

# **A SURVEY-BASED STUDY OF PROJECT MANAGEMENT PROBLEMS IN SMALL AND MEDIUM SCALE ENTERPRISES (SMEs) IN NIGERIA**

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## **Abstract**

Project management has been mostly researched and applied within the context of large scale businesses in both private and public sectors of the Nigerian economy. Given the need for national transformation and sustainable development through revitalization of the SME sub-sector, the study of management of projects in SMEs has become imperative. Empirical evidences show lack of articulated framework for management of small projects and explain the estimated 80% failure rates for SMEs within five years of start-up. This paper aims at a survey-based investigation of project management problems in Warri and by extension their impact on national development as well as recommending deliberate steps vital for efficient project delivery in SMEs such as: application of PM methods within acceptable economic and political frameworks, establishment of project management offices (PMOs) in SMEs as statutory requirement, incentives such as subsidizing cost of software and removal of multiple levies, dealing with over-bearing owner-managers that challenge project management process, establishment of project monitoring and evaluation units at local government level, engagement of PM professionals in projects among other steps. The results indicate that Management Problem is the greatest problem of management of projects within SME context. The foregoing will be helpful and of interest to students, researchers, policy makers and other stakeholders of sustainable development. SME stakeholders should make deliberate and urgent efforts at adopting project management for effective project delivery regardless of size and form.

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**Keywords:** Project Management, SMEs, Problems, Development and Nigeria

## **Introduction and Background**

In all economic and developmental spheres, it is widely accepted that small and medium scale enterprises (SMEs) are key players in overall national development (Ihesiene, 2014). However, the performance of the SMEs falls below expectations in developing countries and raise concerns on reduction of failure rate for small businesses.

According to Dalitso & Peter (2000) there is no consensus on a specific definition for small and medium scale enterprises. Globally, definition of small and medium business has evolved and varies with time, experience, country, author, context and global articulation of the SMEs catalytic role in national prosperity. The SMEs definition in this paper is based on the categorization as adopted in the 13th annual meeting of National Council on Industry (NCI) held in 2001 in Markurdi, Benue State, Nigeria as an industry with labour size of 11-300 workers or a total cost of not more than N200 million, including working capital but excluding cost of land.

Ihesiene (2014) views projects as central and building blocks for continued existence of any SME, while contending that effectively managed projects add value in revitalizing SMEs sub-sector. Safiriyu & Njogo (2012) observes that SMEs failure rates decline in economies that practice project management. Many SME projects have either failed or been abandoned due to implementations without requisite management frameworks, tools, technologies, tested and widely accepted standards of practice. This is true of developing nations like Nigeria with little skills and experiences in project management. Therefore, it is pertinent for developing economies to adopt simple but effective project methodologies for SME projects. It is therefore suggested that economic planners should consider the following critical issues when adopting requisite project management technologies such as maturity levels between countries, holistic review and inventory of current project management practices, supporting monitoring and evaluation apparatus for projects. Other considerations include socio-political and economic policies governing SME operating environments, expected financial support, manpower and training needs, legal and statutory frameworks for PM technology transfer, supporting communication and information infrastructure, strategies for acquired technology integration, dynamics of knowledge and information management, and alignment of SMEs project types with acquired methodologies.

There is a relationship between the size of the company and the size of project it tackles: small companies tackle small projects (Turner et al., 2009). This assertion is true of developed countries where SMEs employ project management procedures. In developing economies, there is a practice of inserting small projects at points where they do not take priority (AFITEP

2000) as well as not applying requisite project methodologies. The consequence of this practice for small businesses with no primary focus on projects is alarming failure rates. There are no alternatives to planned and managed projects with their offerings of budget discipline, proper monitoring and evaluation, shared business risks, on-schedule delivery, efficiency, assured success and stakeholders' satisfaction.

Though project management benefits SMEs in numerous ways, SMEs in developing nations are slower in applying PM techniques and tools than larger enterprises. The reasons for differences are attributed to small business characteristics. Access to relevant market information is limited and challenged by globalization (Madrid-Guijarro et. al, 2009). Innovative management methods like financial analysis and forecasting are scarcely applied by SMEs (Blili and Raymond, 1993). Resource scarcity, socio-economic and legal constraints and over-bearing owner-manager influence are known challenges. Low preference for professionalism, dependence on adhoc planning, patronage for informal and static strategies, and lack of standard operations are further identified as defining characteristics of SMEs (Dibrell et al., 2008; Thong et al., 1996; Morteza et al., 2011). SMEs suffer from unstable business policies and stakeholders overlook economic implications of small SME projects. In Larson and Larson (2009), one of the problems with small projects is that they are barely recognized as such, they are started up quickly (with no planning) and therefore communication fails and counting of financial losses starts. Each time a Small business fails our collective effort towards economic prosperity and development is challenged. It is against these backgrounds that this paper sets to examines problems of project management within the Nigerian SMEs as well as proffering best practices for efficient project delivery.

