

Professionals' Perspectives on Project Management Actions and Project-Related Factors Affecting Private Real Estate Projects Implementation Success in South East Nigeria

IFEDIORA, CHRISTIAN OSITA ¹, EGOLUM, C. C. ², EMOH, F. I. ³

¹ Department of Estate Management, Ajayi Crowther University Oyo, Oyo State

^{2,3} Department of Estate Management, Nnamdi Azikiwe University Awka, Anambra State

Abstract- *The success of any private real estate projects to a large depends on the commitment and/or determination of the professionals involved as well as all the stakeholders to ensure that such real estate project is successful regarding implementation. The variable that makes up project management actions and project-related factors to a large extent affects its implementation success; this work identified those variables, through Mean Item Score (MIS), the study ranked the impact of these variables and the extent they affect private real estate projects success. From the findings of the research, it could be observed based on analysis done using Chi-square, there was a significant relationship between project management actions, project-related factors and private real estate project implementation success using SPSS. On the ranking, result of the findings indicated that ineffective/wrong coordination process, project financing, overall managerial actions and variation of the project plan and size of the project were top most as well as highly ranked variables that affect private real estate project implementation in the study area. Its' important to note that stakeholders should make concerted effort to ensure that all variable identified under project management actions and project-related factors are taken seriously in the handling implementation of any real estate project*

Index Terms- *Factors, Professionals, Project management, Projects success and Real estate*

I. INTRODUCTION

Real estate sector is one of the key or strategic industries in Nigerian economy. Its obvious contributions to the nation's economic development cannot be underestimated (Ifediora, Egolum and Emoh 2019). According to (Nwachukwu, 2015) it is like a catalyst that not only serve as an engine that energises every other sector of the economy but

contributes immensely to the development rating of the environment. The real estate industry is already at the centre of high-speed economic development and contributing exceptionally to the transformation of the built environment. (PricewaterhouseCoopers (PwC), 2014). It has continued to attract capital and display its resilience as an investment asset class, (PricewaterhouseCoopers (PwC), 2017). Investments in real estate have constantly shown immunity against fluctuations in the volatile market. Real estate value has consistently appreciated even in bleak period. It is worthy to note that in many developing nations major construction activities which real estate is part of have greater percentage in terms of its contributions to the GDP. Thus, according to Bhaskar, Deshmukh and Aradhana (2016), in many developing countries, major construction activities accounts for about 80% of the total capital assets, 10% of the GDP, and more than 50% of the wealth assets invested in fixed assets. This was collaborated by (Brown and Matysiak, 2000) who stressed that more than 50% of asset of most nations is held in real estate. In 2015, PwC noted that the Nigerian real estate sector is growing at a rate 8.7%, which is faster than the average GDP growth of 7.4%, (PwC, 2015). According to National Bureau of Statistics (NBS) (2015), in their summary report 2010-2012 Nigeria Real Estate Sector, it noted that Real estate sector offers a great potential source of growth for Nigeria. According to the analysis in the same report the number of people employed in the sector increased from 19,305 in 2010 people to 22,504 in 2012. This represents a 7.47% increase in employment between 2010 and 2011, accelerating to 8.49% the following year. Even though Ebonyi State was reported to have had lowest rate of employment growth yet there is still significant increase e.g. from

the 37 employees recorded in 2010, there was a 48.65% increase to the 55 recorded the following year, and a 7.27% increase the year after. Yet, in 2012, it only reached a share of 0.26% of the total employed. This still shows that there is increase in employment potentials of real estate sectors. Others state within the region except Abia State are not also doing bad from the statistics available, for instance, that of Anambra, the total number of employees for both male and female in the sector stood at 381 in 2010, in 2011 it was 413 and in 2012 it was 444. For Enugu State it was 389 persons in 2010, 502 persons in 2011 and 504 persons in 2012 and for Imo State, it was 211 persons in 2010, 231 persons in 2011 and 239 persons 2012. In Abia State the persons employed in 2010 was total of 115 persons, in 2012 it was same 115, and in 2012 it declined to 108 persons. In spite of these appreciable contributions of the sector to both GDP and in terms of employment to the people in South East regions, the real estate sector is still with some challenges that militates or hinders it successful implementation. Cases of failure, abandonment and collapse of real estate projects are still prevalent, it could be noted that once these projects fails by reasons of collapse or abandonment, such projects it deemed to have failed and not successfully implemented. Many factors were said to have been attributed to such failure notable among which are project management actions and project-related factors. Essentially this work was dedicated to identifying the factors and the variables that constitute each of these factors.

