
<td>0</td>
<td>0</td>
<td>120</td>
<td>355</td>
<td>0.937</td>
</tr>
<tr>
<td>29</td>
<td>Insider dealing and lack of due process in contract administration</td>
<td>0</td>
<td>100</td>
<td>200</td>
<td>175</td>
<td>0.684</td>
</tr>
<tr>
<td>30</td>
<td>There is lack of strategic plan to aid project planning</td>
<td>150</td>
<td>100</td>
<td>150</td>
<td>75</td>
<td>0.395</td>
</tr>
</tbody>
</table>

### 3.1 Data Analysis

Findings from the analysis of the data in table 1 and 2, 375 (79%) of respondents are of the view that a cause factor of lack of clear and well defined vision and objective or a deficiency of it altogether is most likely root cause of project abandonment in tertiary institutions in Nigeria while 100 (21%) of the respondents believe that it is likely root cause of the project abandonment. The cause factor has a relative important index of 0.947. This is in agreement with El-Rufai (2012) and PPAC (2011) who were of the opinion that well defined vision and objective precedes execution phase if the project is not to be abandoned along the way.

On the cause factor of poor or lack of planning, (250) 53% respondents are of the view that this cause factor is most likely root cause factor of project abandonment. (175) 37% of the respondents believe that it is only likely root cause factor of project abandonment. However, (50) 11% of the respondents are of the view that it is not likely the root cause factor of project abandonment. This has a relative important index of 0.803. This again is in agreement with Ewa, (2005) who quoting Prof. Stolpher, (1981) stated that planning without facts is planning to fail. This is also in agreement with El-Rufai (2012), Ayodele et al. (2011), PPAC (2011), Essenwa (2004), Adedeji (1998) and Opara (1986).

On poor costing of projects cause factor, (330) 69% respondents are of the view that it is the most likely root cause factor of project abandonment. Similarly, (100) 21% of the respondents believe that it is only likely root cause factor of project abandonment. However, (45) 9% of the respondents are of the view that it is not likely the root cause factor of project abandonment. Thus a relative important index of 0.853 is recorded. Most Nigerian projects are characterized with poor costing as the costing is done outside the locality where the project is to be cited without consideration of the environment. This again is in agreement with Ayodele et al. (2011), PPAC (2011) and Ewa (2005).