### **Research Objectives**

The primary objective of this study is to examine problems militating against project management in Nigerian SMEs. Other secondary objectives include:

- To investigate prevailing project management practices in Nigerian SMEs;
- To enumerate benefits and problem areas of project management in SMEs;
- To examine the correlation between PM and national development, if any;
- To examine if effective PM practices can reduce the high rate of failed small projects;
- To recommend way forward against identified problem areas.

## **Definition of Project Management**

Project and its management emerged from the need to create, modify or replace a business aspect. High level coordination and purposeful effort in the execution of activities are the reasons for development of project organizations (Sderlund, 2004; Mohammadjafara et.al, 2011). According to Mohammadjafara et. al. (2011) defines project management as methodology for managing projects. Qureshi et. al. (2009) views project management as the manner of implementation, of expertise, paraphernalia, knowledge and modus operandi to an extensive range of activities for the fulfilment of prerequisite of a specific project. It is pertinent to observe that all managerial, financial, legal, logistic, training and other processes involved in organizational transformation are within the works of project management. Interestingly, project managers are viewed as championing customer satisfaction (Mohammadjafara et. al; 2011 and Kirsila et al., 2007).

Therefore project management helps in the optimization of scarce resources to the benefits of all stakeholders. Olateju et al. (2011) opines that efficient utilization of scarce resources in meeting stakeholder expectations falls within the works of project management. The project requirements extend beyond technicalities to innovative management skills to deal with budget constraints, contingencies, human capital and other issues (Abasi & Al-Mharmah, 2000).

To the need for more pragmatic and innovative ways of handling projects, Morris (2003) citing Nelson (n.d) expressed that to be in business tomorrow, smart organizations must not do today's job with yesterday's methods.

Though project management has certain drawbacks, it is argued that crucial roles played in revitalizing the SME subsector are not diminished.

## **Project Life Cycles**

Project management phases are presented differently according to what details author wishes to establish. A project cycle involves breaking down of total project work into small manageable phases. This increases visibility of processes as well as ease of monitoring. Projects generically create value by altering business aspects.

This study considers and places emphasis on the 4-Step model.

## **Four-Step Model of Project Life Cycle**

The four distinct development phases of a project are identified by Pinto (2007) as: Conception, Planning, Execution and Termination. A project life cycle presents logical relationships governing a project and form basis for project planning.



Figure. 1. Project life cycle by Pinto (2007)

## Discussion of Project life Cycle

All project life cycle must contain the following key information such as; a beginning and an ending, indication of management processes, and logical sequence of activities.

Effective project management depends on the iterative performance of the process steps:

### Step 1: Conceptualization

Conceptualization is considered as development of initial goal and technical details of a project (Pinto, 2007). The project charter is generated at this phase with accompanying details such as project need identification, feasibility study, project deliverables, project objective, scope, general expectations, identification of resources, stakeholder approvals, and so on.

### Step 2: Planning

In this stage, detailed specifications, workflow charts, estimates of cost, project schedules, and other planning process plans are generated. The project risks and threats to successful implementation are identified and reviewed for appropriate decisions. Patel (2008) in Olateju et. al (2011) explains that in planning phase, requisite communication strategies for identified project stakeholders are established to ensure free flow of information among stakeholders.

### Step 3: Execution

Project execution phase involves the actual construction of project outcome and implementation of control mechanism for consistency with project plan. In summary, according to Lewis (2000), execution stage comprises of activities such as team leadership and meetings, feedback mechanism, conflict management, resource security; monitoring of deviations, expectation management, and adaptation of resource levels in line with scope alterations.

### Step 4: Termination

This stage signals the successful completion of a project and is usually marked by ceremonial activities. The project outcome is transferred to client, suppliers' contracts end, resources released, disbanding of project team, stakeholders informed of project closure, and necessary documentations (operating manuals, sign-off documents, learned experiences and final project reports) delivered to the business.

