ASSESSMENT OF CONSTRUCTION PROJECT MANAGEMENT IN THE PUBLIC SECTOR: A CASE STUDY OF EKITI STATE HOUSING CORPORATION, NIGERIA

Olufunke Adeke Fasuyi 1, Bamidele Fasuyi2, Ade – Ojo Comfort Olubunmi 3

1Department of Quantity Surveying, The Federal Polytechnic, Ado - Ekiti, Ekiti State, Nigeria
2Department of Building and Quantity Surveying, Joseph Ayo Babalola University, Ikeji Arakeji, Osun State, Nigeria
3Department of Quantity Surveying, Federal University of Technology, Akure, Ondo State, Nigeria

ABSTRACT

Man’s upliftment with regard to the effective and viable utilization of the numerous resources surrounding him is the basis on which management has found its footing all over the world today. Construction activity, which has been in existence since the caveman started building his shelter, has created many wonders in the world and produced many facilities for the benefit of mankind. The increasing sophistication of the construction industry in terms of design, modern technology/materials, legal, environmental, logistic and financial constraints, coupled with in-built difficulties, uncertainties and risk, have been functional to the emergence of modern construction project management. The construction industry is the essential ingredient for the growth of the economy of a country.

Consequently the need, in Nigeria, for a holistic assessment of the management process in the construction industry can-not be over-emphasized, because previous studies have revealed that quite a sizable number of construction projects have faced time and cost over-runs as a result of management failures. The public sector is the focal point of this paper. Hence the essence of this paper was to assess the Ekiti State Housing Corporation’s (EKHC’s) process of construction project management was carried out in other to establish how it has fared with a view to propounding useful, acceptable and sustainable recommendations for future improvement. Personal interviews were conducted on all relevant personnel in the corporation; all available documented data on three projects previously executed were collected and perused. The corporation has relatively performed well, but with short falls in the area of quality control. Re-engineering and provision of fund was therefore recommended for better performance on future projects.

Keyword: Project; Management; Construction; Performance; Corporation.

1. INTRODUCTION

Construction project management is fast becoming a world-wide phenomenon and construction firms are finding that they need to apply it to their businesses in order to achieve and maintain a competitive role in the present economic climate [1]. The aim of this paper is to assess the role of the Ekiti state Housing Corporation (EKSHC) as managers of public housing construction works, thus establishing how far they have fared in their performance of this construction projects management function since inception in 1996. This will take the author across to defining project management, highlighting the need for effective management of construction project collating and analyzing data on the EKSHC and drawing conclusion therein.

Ekiti State is a relatively new state, being one of the six state created in 1996 by the then Federal Military Government of Nigeria, is currently facing housing challenges. The state housing corporation should rise up to the task of providing this onerous social amenity to the rising population due to rural-urban drift. Hence the need to assess its performance in the past eighteen years of establishment suffices.

1.1. General Concept of Management

[2] posited that management is universal in the modern industrial world. Every organization requires the making of decisions, the coordinating of activities, the handling of people, and the evaluation of performance directed towards group objective. Numerous managerial activities have
their own particular approach to specific type of problems and are discuss under such headings as farm management, management of health delivery system, college management, government management construction management etc. All have elements in common.

Management has become more important as labour has become more specialized and as the scale of operations has increased. Technological developments have continually created new challenges. The complexities of human relationships constantly challenge those who perform managerial functions. The dynamics of management, therefore, should be characteristic of any study of theory and practice [3]. What is management, and what does it do? In general usage, the word “management” identifies a special group of people whose job it is to direct the effort and activities of other people towards common objectives. Simply started, management is “gets things done through other people”. Management is the process by which a co-operative group directs actions toward common goals. This process involves techniques by which a distinguishable group of people (managers) coordinate activities of other people; managers seldom actually perform the activities themselves [4].The concept of management has broadened in scope with the introduction of new perspectives by different fields of study. The study of management has evolved into more than the use of means to accomplish given ends; today it includes moral and ethical questions concerning the selection of the right ends towards which managers should strive. Thus the evolution of project management in recent years [5].

