
Attaining Sustainable Management of Nigeria's Public Sector Capital Projects: Hindrances and Preconditions

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Abstract

The sustainable management of capital projects encompasses not only successful completion, but also, successful life cycle management. Experience in the Nigerian public sector is that projects tend to deteriorate a few years after commissioning because maintenance is either unplanned or not effectively pursued, thereby making sustainable management impossible to achieve. If investments designed for the long-term do not yield more than short or medium-term benefits they cannot be said to have met the needs of the present generation and, therefore, are hindered from meeting those of future generations. The consequences of unsustainable management such as economic loss, retarded development as well as inter-generational inequity in resource use, justify an investigation, not only into capacity in the public sector vehicle through which investments are made and managed, but also, the requirements for achieving the long-term value realization which sustainable management offers. This paper identifies factors which inhibit sustainable management, and the preconditions which must obtain, in addition to the elimination of these inhibiting factors, for the desirable state of sustainability to be attained in capital projects management in the Nigerian public sector.

Keywords: *Sustainable Management, Public Service, Political Structure, Hindrances, Preconditions*

Introduction

There are challenges of project management and delivery in the Nigerian public sector. Some evidence of this comes from the Presidential Panel on Abandoned Projects (PPAC) (Idonor, 2011; Nairaland Forum, 2011) which gives an insight into capacity in the sector by its comment that: "there is indeed evidence of large scale, widespread, institutional mediocrity, deficiency of vision, and a lack of direction in project management which results in poor conceptualization, poor design and faulty execution". The panel investigated 11,886 abandoned projects in the country on which N2.69 trillion had been expended and now requiring for their completion another N7.78 trillion. Aside from initial project delivery, there are challenges regarding the maintenance of projects for long term value realization, giving the country a reputation for poor maintenance.

Nwuba and Salawu (2010) concur in observing that: “Proper planning for infrastructure maintenance is generally lacking, with the corrective system of maintenance predominating. The procedure is to allow failure to occur before rectification. These failures often degenerate into serious deterioration, requiring total rehabilitation and abandonment sometimes. In the oil refineries, for example, turnaround maintenance (TAM) is left undone long after it has become due and it is sometimes marred by political wrangling”. In other projects where maintenance plans may exist, they are not appropriately implemented. According to Ademola-Olateju (2013), the state of Nigeria’s infrastructure says something about the country and this is clearly that the country is decaying, further adding that: “The unvarnished truth is that Nigeria has no infrastructure, the sparse ones we have are in advanced stages of decay. At this point, Nigeria’s infrastructure is held together by rusted iron, crumbling concrete and of course our national pastime-prayers”.

In the assessment of Osayamwen (2015), “Nigerians lack a maintenance culture. The only maintenance system known to Nigeria is breakdown maintenance. Until it fails, Nigeria do not care whether it needs servicing or not”. Capital projects undertaken in the public sector over the years comprise not only infrastructure, but also, state enterprises engaged in manufacturing, industry, commerce and service provision. According to Nwoye (2011), “...public enterprises at the federal level had exceeded 100 in number by 1985; and these had spread over agriculture, energy, mining, banking, insurance, manufacturing, transport, commerce, and other service activities. At the state and local governmental levels, the range of activities that had attracted public sector investment also had become quite large. Thus, a variety of enterprises - with public interest in terms of majority equity participation or fully-owned by state and local government as well as other governmental entities - became visible in various parts of Nigeria. Between 1975 and 1995, it was estimated that the Federal Government of Nigeria had invested more than \$100 billion in public enterprises”.