## **Overview of Project Management Practice in Nigerian SMEs**

The small and medium enterprises (SMEs) form crucial parts of economic and development activities of any nation. SME contribution to national wealth creation and national prosperity is significantly facilitated by project management in advanced economies. In European Union (EU), SMEs account for 99.8 percent of companies, generate 60 percent of GDP and employ 70 percent of private sector workers (Turner & et. al., 2012). The foregoing SMEs contribution statistics for a developed economy underscores the need for transformation in SMEs of developing country like Nigeria through the innovative management of projects. Projects are undertaken for innovation, growth, products development, expansion, and form significant part of all economic activities. It is pertinent to observe that significance of small projects is yet to receive enough attention within the context of SMEs.

It appears that there is a correlation between failure rates of SMEs and undertaken SME projects in Nigeria. Projects management exists at different maturity levels in all economies of the world. In developing countries, project management practices are primitive, unstructured, mostly untested, driven by owner-manager instincts and experiences than strictly economic considerations. At federal and state levels of governance, there is no articulated strategy for SMEs to consistently obtain value from planned projects. Due to poor knowledge and information management within SMEs, there is dearth of quality experiences from project closeouts. In contingent situations, management experts apply bureaucratic, procedural and systemic project techniques associated with larger businesses to SMEs. This provides no fitting between adopted management practices with the nature of business and project undertaken.

Project management environment in Nigeria SMEs is characterized by:

- i. Alignment of project objectives to personal goals of owner-manager-financiers;
- ii. Slow adoption of modern methodologies and preference for traditional management practices;
- iii. Frequent budget overruns, unrealistic forecasts, and shifting project objectives;
- iv. Most projects are handled by Amateurs with lack of balanced technical and people skills of a project leader;
- v. Organizational structures normally do not support inter-play of project implementation mechanisms for optimum results;
- vi. Shifting project objectives makes it difficult to define project implementation successes;

- vii. Risk are not properly planned for, monitored and controlled during project cycle;
- viii. Limited knowledge and orchestration of project management myths such as slowing down business process, requiring too much time to follow practices, having costing specialized skills, considering PM as expensive administrative burden while viewing it as suitable for large firms;
- ix. Lack of historical information about closed projects causes re-inventing the wheel for future projects;
- x. There is little or no standardized approach to small project implementation due to contingency in execution;
- xi. Lack of change agent and transfer of responsibility to operation units;
- xii. No ownership of projects and openness to transparency;
- xiii. Inability of most SME stakeholders to identify certain activities as projects;
- xiv. Project need is not communicated in details to all stakeholders. This affects employees' commitment towards successful implementation and so on.

## **Methodology**

This paper is an academic outcome of a thesis submitted by the researcher at the AIU school of Business and Economics in partial fulfilment of award of the degree, Ph.D. Project Management.

It is a quantitative study which employs the use of questionnaires with open-ended question and forced choice answers as well as personal interviews as source of primary data, while library research and other project management study literature were employed as secondary data. The Chi-Square, distribution of means and simple percentages were used in the statistical analysis of the data collected.

The constructed questionnaires were largely based on five point Likert scale for statements ranging from '1' for Strongly Agree, '2' for Agree, '3' for Undecided, '4' for Disagree and '5' for Strongly Disagree.

Due to the numerous phrases expressing same opinion in cause of preliminary survey, the researcher resorted to grouping of such identified problem areas of project management as follows:

### ***a. Management Problems***

This consists of problems relating to over bearing owner-financier influences, family interferences, poor organizational leadership, and lack of strategic planning, lack of initiatives, workplace politics, and alignment of organizational goal to owner personal goals. The rigid organizational structures of SMEs challenge inter-play of project mechanisms to the detriment of project outcomes.

**b. Limited Finance**

Limited finance include issues relating to prohibitive cost of PM software and supporting ICT infrastructure, PM skill acquisition, cost of engaging PM experts, and inability to secure sufficient facilities from banks for projects.

**c. Limited PM knowledge**

This relates to PM knowledge gap problems associated with myths of project management. The myths include; PM is necessary for small enterprises, PM slows business process, PM practice is time consuming and bureaucratic, PM skills are too specialized, PM is an administrative burden, PM is capital intensive. It extends to poor knowledge of projects nature and lack of historical documentations about closed projects.

**d. Environmental problems**

In certain areas of research environment, projects implementations attract disruptive attention and activities of Area Boys, government agencies, law enforcements, wanton destruction of projects, and indigenes' insistence on supplying project items or forcing employment of their unskilled labour. This problem extends to disruptive weather situations, cultural orientations, religious beliefs and social anti-project dispositions to some projects.