1.2. Project Management Concept

Project management is the process of organizing and managing resources (i.e. people and materials) in such a way that the project is completed within defined scope, quality, time and cost constraints. A project is a temporary and one-time endeavour undertaken to create a unique product or service, which brings about beneficial change or added value [6]. Any given project requires a large amount of time, effort and planning to complete and these variables have to be well organized and controlled. A project is a carefully defined set of activities that use resource (money) people, materials, energy, space, provisions, communication, quality, risk and so on to meet the pre-defined objectives. A project is a task or scheme that requires a large amount of time, effort and planning to complete, while management is the organizing and controlling of the affairs of a business or a particular sector of a business. It is therefore the responsibility of a project manager to ensure the successful organization and control of a given task or scheme. In construction the process involved from starting a project and its completion is not only tedious, but it is a process intricately weaved in the web of different specialists requiring the professional expertise of specialists in various areas of competence that spans the different sections from supervision and management of workers, both skilled and unskilled, to suppliers, sub-contractors and other ad hoc staff. For all these to succeed as a single entity, there is a need for a single unit of control known as project manager (team or individual) whose job it is to ensure that the project is well coordinated in order to meet up with required standard in line with desires and vision of the owners [6].

1.3. The Construction Process in Relation to Other Industries

The construction industry is considered to be complex and unique. No other industry has similar characteristics, each feature represents a challenge to be taken and overcome. It differs from other industries in the following ways;

- Work is carried out in the open and is subject to interference of weather.
- Day to day changes in the plan of work.
- Nomadic nature of labor force.
- Distant sites from head offices.
- High volume of specialist jobs and wide range of trades and activities.
- Lack of repetition and standardization of design and components, except for industrialized system buildings.
- Design separated from production.
- Very poor safety record.
- Labor intensive.

The above features indicate that the industry is a team industry where no one individual can overcome the problems created therein. Each
person involved in the process is an important member of the construction team.

1.4. The Contribution of the Construction Industry to the Nation’s Economy

The industry makes a significant contribution to the economy of the country teams of:

- Production output.
- Provision of employment.
- Contribution to the gross domestic product.

Buoyancy or recession in the nation’s economy is reflected by the construction industry accordingly. If this industry is adequately managed, the effect on the national economy will be positive.

1.5. The Poor Performance of the Nigeria Construction Industry

Hitherto, the construction industry in Nigeria has performed below expectations. Management of construction works in Nigeria has been a subject of ridicule due to its poor performances. This is so because it lacks effective management. The introduction of Due Process in year 2000 by Obasanjo administration has not improved the lots because of the negative role of politicians. A greater percentage of Nigerian building contractors are the “emergency” ones who are mere sycophants at the corridor of power with little or no knowledge of building construction, nor that of management expertise.

1.6. The Challenge to the Construction Team

According to [7] many features and complexities of the industry combine together to create a challenge to its personnel in every aspect of the functions of management. The challenge can be divided into seven major areas which are recognized as the seven processes of management. These are as follows:

- Forecasting: Looking into the future to try and assess the possible trends of events which are likely to influence the conditions of the working situation, so that steps may be taken to overcome any difficulties before, or as soon as they arise.
- Planning: Determines the course of action concerning the best use of resources, i.e. manpower, materials, money and methods.
- Organizing: Making arrangement for all resources to be available exactly as and when required.
- Motivating: Inducing and encouraging people to work well and give off their best.
- Co-ordination: Integration of all resources to enable the smooth running of every task involving each member of the construction team.
- Controlling: Making comparison against plan to note and analyze variations and thus search for alternative solutions.
- Communication: Sharing, transmitting or imparting information in such a manner that it is clear to all concerned.

The seven processes are often considered as the foundation stone of effective management which are expected to guide construction project managers to effectively perform the following tasks:

- Project feasibility, including cost estimates.
- Site survey and soil investigation.
- Scrutiny and coordination of designs and working drawings.
- Estimating, initial planning and budgeting costs.
- Processing prequalification of contractors, tendering and awarding contracts to the successful bidders.
- Designing project organizations for executing works and developing standard operating producers and systems.
- Developing detailed construction plans, project schedules and performance measuring standards.
- Supervising works, including administration of contracts and controlling of project time, cost and quality objectives [1].

2. MATERIALS AND METHODS
Ease of access to the subject has addressed the choice of Ekiti State Housing Estate, Ado-Ekiti as a case study of this work. The fear of divulging government secret has constituted a limitation to collection of information for this research paper. Oral interviews were conducted with the General Manager, departmental directors, heads of units and employee professionals and techniques. Copies of various reports, weekly, monthly and quarterly reprints were accessed from achieves, to give insight into the corporations method of project management and performance up to date.