On incompetent project managers cause factor, (310) 65% respondents are of the view that it is the most likely root cause factor of project abandonment while (125) 25% of the respondents believe that it is the likely root cause
factor of project abandonment. However, (45) 9% of the respondents are of the view that it is not the likely root cause factor of project abandonment. Thus a relative important index of 0.842 is recorded. This is in agreement with the opinion of PPAC (2011) report, Ayodele et al. (2011) and Ewa (2005). On change of priority cause factor, (325) 68% respondents are of the view that it is the most likely root cause factor of project abandonment while (150) 32% respondents are of the view that it is the likely cause factor of project abandonment. This cause factor has a relative important index of 0.92. The lack of policy continuation by successive governments is another cause factor surveyed, (385) 81% of respondents are of the view that it is the most likely cause factor of project abandonment while (90) 19% respondents are also of the view that it is only likely cause factor of project abandonment. It has a relative important index of 0.953. On the effect of inflation on project management cause factor, (200) 42% of the respondents are of the view that it is most not likely cause factor of project abandonment, while (100) 21% respondents are of the view that it is not likely cause factor for project abandonment. However, (175) 37% respondents are of the view that it is likely cause factor for project abandonment. This cause factor had a relative important index of 0.276. On political factors influencing project abandonment cause factor, (330) 69% respondents are of the view that it is most likely cause factor for project abandonments while (145) 31% of the respondents are of the opinion that it is only likely cause factor for project abandonments. It had a relative important index of 0.924. Peer group syndrome (Nigerian factor) cause factor is a situation whereby contractors/officials are easily influenced by the action or inaction of their peers negatively. Here (275) 58% of respondents belief that this cause factor is most likely root cause of projects abandonments while (200) 42% of the respondents are of the belief that it is a likely root cause factor with a relative important index of 0.895. Disbursement delays are another cause factor that was considered in the study. (275) 58% of the respondents are of the belief that this is the most likely root cause factor of project abandonment while (200) 42% of the respondents are of the opinion that it is only likely root cause factor of project abandonment. This had a relative importance index of 0.895. Over-ambitious (egoistic) syndrome cause factor is a situation whereby management embarks upon gigantic projects for personal ego without much consideration to funding and relevance. (300) 63% respondents are of the belief that this is the most likely root cause factor of projects abandonments while (175) 37% are of the belief that this is only likely root cause factor of project abandonment. In general, this cause factor has a relative important index of 0.908. On the failure of successive regimes to issue the appropriate white papers on various panels set to investigate causes of abandoned projects in Nigeria as a cause factor, (325) 68% of the respondents are of the view that this is the most likely root cause factor of continuous projects abandonments while (150) 32% respondents also are of the view that this failure is the likely root cause factor of project abandonment. It had a relative important index of 0.921. On the issue of granting of injunctions under exparte motions in the cause of litigating to enforce sanctions on breach of contractual covenants, (300) 63% respondents are of the view that the granting of injunctions under exparte motions by the courts is the most likely root cause factor of encouragement to contractors to abandon projects while (100) 21% respondents are of the view that the granting of injunctions under exparte motions by the courts is the likely root cause factor of encouragement to contractors to abandon projects. However, (75) 16% respondents are of the view that the granting of injunctions under exparte motions by the courts is not the likely root cause factor of encouraging contractors to abandon projects but other factors. This factor has a relative importance index of 0.789. On the effectiveness and efficiency of the Nigerian legal system to address contract disputes, (335) 71% respondents are of the view that legal system is the most likely root cause factor of project abandonment by its actions and operations while (140) 29% of the respondents are of the view that the legal system is the likely root cause factor of project abandonment. This has a relative importance index of 0.926. Corruption and compromise by officials is another cause factor of project abandonment considered in the survey. (345) 73% of the respondents are of the view that it is the most likely root cause factor of project abandonment while (130) 27% respondents are of the view that it is the likely root cause factor of project abandonment. This had a relative importance index of 0.932. Inadequate/lack of budgetary allocations by Institutions’ on the given financial years is another cause factor considered in the survey. (355) 75% respondents are of the view that it is the most likely root cause factor for project abandonment while (120) 25% respondents are of the view that it is the likely root cause factor for project abandonment. This has a relative importance index of 0.937. Another cause factor of project abandonment surveyed in this study is poor coordination between government officials supervising projects. (335) 71% respondents are of the opinion that it is the most likely root cause factor for project abandonment in the Institutions. (140) 29% respondents are of the opinion that it is rather the likely root cause factor for project abandonment. This has a relative importance index of 0.926. On the lack of adequate and efficient municipal services, (325) 68% respondents are of the view that this is the most likely root cause factor for project abandonment while (150) 32% respondents are of the view that this is the likely root cause factor for project abandonment in the Institutions. This again has a relative importance index of 0.921. Project mismatch occurs when there is no clear vision on how the project can be useful to the organization. Project
mismatch is thus another cause factor that was reviewed in the study, (325) 68% respondents are of the view that this is the most likely root cause factor of project abandonment while (150) 32% respondents are of the view that this is the likely root cause factor of project abandonment in the Institutions. This again has a relative importance index of 0.921. Another cause factor reviewed is poor and faulty designs in project implementation, (325) 68% respondents are of the view that this is the most likely root cause of project abandonment while (150) 32% respondents are of the view that this is the likely root cause of project abandonment in the Institutions. This again has a relative importance index of 0.921. On variation of project scope, (175) 37% respondents are of the view that variation of the project scope is most likely root cause of project abandonment. However, (150) 32% respondents are of the view that variation of the project scope is most likely not the root cause of project abandonment while (150) 32% respondents are of the view that it is likely not the root cause of project abandonment. This again had a relative importance index of 0.368. The lack of true leadership as a cause factor was also surveyed. (355) 75% of respondents are of the view that it is likely not the root cause of project abandonment. This again had a relative importance index of 0.937. Insider dealings and lack of due process by officials of the Institution in contract administration is another cause factor surveyed in this study. (175) 37% respondents are of the view that this is the most likely root cause of project abandonment in the Institutions while (200) 42% respondents are of the view that this is only a likely root cause factor for project abandonment. But (100) 21% respondents completely disagreed that this is a root cause factor for project abandonment in higher Institutions in Nigeria. Generally the factor had a relative importance index of 0.684. Also surveyed is the perceived lack of strategic plan by the Institutions to aid project planning cause factor. (75) 16% respondents are of the view that this is a most likely root cause of project abandonment while (150) 32% respondents are of the view that it is rather a likely root cause factor. However, (150) 32% completely disagreed that it is the root cause of project abandonment while (100) 21% equally disagreed that it is a root cause of project abandonment in higher Institutions in Nigeria.

4. Discussion

The result of the study with Relative Importance Index of 0.947 affirms the notion that one of the root causes of project abandonment in Tertiary Institutions in Nigeria is the lack of clear and well defined vision and objective by the successive managements of the Institutions. Projects are conceived based on extraneous pecuniary reasons. This is in agreement with El-Rufai (2012) and PPAC (2011) who were of the opinion that well defined vision and objective precedes execution phase if the project is not to be abandoned along the way.