1. Statement of the Problem:

Successful implementation of private real estate projects has been source of concern to the stakeholders within the industry; there have been issues of failures which manifest not only in the form of collapse or abandonment of same under construction. Ifediora, *et al* (2019) noted failure to successfully execute most real estate projects has been a source of worry to the stakeholders especially the professionals in the built environment. Some researchers have also noted that the Nigeria construction sector is dotted with many cases of failed, abandoned or uncompleted. This was confirmed by Nzekwe, Oladejo and Emoh(2015), they noted that the real estate sector of Nigerian construction industry features too many cases of

failed, abandoned or uncompleted projects and was collaborated by Nwachukwuand Emoh(2011), who stated that the case of failure, abandonment and collapse of real estate projects is notable especially in developing economies. According to Ifediora *et al* (2019)there are still abandoned projects defacing the landscape and recurring cases of collapse of real estate projects in Anambra, Enugu, Imo, Abia and Ebonyi, this could be attributed to a number of factors. Partly responsible are project management actions and project-related factors.

2. The aim and objectives of the study:

The aim of this study is to identify project management actions and project-related factors that affect private real estate projects implementations success in South East Nigeria with a view to determining the extent these identified factors and variables that makes up each individual factor affect implementation success.

3. Research Questions:

The research questions include:

- What are the project management actions and project-related factors that affect private real estate project implementation success?
- What are the variables that make up project management actions and project-related factors?
- To what extent do the identified factors and their variables affect private real estate projects implementation success?

4. Research Hypothesis

The study proposed hypothesis: that the project management actions and project-related factors have no relationship with the private real estate projects implementation success in south east Nigeria.

II. LITERATURE AND THEORETICAL CONCEPTS

This is the theoretical basis and relative literatures upon which this research is built. It contains all the relevant concepts, ideas that justify the study and show that the study can be carried through. It intends to establish a theoretical framework and discuss issues related to understanding project management actions and project-related factorsthat constraint

private real estate projects implementation success in South East Nigeria.

1. Real Estate:

According to Udechukwu and Olusola (2016), real estate can be defined as the earth's surface which extends downward to the centre of the earth and upward to infinity, they include those things that are permanently attached by nature or by people. Babatunde, (2012) defined same as a typical land together with bundles of interest contained therein. Real estate is can be defined as land, including the air above it and the ground below it, and any buildings or structures on it. It can is also referred to as realty. Real estate covers residential properties, commercial accommodations, trading spaces which include theatres, hotels and restaurants, retail outlets, industrial buildings which are factories and government buildings. Real estate deals with the purchase, sale, and development of land and includes both residential and non-residential buildings alike. Private real estate falls within the change of properties which are owned by the individuals, companies and forms of institutions which are charity organization, political movement and so on.

2. Real estate project success:

A real estate project is considered successful when it passes four success test criteria; when it is completed within specified time, cost, quality specified standards and client's satisfaction met. Scott (2013) noted that the main indicator of success of the project is comprised of on time finishing of work, finishing the project within the predicted budget, and more importantly met the desire of customers. Anything short of the above, such real estate project is considered failed. Nzekwe, *et al*, (2015) however posed at pertinent question which is; can a project which conformed to time and cost projections be adjudged as successful even when it has been poorly received by the client? Whichever way we see real estate project success, our concern should be to ensure that projects succeed, this must be done by identifying the factors that constraints its implementation success and also find out the extent they affect success in a bid to making sure subsequent or anticipated failures is brought to barest minimum.

3. Project management actions and project-related factors affecting private real estate projects implementation success:

Project management actions: Project management action is critical for project success, it has been suggested that by using the management tools, the project managers can plan and execute their construction projects to maximize it chances of success. Some of variables in project management actions are; adequate communication; control mechanisms, feedback capabilities, troubleshooting, coordination effectiveness (ineffective/wrong coordination process), decision making effectiveness, monitoring, project organization structure, plan and schedule followed, and related previous management experience. A number of attributes has been observed which affect this factor, including the communication system (Wrong application of good communication channels), control mechanism (wrong application of control mechanisms), feedback capabilities (faulty/wrong feedback mechanism), planning effort (effort devoted to planning), organization structure, safety and quality assurance program (absence of or poor safety and quality assurance program), oversee subcontractors' works (control of subcontractors' works), and the overall managerial actions and inefficient development control.

Project-related factors includes the type of real estate project, nature of such project, number of floors of the project, complexity of project, variation of project plan and size of project.

In a study by Ifediora *et al* (2019), they identified various factors affecting private real estate projects implementation success in South East which includes project management action and project-related factors. It developed a conceptual framework which is expected to guide professionals in identifying factors which affects private real estate projects success and concluded by recommending a further research that will be grounded on empirical evidence, this they noted is needed in order to establish whether the identified factors actually constrain real estate project implementation success in the study area as well as the extent these factors affect real estate project implementation success. Hence this work

studied project management factors and project related factors.