In the year 2000-2006 Nigeria introduced a policy of privatization in which public sector-owned enterprises were disposed of, some liquidated and others concessioned. President Olusegun Obasanjo, in introducing and rationalizing privatization, stated that: “State enterprises suffer from fundamental problems of a defective capital structure, excessive bureaucratic control or intervention, inappropriate technology, gross incompetence and mismanagement, blatant corruption and crippling complacency” (Wordpress, 2007). By this admission, managerial incapacity was the major problem, but the disposals should be seen as an admission of failure to achieve sustainability in resource management. The lack of sustainability can also be observed in the management of infrastructure and other capital projects in the public sector. Roads, railways, bridges, drainage, energy and social assets are not always delivered on schedule and many end up as abandoned projects. The maintenance condition of public infrastructure in Nigeria is commonly known to be poor. Inadequate funding, neglect, slow or late response to necessary repairs and replacements have caused infrastructure to age prematurely and fall into disuse.

Sustainability in the management of a public sector capital project is conceived as the delivery of the project in terms of the requirements of time, cost and quality followed by the assurance of life-cycle value delivery accomplished through effective maintenance and, at each and every stage, taking into consideration the needs of present and future generations in all relevant dimensions. Needs are usually defined in economic, social and environmental dimensions. However, the dimensional scope of sustainable development has been widened

to include the institutional and digital which ought to be accommodated with regard to present and future needs (Grizans, 2009 pp16-17).

This study seeks to identify the factors which are responsible for the lack of sustainable management of public sector capital projects in Nigeria, with a view to proposing the conditions under which sustainability can become achievable.

An Insight of Nigeria's Public Sector

The public service is the vehicle through which public sector projects are conceptualised, formulated, designed, executed, managed and maintained. It is an establishment with its own rules, regulations, culture, practices and challenges. The public service being the first manifestation of government, its composition, operations, peculiarities and problems are important considerations in the matter under investigation.

A. Federal Administration: The Nigerian public service comprises the Federal Civil Service (its ministries, departments and agencies), the civil service of the 36 states (their ministries, departments and agencies), and the combined services of the 774 local government entities. The civil service functions as the important bridge between the government and the people, involving itself in the formulation, coordination and management of social and economic policies and programmes, gathering and supplying of data for policy makers and ensuring continuity of services and public relations services (Ogunrotifa, 2012).

Central control of certain very important aspects of economic and infrastructural investments is a strong feature of the Nigerian system (Constitution of the Federal Republic of Nigeria, 1999, 2nd Schedule, Pt 1). The Federal Government currently allocates to itself 52.68% of all the revenue accruing to the federation account. The role reserved by the constitution for this tier through the public service is of critical importance to economic growth and its effectiveness can be evaluated from three broad angles.

First, in the maintenance of the network of Federal roads, bridges and other civil infrastructure, the federal public service has not been effective in the discharge of its responsibility. Federal roads, according to the CBN (2003) have been inadequately maintained and this has led to inefficiency in the movement of goods and services across the country and slowed down economic growth.

Table 1: Structure of Road Ownership in Nigeria

Category of Road	Federal	State	Local	Total (km)	Percentage
Paved Main Roads	26,500	10,400		36,900	19
Unpaved Main Roads	5,600	20,100		25,700	13
Urban Roads			21,900	21,900	11
Main Rural Roads			72,800	72,800	38
Village Access Roads			35,900	35,900	19
Total	32,100	30,500	130,600	193,200	100
Percentage	17%	16%	67%	100%	

Source: Federal Ministry of Works as culled from Central Bank of Nigeria (2003)

In terms of roads, Table 1 shows that only 19% of the entire 197,000 kilometers network is paved. According to the ADB (2012), “It is estimated that 40% of the federal primary road network is in poor condition or worse, and therefore in need of rehabilitation; 30% is in fair condition and in need of periodic maintenance; and about 27% is in good condition”. The state of other infrastructure is also poor, with the railway network which is over 100 years having only 50% of its coaches in good condition and only 25% of the trains operational as at 2007. For many years, investment made in the airports and seaports could not be sustained as a result of poor maintenance and under-investment.