3. THE CASE STUDY: EKITI STATE HOUSING-CORPORATION (EKSHC) AS MANAGERS OF PUBLIC CONSTRUCTION PROJECTS.

Ekiti State Housing Corporation (EKSHC), was established by law on October 1, 1996, with the creation of Ekiti State, is the nucleus of the state housing programme responsible for generation of ideas, making research into housing problems including designing, building and mortgaging houses of various types to the public.

3.1. Functions of the Corporation

The EKSHC was established to perform specific functions aimed at improving the standard and to alleviate the problem of housing in Ekiti State. These functions are as follows: - Preparation and submission from time to time to the government, of proposal for state housing programmes. Making of recommendation to the government on such aspects of urban and regional planning, transportation, communications, electric power sewage, and water supply development as many be relevant to the successful execution of housing programmes approved by the government.

3.2. Power of the Corporation

Certain powers were vested on the corporation by the provisions of the establishing law. These were given to do anything to facilitate the carrying out of its functions without prejudice and to enhance fair play.

These powers are the corporation’s capability to:

- Acquire, construct and maintain dwelling house schools, communal and commercial lodges and other structures.
- Enter into contracts for construction, maintenance, management or repairs of any property.
- Purchase or otherwise acquire any asset, business or other property where, in the corporation, such purchase or acquisitions is necessary for proper discharge of functions.
- Sell, let, lease or otherwise dispose of any property vested in the corporation.
- Can borrow money to execute projects.
- Undertake or sponsor the undertaking of research necessary for performance of functions.
- Train managerial, technical or other staff for purpose of running the corporation.

3.3. Financial Provisions

Finance is a very important aspect of any business. The EKSHC cannot carry out its tremendous activities without adequate financial involvement. To this end, the law has outlined financial provision for the corporation, viz:

- State government subvention to the corporation.
- Money realized in course of operation less expenses of the corporation.
- The corporation has the power to raise loans from both commercial and mortgage banks and other financial institutions. It can undertake public private partnership (PPP) projects.

3.4. Organizational Set-up

The EKSHC is a government parastatal under the superintendence of the office of the state Governor. The affair of corporation is directed by a seven man Board of Directors headed by a Chairman appointed by Head of Government. The General Manager who is the chief executive of the corporation is appointed by the state Executive council. He is directly responsible to the Board of Directors. The EKSHC is made up of nine functional departments. Each of these
departments is headed by an appropriate senior executive as follow:-

- Office of the General Manager is headed by the General Manager who is the Chief Executive Officer of the Cooperation.
- The Legal/Corporation Secretary Department is headed by the Chief Legal Officer.
- Administrative and Supplies Department, headed by Directors of Administration.
- Survey Department is headed by the Chief Land Surveyor.
- Planning, Research and statistics Department, headed by a Director who is an Engineer by profession.
- Land Services Department is headed by a Director who is an Estate Surveyor and Valuer
- Urban and Regional Planning Department headed by the Chief Town Planner.
- Works and Services Department is headed by a Director who is a Civil Engineer, Builder, Architect or Quantity Surveyor.
- Finance and Accounts Department is headed by the Chief Accountant.

These departments jointly or severally manage the utilization of available resources at the corporation’s disposal towards achieving the sole objective of providing housing for the teeming population of Ekiti State.

3.5. Projects Execution from inception to Commissioning- the EKSHC system

The urban and regional planning, survey and works and services departments which include the architecture and quantity surveying units are mainly responsible for the design and execution of the corporation’s projects. However, the Civil and Mechanical/Electrical Engineering units are responsible for design and supervision of civil engineering works and building services respectively. The corporation normally executes its projects by direct labour system in which the corporation is the main contractor engaging sub – contractor to actually carry out the construction works. This system puts corporation in the position of a project manager who design and builds projects, by making use of small scale contractors whose work the corporation coordinates, though small jobs are carried out by in – house technical view.

3.6.1. Pre – Tender Stage

This stage spanning through inception to the time of going to tender involves, among others, architectural, structural and mechanical/electrical services designs, and preparation of all other tender documents, including bill of quantities [8].

3.6.2. Tendering Procedures

Small/medium scale contractors are openly invited for pre – qualification interview through which competent ones are selected. Though the selected contractors may be given blank bills of quantities to bid, the contracts are awarded, most often, strictly on EKSHC estimates. The tendering procedure must be supervised by the State Tenders Board (STB), office of the State Governor [9].