**e. Corruption**

This refers to wide range of corrupt practices inimical to project delivery, national development and social order such as extortions, jungle justice, fraud, bribery, over invoicing, over stocking, supply of fake project items as well as any legal, economic, and disciplinary compromises.

**f. Policy Problems**

This group of concerns includes unstable economic policies, multiple taxation/levies, multiple clearance and permits, obstructive policies on innovation transfers, institutionalized inefficiencies, unstable foreign exchange rates, effects of rivalry among tiers of government, and lack of developmental frameworks.

**g. Awareness Problems**

This relates to issues that hinder acceptance, adoption and diffusion of PM innovative practices such as lack of sufficient PM awareness, dearth of opinion leaders and PM success references. It also includes weak social and media communication channels.

**h. Labor Mobility Problems**

Labor mobility relates to redeployments, resignations, transfers, promotions and re-designation of Project delivery personnel. Many projects fail due to the SMEs' characteristic high rate of PM professional mobility during which in the course of project implementation, project management areas and predefined outcomes are altered by incoming PM personnel.

**i. Nature of SME**



This considers SME features such as age, type of business and organizational experience.

**j. Personnel shortage**

This refers to lack of requisite PM personnel with extensive knowledge of project management skills, tools and techniques. Most projects at the SMEs are handled by amateurs with lack of balanced technical and people skills necessary for effective management of projects.

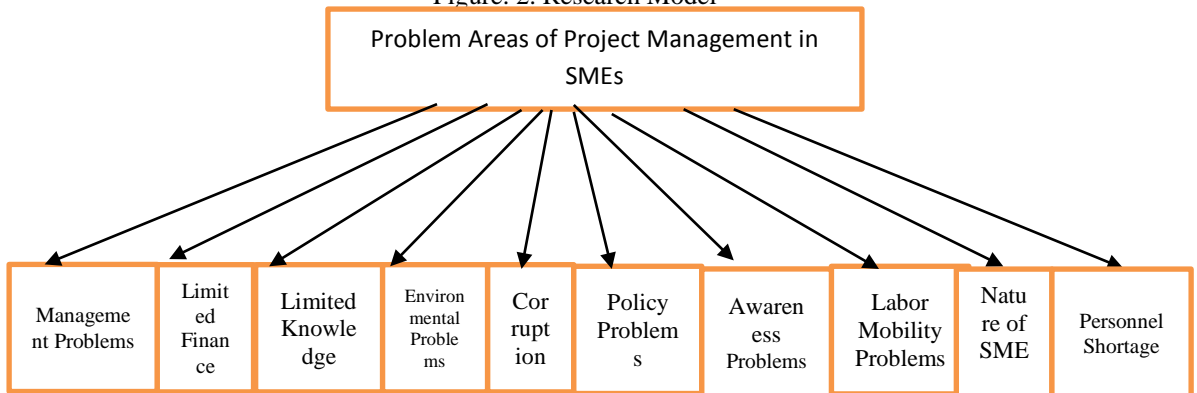
**Population and Sample Size**

The city of Warri is a cluster of Udu, Uvwie, Warri South and Warri North Local Government Areas with an estimated SME population of 1000 upon which a sample of 300 was drawn. This sample size represented a 30% of the total population of SMEs. A total of forty (40) personal interviews were conducted and this practically increased the number of respondents.

**Research Model**

The model specification (fig. 2) for the research based on pilot survey outcomes upon which variables are hypothesized to militate against the application of project management in Nigeria SMEs is:

Figure. 2. Research Model



**Key Survey Results**

**Response:** Table1 is a survey response to “*There is a correlation between effective project management and overall national development.*”

Table 1

Description	Code	Frequency	Percentage (%)	Cumulative Percent (%)
Correlation				
Strongly Agree	1	153	63.75	63.75
Agree	2	68	28.33	92.08
Undecided	3	4	2.08	94.16
Disagree	4	13	5.42	99.58
Strongly Disagree	5	1	0.42	100
Total		240	100	

Source: Field survey, 2014

Table I above shows that 153 respondents representing 63.75% of sample strongly agreed, 68 respondents representing 28.33% of sample agreed, 4 respondents representing 2.08% of sample were Undecided, 13 respondents representing 5.42% disagreed with statement and 1 respondent representing 0.42% strongly disagreed. Thus, the majority of respondents agreed with the statement.

**Response:** Table II is a survey response to “*Kindly grade problem areas affecting project management in Nigerian SMEs according to descending order of gravity. Assign One (1) to greatest problem and ten (10) to the least problem*”.