Secondly, in the management of public assets, the record of the Federal government has been dismal. In the early years of the century, it had to offload, by privatization, unprofitable and mismanaged state-owned enterprises, which were established at great cost in the 1970s, 1980s and even earlier, such as the Nigeria Airways. The maintenance function has been poorly executed, leading to the decay of assets such as the Lagos National Stadium, National Arts Theatre, Lagos Federal Secretariat, Tafawa Balewa Square (TBS) and many others. Table 2 lists and classifies the challenges originating from the public sector which is the vehicle through which government delivers service to the people.

Table 2: Capital Project Delivery Challenges in Nigeria

CAPACITY-BASED	GOVERNANCE-BASED	CULTURE-BASED
wrong/poor design	biased selection	Bribery
incomplete design	cost manipulation at tender stage	deliberate overpricing
poor planning	delayed approvals/mobilization	collusive bidding
costly designs	inefficient procurement	collusion on quality reduction
poor monitoring	uninvolved stakeholders	collusion on price
Conflict over compensation	cost overruns	collusion on work scope
	Bottlenecks	no maintenance funds
	time overruns	
	inadequate funding	
	changes in government policy	

Footnote: *The capacity-based issues affect conceptualization and design, governance-based issues arise from the organizational behavior of the public service whilst culture based issues emanate from practices in the public sector. All these factors impact on time, cost and quality.*

Thirdly, in terms of project management and delivery, the Federal public service has not been very effective. The Budget Office of the Federation (2010, p81) admits this poor performance which it ascribes to poor project conceptualization, design or planning practices by Ministries, Departments and Agencies (MDAs) as exemplified in poor monitoring, poor project status documentation; the introduction of projects without feasibility studies, engineering designs and appropriate costing; siting of projects on difficult terrain without consideration of the cost implications of additional work; and the inability to involve host or benefitting communities in taking ownership of projects. As a result, the report concludes that, “This practice has largely limited the beneficial impact of the capital vote releases...”

B. State Administrations: Though with fewer responsibilities and also a lower share (26.72%) of federal revenue, the 36 state governments in orientation, work ethics and administrative practices mimic the federal civil service, having evolved from the vestiges of the regional civil services set up by the colonial government. In terms of function, state governments build and maintain infrastructure such as roads, public hospitals, public secondary schools, universities, industries and enterprises. Some of these functions overlap with federal government efforts. State government investments also suffer the same malaises of unprofitability, corruption, waste and moribundity as investments at the federal level. State governments are responsible for over 31,000 kilometers of roads, most of which are not in a good condition (CBN, 2003). Given that there are more resources and better conditions of service at the federal level, a better quality of staff should be expected in the former. But human capacity remains a problem to both tiers. The problems of the federal civil service are also found at the state level, where corruption appears to be a greater problem, including the state administrations making it impossible for local administrations to have full control over their funds. The states are weak financially, administratively and economically and recent evidence of this was the 2015 resort by 28 out of 36 of the states to the Federal government for funds to pay the accumulated salaries of their employees (Agbajileke, 2015). This financial incapacity cannot but be unrelated to poor administrative practices and wrong prioritization in resource management.

C. Local Administrations: In concept, local government administration, being the closest to the people, ideally should be the most effective and nearest manifestation of government. They have the important function of delivering basic social and economic rights such as the funding of primary education, the provision of primary health care services and the attendant infrastructure and basic amenities. However, this has not been so for a host of reasons. First, there is the issue of the orientation of the people who feature in this tier of administration. Kyenge (2013) confirms that local governments have a problem of quality and professional personnel for reasons such as the low perception of the nature of local government work, low prospects of job satisfaction and the lack of incentives. As a result, the local government secretariats are staffed by people of low qualifications and service delivery suffers. Second, is the usually unremarkable quality of individuals who emerge as councilors and chairmen of councils. Third, there is the problem of local governments embarking on projects which may not have a direct impact on welfare, thereby misapplying funds. Fourth, the lack of effective supervision of staff, lack of dedication to duty and lack of involvement of the populace create a total picture of ineffectiveness (Kyenge, *ibid*). Fifth, local governments, either as a result of internal corruption, the pilfering of their funds by state governments through which they receive Federal funding, or a combination of these factors, are always cash-strapped and habitually unable to pay staff salaries or deliver services effectively.