Similarly, the result of the study with a relative importance index of 0.803 shows that poor or the lack of planning by Institutions management teams is another root cause of project abandonment in tertiary Institutions in Nigeria. This again is in agreement with Ewa (2005) who quoting Prof. Stolpher (1981) stated that planning without facts is planning to fail. This is also in agreement with El-Rufai (2012), Ayodele et al. (2011), PPAC (2011), Essenwa (2004), Adedeji (1998) and Opara (1986).

Another root cause of project abandonment identified in the study is poor costing of projects by Institution’s management with a relative important index of 0.853. Most Nigerian projects are characterized with poor costing as the costing is done outside the locality where the project is to be located without consideration of the environment. This affirms the hypothesis that top management of the Institutions does not undertake detailed and adequate planning before projects are contracted. This is in agreement with Ayodele et al. (2011), PPAC (2011) and Ewa (2005).

Another cause factor which is seen as a root cause of project abandonment in tertiary institutions in Nigeria is incompetence of project managers supervising the projects. The survey revealed a relative importance index of 0.842. The officials saddled with the responsibility of supervising the projects most times do not effectively supervise the projects. This is in agreement with the opinion of PPAC (2011) report, Ayodele et al. (2011) and Ewa (2005).

Change of priority in project execution is another cause factor surveyed in the study which is seen as a critical root cause factor for project abandonment in Tertiary Institutions in Nigeria with a relative important index of 0.92. Similarly, the lack of policy continuation by successive governments is also seen a root cause factor with a relative important index of 0.953. Change of priority and lack of policy continuation by successive governments creates lack of coherence and consistency in project management and execution. This is in agreement with El-Rufai (2012), Akuta (2009) and Ewa (2005) who opined that pervasive lack of continuation in policies as occupiers of political offices change creates the emergence of abandoned projects.

Whereas some commentators are of the belief that the root cause of project abandonment is the effect of inflation, the study revealed otherwise. (200) 42% of the respondents are of the view that it is most not likely cause factor of
Another cause factor that is adjudged as a root cause factor for project abandonment in tertiary institutions in Nigeria is political influence factor with a relative important index of 0.924. Contracts are awarded based on political consideration and not competence. Also Political factors influence the establishment of projects as against economic consideration thus ending up as ‘white elephant’ projects. Also enforcement of execution of contract projects awarded are hampered by political considerations. Followed closely is peer group syndrome (Nigerian factor). This is another cause factor considered a critical root cause factor for project abandonment in tertiary institutions in Nigeria with a relative important index of 0.895. This relates to contractors intentionally abandoning the execution of their projects because fellow contractor(s) is (are) doing same and is (are) not reprimanded. The general conception of government project and government funds is ‘our’ funds. This is in agreement with Ewa (2005).

Disbursement delays is another cause factor considered critical with a relative importance index of 0.895. This has even made many contractors not ready to commit their personal funds on projects but only work within the release sums. Default by contracting organizations to disburse progress payments on time to contractors causes them not to keep to credit terms with their bankers and thus incur interest charges on loans Ewa (2005). This is echoed by PPAC (2011) on their report when they stated that ‘consistent delays in payment to contractors lead to massive claims for overhead costs, interests and additional costs’.

Some projects are conceived based on over-ambitious (egoistic) tendencies. Here management embarks upon gigantic projects for personal ego without much consideration to funding and relevance. This is considered another root cause of project abandonment with a relative important index of 0.908. Similarly, the failure of successive regimes to issue the appropriate white papers on various panels set to investigate causes of abandoned projects in Nigeria is also seen as a root cause factor for project abandonment with relative important index of 0.921. Management and contractors are not bothered by non performance as previous defaulters have never been reprimanded by government. This failure or refusal for successive regimes to issue the appropriate white papers on various panels set up to investigate abandoned projects identified previously causes current contractors and officials to belief they will never be brought to book over their actions or inactions. This is in agreement with El-Rufia (2012), Ayodele et al. (2011), Akuta (2009), Ewa (2005), Omoniyi (1996) and Onikute (1988).