3.6.3. Site Operations

Sub-contractors must take possession of site as soon as all necessary legal documents are sign. From inception of the EKSHC, all works have been executed solely by the selected sub-contractors whose performance are monitored and coordinated by the professionals employed in the works and services department of the corporation. The corporation has a pool of qualified professional Architects, Builders, Civil Engineers, Quantity Surveyor, Mechanical/Electrical Engineers, Land surveyors, Urban and Regional Planners and Estate Surveyors who severally and jointly design and supervise the projects. However the corporation engages the services of external consultants when the project scope is large.

3.6.4. Site Meetings

Weekly site meetings are held on various construction sites with EKSHC representatives, contractors and consultants (where applicable) in attendance. At these meetings various problems of construction and supply of materials are discussed and appropriate solutions sought for them.

3.6.5. Progress Reports

Officials of the EKSHC are deployed to each of the construction sites to oversee the performance of the contractors from time to time. Such
representatives are either resident on site or visitors to a number of sites, depending upon the sizes of the projects. Based on the site representative’s, daily records on site, reports are prepared periodically, thus making room for easy observation of progress and shortcomings of each project. This is a basis for effective control and coordinations of the contracts. These reports are submitted to the director of works and services.

3.6.6. Weekly Reports

Weekly reports are prepared by the corporation’s site representatives who keep daily records on progress of works, site occurrences; contractor’s difficulties on the job and a host of other incidents that might hinder the project. He feeds these reports back to the director of works and services at the end of every week.

3.6.7. Monthly Reports

Monthly reports are prepared by the Director of works and service who makes use of the weekly and progress reports submitted to him. This indicates the stage of the project at the end of every month, and submitted to the general manager for review.

3.6.8. Quarterly Reports

The general manager, through the planning, research and statistics department, prepares quarterly reports. These reports reflect the individual performance of the various contractors and the general position of the projects. Such reports are forwarded to the Board of Directors.

3.6.8. Annual Reports

The Board of Directors collates the quarterly reports to produce an annual report which is submitted to the office of the Governor at the end of every year.

4. OBSERVATIONS

Having gone through available records, copies of the weekly, monthly and quarterly reports we discovered that the sub-contractors engaged by the corporation completed their works in accordance with the terms of their contracts with minimized time and cost overrun. Between 2004 and 2009, the corporation commenced and completed three housing estates, viz:

- Obasanjo Housing Estate, Ikere Road Ado-Ekiti (using interlocking bricks).
- Irewolede Housing Estate, Ilawe Road, Ado-Ekiti.
- Ifaki Housing Estate at Ifaki-Ekiti.

Interview conducted on respondents and documents sighted in the office of the corporation revealed that all these estates were completed within the time schedule with minimum cost increase due only to re-measurement of sub-structures and a few design variations. The professional personnel within the corporation have competently handled the projects with good knowledge of project planning, scheduling, coordinating and standardized control. It was also observed that the corporation had only one each of professionally qualified Civil engineer and Quantity Surveyor, while others were Technical Officers. This research also revealed that these were too few for proper planning and control of the project, thus adversely affecting the quality of the buildings. The competency of some of the technical staff was also obviously inadequate, as observed in their various reports sighted.

However, in the bid of the corporation to make the houses affordable for the middle class of the citizenry, quality was somehow compromised by using 150mm sanderete blocks for external/load-bearing walls of the bungalows. A few number of the sub-contractors also performed relatively below average due to their use of incompetent construction personnel’s on site. The corporation’s performance on the three estates built within the six years has revealed its competence to perform its primary functions adequately well. It also proved that the corporation is a good manager of projects. Two of the estates were occupied by buyers immediately after completion while the third one at Ifaki-Ekiti remains unoccupied due to political reasons. The inability of the corporation to embark on more estates building since 2010 has also been political.

5. RECOMMENDATIONS

The corporation should be re-vitalized and re-engineered by employing more competent and qualified construction professionals to improved and its sustain good performance. The corporation’s non-performance since 2010 should be looked into by the present state government by giving it the enablement to access loans, especially from the Federal Mortgage Bank which is ready to assist state housing corporations to perform. Such
a virile and ‘ready to perform’ corporation should not be left fallow while the state government continues to waste money on the salaries and wages of its (EKSHC’s) idle workers.

REFERENCES