Just as it is at the federal and state levels, the malaise of lack of accountability exists. Human Rights Watch (2007, p1) states that at the local level the people “still have no way of holding their local officials accountable for their actions. Basic information about the use of public resources at the state and local level is kept a closely guarded secret, and state government “oversight” of the local governments is often carried out in a manner that is both secretive and ineffective”. It further states that “Local Government Councils (LGCs) generally treat budgets and financial reports as closely guarded secrets, thereby taking away the ability of citizens to monitor where money is going”. The 774 local government units together share 20.60% of the total revenue accruing to the federation account.

The State of Nigeria’s Construction Industry

In a study of the delivery process of public sector projects in sub-Saharan Africa, Wells (2014) acknowledges that: “Major challenges in developing countries include inappropriate projects, high prices, poor quality, excessive time and cost overruns, inadequate maintenance and low returns”. According to Kasimu and Usman (2013 p120): “Delay is one of the biggest problems in the Nigerian construction industry”. The seriousness of these shortcomings was commented upon by Mbachiu and Olaoye (1999) as being such that almost every project is completed beyond its planned duration. Odediran, Adeyinka and Eghenure (2012) list the factors contributing to time overruns as including “poor project design and implementation, bureaucratic indecision, inadequate funding of projects, lack of coordination, inclement weather, lack of resources, changes in scope of work, force majeure and on-sites/off-sites dispute”.

Regarding cost and other issues, Idoro (2014) asserts that, “The construction industry in Nigeria is characterized by several vices such as excessively high construction cost, prolonged delay in project delivery; poor quality of construction works, incidents of collapsed buildings and civil engineering structures, high level of corruption and poor regulations, dominance of fake/inferior construction materials, non-patronage of indigenous contractors”. On the issue of quality, the delivery conditions of infrastructure projects vary. Even where quality is high, the absence of a sound arrangement for effective maintenance through institutional and funding provisions has meant a loss of durability through unremedied dilapidation. In terms of these three parameters of successful project delivery, the combination of shortcomings of the Nigerian public sector with the inefficiencies of the Nigerian construction industry produce a scenario in which public sector capital projects are not delivered (constructed, managed and maintained) in a sustainable way.

There are many challenges in the delivery and maintenance of capital projects in the Nigerian public sector and they comprise those originating from within and those to be found outside. In Table 3 is presented the challenges faced by the construction industry. The condition of this industry is an important influence on how well the public sector is able to deliver the quality of service expected. Together, these two tables indicate the challenges of capital projects management. However, there are some other very important internal factors within the public service which serve to hinder its performance. These significant factors require exposition because of their inherent potential to stymie the achievement of goals in the public service.

Table 3: Challenges of the Nigerian Construction Industry

ORGANIZATIONAL	INDUSTRY	CULTURE
inadequate capacity	dearth of equipment	lack of transparency(tendering)
working capital	low profit margins	collusion(bidding Price)
poor personnel	lack of skilled labour	collusion(tender price fixing)
management	high operating cost	
poor workers supervision	scarce materials energy	low bidding/resort to claims
	low productivity	
	cost/time overruns	unethical practices-bribery, compromise on quality

On the surface, the problem appears to be simply one of failure in the planning and implementation of maintenance to ensure long-term value preservation at least cost. On the

other hand, a deeper insight reveals the existence of a much bigger problem which lies at the heart of the public service and constitutes a barrier to sustainable management.

Methods

The study relies upon secondary data because it reviews the backgrounds under which past public sector capital projects have been managed intending thereby to elucidate how sustainability may have been hindered. This approach is considered appropriate for achieving the declared research objective. The paper makes use of data from published research, government publications, the media and other publications on the challenges of the Nigerian construction industry through which public sector capital projects are executed; the structural organisation of the Nigerian State which sets the pace and direction for investments in capital projects; and the organisational competence of the public sector which is the medium through which the potentials of sustainable management can be realised. The paper is structured to give an overview of the public sector across the three tiers of government. Thereafter, hindrances to sustainability in project delivery and maintenance are identified as well as the preconditions under which sustainable management can be pursued.