Granting of injunctions under exparte motions on contract transactions between contractee and contractor is another cause factor considered critical in project abandonment in tertiary institutions in Nigeria. This is a situation whereby defaulting contractors approach the courts and seek to constrain the Institutions from enforcing default covenants in the contract agreement. Ewa (2005) posited that easy granting of injunctions under exparte motions in the cause of enforcement of sanctions on defaulting contractors by the courts encourages default. Also the effectiveness and efficiency of the Nigerian legal system to address contract disputes is x-rayed. Considering its sensitivity, it has a relative importance index of 0.926. The study revealed that many contractual cases are allowed pending in the courts for years unattended to and end up frustrating the litigants. Ewa (2005) avers that the delay in the discharge of breach of contractual agreement cases in Nigerian courts accelerates the rate of abandoned projects in Nigeria. On corruption and compromise by officials, this was collaborated by PPAC (2011) that stated that corruption in the handling of projects by many self seeking officers and contractors has led to massive inflation of cost and undermined the legitimacy of their monitoring and supervision responsibilities. This is also collaborated by Ewa (2005) who cited a case of a contractor altering the specifications of a project on the connivance of organization’s management which ended up not suitable for the purpose it was meant to serve and thus abandoned. Inadequate/lack of budgetary allocations by Institutions’ on the given financial years is another root cause factor surveyed. This critical factor is collaborated in the PPAC (2011) report in which they stated that as a matter of routine, contracts are awarded without securing the required funds in the annual budget to ensure their timely execution. This is also in agreement with El-Rufia (2012) who stated that contract awards should be guided by the procurement act which among others stated that funds must be available before contract is awarded. Other root cause factors surveyed are poor coordination between government officials supervising projects and the lack of adequate and efficient municipal services. The lack of adequate and efficient municipal services such as the provision of electricity, transport, security and water supply is considered critical with a relative importance index of 0.921 and 0.926 for poor coordination. This is in agreement with PPAC (2011), Ewa (2005) reports that stated that in the absence of these municipal services, contractors have to arrange privately for these services and any obstacle therein can cause project abandonment. The widespread institutional mediocrity and poor coordination between government officials creates loopholes which ‘smart’ contractors use to frustrate projects thus leading to
abandonment. PPAC (2011) in their report stated that contractors were allowed to draft contract agreements which not unexpectedly they did in their favour against the interest of government. This is in agreement also with Ayodele et al. (2011) and Ewa (2005).

Other cause factors also considered critical are; project mismatch, poor and faulty designs in project implementation and the lack of true leadership. Project mismatch is using short term funds to finance long term projects. It is evident in the study that most Institutions used short term funds to finance long term projects. The resultant effect of this is dearth of cash flow to fund the projects. This is in consonance with the affirmation of Ayodele et al. (2011) Odenyinka and Yusuf (1997) that stated that owner’s cash flow problem is a major factor responsible for abandonment of projects. The cause factor of poor and faulty design is in agreement with PPAC (2011) which stated that there is widespread institutional mediocrity, deficiency of vision and the lack of direction in project management which resulted in poor conceptualization, poor design and faulty execution. Ewa (2005) also stated that many project designs are prepared without visits to the project sites and thus site topography not taken into consideration during design stage. On true leadership, this was collaborated by Akuta (2009) who stated that when true leadership emerges, the interest of the masses will be taken into consideration when starting projects that are meant for them.

5. Conclusion

Considering the outcome of the study, there are critical cause factors (root causes) of project abandonment which if addressed will drastically reduce the effects of project abandonment in tertiary institutions in Nigeria. Tertiary Institutions management should clearly articulate their visions and objectives. This vision and objective should drive their project conceptualization. They should undertake an adequate planning for any given project at inception based on detailed design, costing and timelines and ensuring adequacy of funds and budgetary allocation in compliance with the Public Procurement Act.

Nigeria government should review its legal system with a view to addressing the loophole of exparte motions that frustrates litigation of culprits in breach of contracts agreements, corruption and compromise as well as provide municipal services to reduce the burden on contractors. Well trained project managers should be used in project supervision. Nigeria government should endeavor to release on time administrative white papers on investigations carried out on abandonment of projects and erring officials sanctioned to serve as a deterrent to others who may be tempted to acting fraudulently.

People with true leadership qualities should be appointed as heads of Institutions so that the interest of the stakeholders is paramount in implementing programs and projects as against egoism, political consideration and self interest. Every tertiary Institution should have a five to ten year strategic plan which should not be altered on the assumption of a new administration to ensure continuity in project/program management.

Contract documents should be detailed enough to avoid ambiguity and should not be prepared by the contractors. Advance payment bond as well as performance bond should be compulsory for all contract jobs and their validity should be throughout the gestation of the contract. There should be a monthly progress review of all contracts by a committee consisting of the bursar, the internal auditor, the works officer and the physical planning officer. Their report should be one of the reports to be considered in the governing Councils of the Institutions. Sanctions should be placed on erring officers of the Institution supervising projects in case of default.

Prompt payment of contract bills as may be recommended through quantity surveyors valuation and architect’s certificates and once contract is awarded, funds for the contract should be set aside from the Institutions’ funds to ensure availability of funds during the project period.

References


Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (http://creativecommons.org/licenses/by/3.0/).