III. RESEARCH METHODOLOGY

The study was specifically on the perspectives of professionals involved in private real estate projects especially on project management actions and project-related factors that affect private real estate project implementation success in South East Nigeria. Emphasis was on the firms of Architects, Builders, Engineers (civil), Estate Surveyors, Quantity Surveyors and Planners. The work employed field survey approach which involved firms of professionals in private real estate project implementation and as well employ physical distribution of questionnaires for responses in Abia, Anambra, Ebonyi, Enugu, and Imo State. The questionnaire format was used i.e. “5-Point Likert-Scale of Responses”. This has advantage of flexibility for several choice responses. The responses were of: Strongly agree – 5, Agree – 4, Neutral – 3, Disagree – 2 and Strongly Disagree – 1 and A great deal – 5, A lot – 4, A moderate amount – 3, A little – 2 and None – 1

The total population studied is 311. The study is more of parametric and descriptive which involved collection of data; this includes distribution of questionnaires and interviews. Descriptive analysis was used to summarise the data collected. Tables and simple percentages including ranking were also used. Tools used in work included tables, simple

percentages and mean item scores
$$= \frac{5m_1 + 4m_2 + 3m_3 + 2m_4 + m_5}{N}$$
 (MIS) , Where N represents the number of sampling units that responded and m_i represents number of times an option was selected or marked by respondents. Ranking was used to determine the extent the variables that makes up project management actions and project-related factors affects private real estate project implantation success in South East Nigeria.

For Hypothesis thesis testing, non-parametric test statistics Chi-square test testing hypothesis using SPSS (Statistical Package for the Social Sciences) version 21 was used for the analysis of statistical data.

Chi-squared test tests the hypothesis to know whether there is no relationship between two categorical variables. It compares the observed frequencies from the data with frequencies which would be expected if there is no relationship between the two variables.

IV. DATA PRESENTATIONS AND ANALYSIS

This sections specifically captured distribution of questionnaires, its retrieval as well as the percentage of the questionnaires returned/retrieved from respondent.

Table 1 Details of Questionnaires Returned

S/N	Firms	Total number of Firms and respondents State by state with percentage				
		Anambra	Enugu	Imo	Abia	Ebonyi
1	Architecture	6 (10%)	44 (32%)	12 (21%)	3	1 (16%)
2	Building	21 (32%)	15 (11%)	12 (21%)	18	2 (42%)
3	Engineering	20 (35%)	36 (26%)	15 (26%)	13 (27%)	3 (42%)
4	Estate Surveyors and Valuers	11 (17%)	31 (21%)	9 (17%)	11 (23%)	-
5	Quantity Surveyors	3	13	7	-	-

		(5%)	(9%)	(12%)		
6	Planners	1 (1%)	1 (1%)	1 (3%)	2 (5%)	-
		62	140	56	43	6
Total number of questionnaires retrieved.		311				

After determination of sample size using Taro Yamane from the total of 426 firms from the 6 (six) professional firms identified and in the five 5 (five) states in South East Nigeria which comprises of Anambra, Enugu, Imo, Abia and Ebonyi. A total

number of 380 questionnaires were distributed and 311 returned (retrieved) representing 81.8% out the total number of identified firms. The breakdown of the retrieval according to each professional firm is as detailed in the table 1 above.

Table 2: The factors that affect private real estate project implementation success.

S/N	Project management actions and project-related factors.	N	SD	D	N	A	SA	SUM	MEAN
			1	2	3	4	5		
1	Project management actions.	311	8 (2.2%)	11 (3.5%)	22 (7.1%)	177 (56.9%)	93 (29.9%)	1265	4.08
2	Project-related factors.	311	10 (3.2%)	30 (9.6%)	53 (17.0%)	165 (53.1%)	53 (17.0%)	1154	3.71

The analysis in table 2 shows the project management actions and project-related factors that affects private real estate projects implementation success in the study area. The respondents were required to rate the identified factors based on 5

points likert scale, the two factors under review have mean scores of 4.08 and 3.71 respectively. The analysis shows the number of respondents as well as their percentage of response.