Discussion of Findings

Hindrances to Sustainable Delivery and Management

A. Internal Issues in the Public Service

There are strong structural, cultural and human capacity factors affecting the public sector which have rendered it ineffective in the discharge of its important duties. It is not widely appreciated that Nigeria's period of undemocratic governance from 1966 to 1979 had a deleterious effect on the public service and its ability to deliver service. Two incidents over this period especially account for the structural damage which until today has hampered its performance. Coming first was the 1966 dissolution of the four constituent regions each of which had its own independent and well-established public service, the loss of the legislative powers of the regional houses of assembly over their own affairs, the seizing of all legislative and administrative powers by an unelected and overbearing federal government and the imposition of unitary government on Nigeria. This major structural change has weighed down the country to this day. Under unconstitutional governance, the federal system began to be perversely used to distribute national resources in a wasteful manner, through the creation of new states and local governments along ethnic and political lines, without regard for economic viability (Khemani, 2001, op cit).

The second damaging incident came in 1975 in the form of "The traumatic, massive purge of about 10,000 officials over a period of two months, without due process, involving officials from the rank of Permanent Secretary to the class of messenger being retired or dismissed, including some obvious leaders and role models, some without any terminal benefits or pensions destroyed the professional, non-partisan, fearless, prestigious, merit-driven Civil Service and Public Service inherited from the British Colonial Administration. In the process, the nation lost a great deal of institutional memory and valuable international connections" (Asiodu, 2012). Asiodu further states that glaring evidence of this destruction lies in the fact that "the civil service is no longer the destination of high fliers". The centralization of power which was consolidated over thirteen years of military rulership, together with the purge of 1975 created fundamental structural, cultural and capacity problems which have plagued the public service to this day and blunted its ability to deliver value.

B. The Impact of Undemocratic Governance on the Public Service Culture

The incidents of 1966 and 1975 during which the country was governed without constitutional checks and balances, not only served to exacerbate the inherent ills of the public service, but also, introduced into it other extremely debilitating new ones which have stunted the potentials of Nigeria as a whole. First, the problem of political interference and politicization became common. The worst example of this, and the most damaging, was the unprecedented mass dismissal of trained civil servants in 1975 and their replacement with less experienced subordinates who, to survive the new ethos, developed a culture of unquestioning obedience and acceptance of whatever was the executive opinion on any matter. “Strong institutions cannot emerge from the present day Nigerian civil service where the top echelon is picked on the basis of ethnicity, religion and class” (Ogunrotifa, 2012, op cit). Despite government attempts at reform, according to Igbuzor (2015), “...the public service quality has continued to decline. The literature is replete with the factors responsible for the failure of these reforms including lack of political will, poor management, faulty diagnosis, poor recruitment policies, lack of human resource capacity building, political patronage, quota system and lack of democratic practices in the management of the public service”.

Second, the civil service is still very weak and incapacitated at all three tiers of government as captured in the observation of Igbuzor (op cit) that: “There is no doubt that the Nigerian public sector performance is weak despite increased public expenditure. It has been shown that the increased expenditure has not translated into service quality and performance. The missing link is a poor public service delivery process”.

Third, unconstitutional rule produced unintended and unwholesome changes in the culture of public service and its perception from within and outwith. These changes can be detailed as follows: exponential growth in corruption and defalcation; loss of professionalism and capacity; reduced emphasis on competence and ability by the promotion of the so-called federal character, regional balancing, geographic spread or ethnicity in appointments; unclear rules and undefined conditions of entry; poor career planning; promotions not based on the organizational chart; flamboyant lifestyles; poor reputation among the public; and a destination avoided by highfliers.

Fourth, the poor capacity in the service suggests that it has to be rebuilt so that it can deliver. Asiodu (2015) agrees that things will only change “when the leadership realizes that it needs a properly structured civil service in order to deliver”. The need to undertake a complete rebuilding of the service rather than throwing money at the problem, is underscored by the finding of Igbuzor(2015 op cit) that “there is a paradox in Nigeria in that Federal Government expenditure on the public service increased by about 500 percent between 2000 and 2012, but the aggregate public service quality increased by only 1.9% based on the Mo Ibrahim Index of African Governance” leading to the recommendation that “... the way out of the problem is a comprehensive Public Administration Reform to produce a public service that is efficient, effective, transparent and responsive. The public service processes that need reform are planning, policy making, budgeting, human resource management and performance management. It is important to point out that the pattern of increasing expenditure and declining quality of services is probably worse at the sub-national levels (State and local government). This is why the Public Administration Reform needed in Nigeria must be comprehensive covering all levels and tiers of government”.

C. Impact of Undemocratic Rule on the Nigeria's Administrative Structure and Practices

First, undemocratic rule served to weaken, rather than strengthen, the country's administrative structure and practices. The manner in which four regions were multiplied without any referendum to 12 states and then 19 states, later 24 states and now 36 states and 774 local governments has not effectively addressed the problem of service delivery to the people. Rather, there are still campaigns for more states, with the final list agreed at the 2014 constitutional conference being 54. The years of tinkering with the political structure has produced sub-optimal results as it has progressively made the centre stronger, whilst making the units weaker and more dependent on the centre to survive. One of the reasons for the weak states and local governments is that unclear and arbitrary criteria were applied in their demarcation. As the structure of the country became weaker, so did the public service and its ability to deliver.

Second, the years of unconstitutional governance has made it difficult for Nigeria to evolve a sound political culture. Kukah (2012) shares this view in writing that "the country has not been able to develop a sound political culture for reasons such as having no clear criteria for ascent to leadership since independence... Nigeria is notable for having the world's highest turnover of leadership with 14 heads of state produced since independence, a time frame in which comparable African and Asian countries such as Botswana, Singapore and Malaysia which gained independence at about the same time had an average of 3 or 4 changes in leadership". In the view of Orabuchi (2015) "our political culture and structure breed mediocrity and corruption, and, in so doing, inhibit the spirit of selfless leadership and national spirit. In other words, not only do our political culture and structure not support the ideology of common purpose, but also, do not have the incentives for creativity in providing the common good. There should be a real and substantive change in the culture of Nigeria's leadership." The unsoundness of the present culture is exemplified in its throwing up of unprepared leaders who are challenged by "their intellectual incapacity, lack of discipline and political inexperience" (Ocholor, 2011p 266). The political culture sets the pace at which a country moves and where, as in Nigeria's case, the culture is unsound, the capacity of the public, service which is the vehicle for governance, would be affected.

Third, unconstitutional rule financially benefitted the senior soldiers, senior civil servants and the many civilians who participated in it. This particular factor was a turning point in the way subsequent occupiers of public offices approached their duties, with public office being thenceforth seen as a means to wealth. That attitude obtains to this day, placing Nigeria notoriously high, year after year, in the corruption perception index of Transparency International. Corruption has grown in size, just as revenues and the economy have also grown, but this has not benefitted the people, so more of Nigeria's citizens have become impoverished year, after year, with the current figure being 62% of the currently estimated population of 170 million (CIA World Fact Book, 2015). Corruption in the public service has been a veritable hindrance to service delivery and is indeed one of the ills which have hindered effective reform as identified by Igbuzor (2015,ibid).It is also a factor in the 11,886 abandoned projects investigated by the PPAC (Idonor, 2011; Nairaland Forum, 2011), which mentions in its report that corruption in the handling of projects by many self-seeking officers and contractors led to the massive inflation of costs and undermined the legitimacy of their monitoring and supervisory responsibilities.