Table 3: The extent project management actions affect private real estate projects implementation success

S/N	Project management actions	N	1	2	3	4	5	Sum	Mean	Rank
1	Ineffective/wrong coordination process.	311	11	0	42	176	82	1251	4.02	1 st
2	The overall managerial actions.	311	0	21	62	123	105	1245	4.00	2 nd
3	Wrong application of good communication channels.	311	0	11	93	114	93	1222	3.92	3 rd
4	Wrong application of control mechanisms.	311	0	32	82	124	73	1171	3.77	4 th
5	Organization structure.	311	11	21	61	156	62	1170	3.76	5 th
6	Inefficient development control.	311	11	21	124	82	73	1118	3.59	6 th
7	Absence of or poor safety and quality assurance program.	311	0	82	53	103	73	1100	3.54	7 th
8	Control of subcontractors' works.	311	21	21	123	93	53	1069	3.44	8 th
9	Faulty/wrong feedback mechanism.	311	0	74	82	103	52	1066	3.42	9 th
10	Effort devoted to planning.	311	82	11	42	145	31	965	3.10	10 th

The table 3 showed data presentation on the extent the variables under project management actions affects real estate projects implementation success as well as the ranking, while the likert points 1 to 5 represent the scales i.e. N – None, AL – A Little, AMA – A moderate amount, ALT - a lot and AGD –

A great deal. From the findings it was discovered that ineffective/wrong coordination process was the highest (first) based on the ranking and was followed by the overall managerial actions, which was ranked second, respectively in that in that order.

Table 4: The extent project-related factors affect private real estate projects implementation success

S/N	Project-related factors	N	1	2	3	4	5	Sum	Mean	Rank
1	Project financing.	311	0	21	10	62	218	1410	4.53	1 st
2	Variation of project plan and size of project.	311	0	0	83	187	41	1202	3.86	2 nd
3	Type of real estate project.	311	13	22	72	102	102	1191	3.83	3 rd
4	Nature of such project.	311	13	1	62	195	40	1181	3.80	4 th
5	Complexity of project.	311	40	22	73	62	114	1121	3.60	5 th
6	Number of floors of the project.	311	31	22	62	146	50	1095	3.52	6 th

The table 4 showed data presentation on the extent the variables under project related factors affects private real estate projects implementation success as well as the ranking, while the likert points 1 to 5 represent the scales i.e. N – None, AL – A Little, AMA – A moderate amount, ALT - a lot and AGD – A great deal. From the findings it was discovered that Project financing ranked the highest (first) followed by variation of project plan and size of project in that order, this was also in line with studies by Nzekweet al (2015) which identified variation of project scope

and design, insufficient capital (finance), as factors that affect project implementation success even though it did not apply the mean item score tool in determining its ranking. Also Fummey (2016) identified project design complexity which can be seen to be collaborated by this work even though it applied relative important index as a tool in its ranking as against the mean item score which was employed in this work based on the extent they affect implementation success.

NPar Tests
Chi-Square Test
Frequencies

Project Management Action

	Observed (N)	Expected (N)	Residual
Strongly Disagree	8	62.2	-54.2
Disagree	11	62.2	-51.2
Neutral	22	62.2	-40.2
Agree	177	62.2	114.8
Strongly agree	93	62.2	30.8
Total	311		

Project Related Factors

	Observed (N)	Expected (N)	Residual
Strongly Disagree	10	62.2	-52.2
Disagree	30	62.2	-32.2
Neutral	53	62.2	-9.2
Agree	165	62.2	102.8
Strongly agree	53	62.2	-9.2
Total	311		

Test Statistics

	Project Management Action	Project Related Factors
Chi-Square	342.489 ^a	233.100 ^a
df	4	4
Asymp. Sig.	.000	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 62.2.

Interpretations: The value of the test statistics is 342.489 and 233.100 respectively and the footnote for this statistics pertains to the expected cell count (i.e., expected cell counts are all greater than 5): no cell had an expected count less than 5, so this assumption was met. The corresponding p-value is small, “p=0.000”, hence we write the mathematically correct statement $p < 0.001$.

Since the p-value is less than chosen significance level = 0.05, null hypothesis was rejected hence, there was a significant relationship between project management actions, project-related factors and private real estate project implementation success.

V. SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This work which focused on professionals’ perspectives on project management actions and project-related factors which affect private real estate projects implementation success in South East Nigeria no doubt exposed those variables that make up both project management actions and project-related factors. The study found out that ineffective/wrong coordination process and project financing were ranked first, hence were top ranked in the respective factors they fall under and were followed by overall managerial actions and variation of the project plan and size of the project. The result of the study also indicated there was a significant relationship between project management actions,

project-related factors and private real estate project implementation success.

While the private real estate witness challenges as a result of failure to successfully implement such, it worthy to state that all stakeholders involved needs to more to stem the tide. All stakeholders involved are expected to familiarise themselves to findings of this study and ensure that project management actions and project related factors which affect private implementation is minimised to the barest minimum. The study recommends that the identified factors which affect private real estate projects implementation success in the study area should be taken seriously to ensure that real estate projects do not fail, this when taken seriously will help minimise cases of uncompleted and abandoned real estate projects which deface every gamut of the environment.

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