Fourth, and last, that era of government without the institutional constraints provided by the constitution and the rule of law has influenced and conditioned a numerically insignificant, but disturbingly visible element of succeeding generations of Nigerians, especially public officials, to act with that same mindset, a major aspect of which is the disdain for accountability. Undoubtedly, therefore, the public service has been doubly affected by undemocratic governance. First, by the unwholesome changes in its activities and, second, from the changes in the country's administrative structure and in the public service culture. The service today is a poor shadow of its immediate post-independence standing when it was "the destination of highfliers", when "promotion was based on the organizational chart", when "there were clear rules of exit and entry" and the service was "professional, non-partisan, fearless, prestigious, merit-driven" (Asiodu, 2012, 2015).

Attaining Sustainability in Public Sector Capital Projects

A construction project is regarded as having been successfully delivered if it is completed within its time limit, within its cost estimate and meets the expected quality. However, the mere delivery of a capital project does not make it sustainable; rather it counts as a project management success. Sustainability in capital projects arises from looking beyond successful completion to successful management over the project life cycle because no project exists just for the here and now, but each has a life cycle over which it has to be effectively managed. Successful capital project management, therefore, must incorporate planning for effective management beyond completion and commissioning. Therefore, a capital project can be said to be sustainable if, after having been executed in line with best practice in project management, adequate arrangements are made and effectively put into practice, for its preservation in order that it may deliver value or service to present and future generations over its projected life cycle. This definition builds on the landmark sustainability definition of the Brundtland Report (1987 p39) which states that: "Sustainable development seeks to meet the needs and aspirations of the present without compromising the ability to meet those of the future".

In the Nigerian public sector, the emphasis has tended to be on project completion, handing over and commissioning. The very important and necessary second part of project preservation has tended to be treated lightly. Capital projects which fall into disrepair just a few years after commissioning cannot be said to have served the needs of the present generation and therefore cannot serve those of future generations. Such projects can rightly be described as not having been sustainably delivered, planned or managed. Furthermore, a sustainably delivered capital project is a sustainable development which, in the reckoning of the International Institute for Sustainable Development (2013), constitutes "environmental, economic and social well-being for today and tomorrow". This definition serves to give name and form to the "needs" which the Brundtland Report requires sustainable development to address. So, in the context of sustainability in capital project management, it makes sense to incorporate environmental sensitivity, economic benefit and social inclusiveness of the intended outcome, and for present and future generations.

Preconditions for Sustainability

With the given definition of what constitutes sustainability in the management of capital projects, and the identified shortcomings of public sector service delivery, a set of preconditions which must obtain for there to be advancement towards the desired goal of sustainability, can be identified as follows:

A. Structural Issues

- (i) ***Restructuring and Diversification of the Economy:*** Adequacy of funding is an important precondition for the sustainable management of projects. The resources required can come only from a better performing economy, so the Nigerian economy has to be positioned to create the enabling environment. In its report on the Nigerian economy, the Nigerian Bureau of Statistics (NBS, 2011,p3), reflects this very basic and important precondition in its statement that: “The resources at Nigeria’s disposal offer a solid base for engineering rapid growth and sustainable development”, but it adds that: “the economy is yet to achieve the necessary structural changes required to jump-start rapid and sustainable growth and development” and as a result “the productive base remains weak, narrow and externally oriented...”.To achieve this outcome requires the restructuring of the revenue base through the exploitation of resources in hitherto ignored, unexplored or underfunded areas. It would also involve the institutionalization of structural changes in administration which have a potential to accelerate development through the encouragement of competition, creativity, innovation as well as specialization founded upon comparative advantage.
- (ii) ***Administrative Restructuring:*** Reformation of the country into 6 to 8 viable regions to which more powers, identical to the four regions of 1963-1967, would be devolved. Each region should develop its own civil/public service (including police) according to its vision, rules and service conditions. By this recommendation, Nigeria becomes a federation of 6 to 8 regions practising fiscal federalism.

B. Cultural and Public Service Issues

- (i) ***Re-building of the civil/public service on a regional basis:*** There has to be a painstaking effort to build back what was lost to unconstitutional rule, i.e. a civil service founded upon rules and regulations which are made to work and are adhered to, a civil service substantially free from political interference, a civil service which offers career and service conditions capable of attracting high fliers, the discontinuation of discriminatory recruitments and promotions through geographical spread, ethnic balancing and religious affiliation.

C. Project Management Capacity

- (i) ***Capacity Building:*** In order to address the concern of the PPAC on the lack of capacity in project management in the public sector, building of capacity must be given priority in the reformed federal, state and local government services, to develop the skills required in this critical function. Indeed, the PPAC stresses the importance of capacity building, retraining and reorientation for all categories of public officials in order to overcome the recurring problem of the country being unable to realize value for money from capital projects (Idonor, 2011,ibid). It is instructive here to recall the comment of Country Studies (1982) on Nigeria’s failed projects of the military era:“ amid the euphoria of the 1974 oil price boom, the Ministry of Economic Development added and approved numerous projects....not supported by a proper appraisal of feasibility, costs and benefits, or the technical and administrative arrangements required to establish and operate the projects”.
- (ii) ***Adoption of Sustainability Principles:*** The principle of sustainability must guide projects teams in conceptualization, formulation, design and execution, meaning that needs must always be defined in terms of inter-generational environmental, economic and social well-being. In the past, designs have been adjudged faulty and contributing

to failure in project delivery (BOF, 2010 op cit). Policies on maintenance should be supportive of the life cycle demands of capital projects.

- (iii) **Project Funding:** These issues must be thrashed out before commencement in order to avoid delays, cost overruns and project abandonment. According to PPAC (Nairaland Forum, 2011), factors responsible for the high cost in project financing include "consistent delays in payment to contractors, leading to massive claims for overhead costs, interests and additional costs; poor co-ordination between government officials in the planning and execution of projects..." The system should aim to avoid cost overruns by allowing for prompt approvals of funding, prompt mobilization of contractors, timely payment of variations, stage payments and efficient procurement.
- (iv) **Community Involvement in, and Ownership of, Projects:** Stakeholders, as in host communities in which projects are sited, must be involved right from the conceptualization stage to delivery and maintenance through the project life cycle. This has important implications for the security of projects and their environmental and economic sustainability e.g. gas pipelines, crude oil pipelines and electrical installations which must not only be protected against vandalization, but also, from environmentally unsound practices and actions such as indiscriminate bush-burning and encroachment of incompatible land uses which may endanger projects. An important factor in this regard is to ensure that payment of compensation for acquired land is made to, and received by, the right persons in the community before the commencement of actual work on the site so as to avoid the observed tendency for disruptive protests by disaffected persons at project sites.

Conclusion

This paper had as its aim the identification of the hindrances to sustainable management of public sector capital projects in Nigeria with a view to proposing the conditions which must obtain for this goal to become achievable. The factors identified are the administrative structure and culture of the country, public sector cultural practices and incapacity in the public service as exemplified in poor maintenance practices, poor project management skills and poor service delivery. To achieve sustainability, the identified hindrances have to be overcome and the recommended preconditions fulfilled, in the form of economic and administrative restructuring, rebuilding of the public services, the adoption of sustainability principles in project design and management.

Concentration of power at the centre since 1966 is a system to which many Nigerians have become unconsciously accustomed, forgetting that this was not the practice in earlier years when the country made remarkable progress in several indices of development. If Nigeria is to experience real growth in the future, public sector capital projects have to be sustainably managed because they are a vital input in economic development; if economic growth is to be sustainable, then the present system should be reformed, else Nigeria could fall even further behind those countries with which it was developmentally at par in the 1960s, in the era of empowered and competitive regional administrations. If the civil service is to be reformed, it would be easier and more effectively done on a regional basis, with each region setting out its own vision and service conditions in accordance with its goals and resources. It is not speculation, but fact, that Nigeria achieved greater progress in the days when regional administration and fiscal federalism were the guiding principles of governance. A return to those principles will serve Nigeria better than what has obtained in the last fifty years.

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