Table II

S/N	Problem Areas	Sample Size (N)	Mean	Minimum Grading	Maximum Grading
1	Management Problems	240	1.62	1	3
2	Corruption	240	1.62	1	3
3	Limited Finance	240	2.22	1	6
4	Limited PM	240	2.29	1	5
5	Knowledge	240	4.49	3	10
6	Personnel Shortage	240	5.11	2	10
7	Environmental Problems	240	5.64	4	10
8	Policy Problems	240	7.55	5	10
9	Labor Mobility	240	7.80	2	10
10	Awareness Problems	240	8.20	2	9
	Nature of SME	240	9.77	6	10

The table above presents the most important distribution of this study. It displays the ten problem areas according to their descending order of gravities and the grading patterns. Management problems have the lowest mean of 1.62 and therefore greatest problem of one (1) and highest grading.

### Hypotheses Testing

This study subsection restated the hypotheses formulated and tested to determine reliability and dependability of this research. The simple percentage, chi-square formula and mean distribution statistical techniques were applied.

#### Hypothesis Test I

(iii) **H0:** There is no correlation between effective project management and overall national development

**H1:** There is correlation between effective project management and overall national development

This hypothesis testing is based on statement for Table 3.

**Table III - One-Way Contingency Table**

	O	E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
SA	153	48	105	11025	229.69
A	68	48	20	400	8.33
U	4	48	-44	1936	40.33
D	13	48	-35	1225	25.52
SD	1	48	-47	2209	46.02
Total	240				349.89

- **Level of significance:** 5 % Level of Significance
- **Critical Value:**  
Number of degrees of freedom (v) = 4
- Chi (X<sup>2</sup>) table at 5% level of significance and 4 degrees of freedom = 9.49
- Test statistic: 349.89

**Decision:** Test Statistic (349.89) > Critical value (9.49), therefore H0 is rejected and H1 accepted. Hence, it is conveniently concluded that there is a correlation between effective project management and overall national development.

**Hypothesis Test II**

**H0:** Application of effective project management techniques and reduction of project failures in SMEs are not related.

**H1:** Application of effective project management techniques and reduction of project failures in SMEs are related.

This hypothesis testing is based on responses for statement (*I feel using effective project management techniques will reduce high rate of project failures in SMEs*) of the administered questionnaire.

**Table IV - One-Way Contingency Table**

	O	E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
SA	53	48	5	25	0.52
A	171	48	123	15129	315
U	11	48	-37	1369	28.52
D	5	48	-43	1849	38.52
SD	0	48	-48	2304	48
Total	240				430.56

- **Level of significance:** 5 % Level of Significance
- **Critical Value:**  
Number of degrees of freedom (v) = 4
- Chi (X<sup>2</sup>) table at 5% level of significance and 4 degrees of freedom = 9.49
- Test statistic: 430.56

**Decision:** Test Statistic (430.56) > Critical value (9.49), therefore H0 is rejected and H1 is accepted. Hence, it is conveniently concluded that there is a relationship between effective project management and reduction in high rate of project failures in SMEs.

## **Findings, Implications and Recommendations for Future Studies**

The analyses of the research show that the development of the SME sub-sector will be a mirage without incorporating project management procedures. The dependency of overall national development on consistent and successful small project implementation can never be over-emphasized.

Unfortunately, the utilization of project management in SME operations is hampered and raises doubt if SMEs could fulfil their potential roles as development catalysts. Despite determined efforts to leverage on perceived PM merits, SME Owner influences continues to over-ride decisions consistent with development of the sub-sector.

It is difficult to decipher the reasons why project management is not applied in Nigerian SME operations unlike the prevailing practices in developed countries like USA, Britain, China and Germany.

The research findings point to myriads of issues conveniently categorized into two broad causative factors as to why the reluctance in utilization of project management. These are ‘Internal’ and ‘Environmental’ factors. The Internal factor comprises of our habits, social orientation, attitudes to innovation, way of thinking, and acting while the Environmental factors point to externalities such as culture, government, communication systems, collective interests and values, educational systems, policy formulation, social learning process, policy implementation, and so on.

The need for articulated efforts among the SME stakeholders towards elimination of problems affecting application of project management has been echoed as way forward. In advanced economies, respective governments take lead in stimulating assimilation of innovations such as project management methodologies. For instance, the government could initiate reforms in educational curriculum by adopting PM as a compulsory elective for all graduates, enact laws prohibiting multiple levies and work permits among tiers of government. Government could consider making Project Management Office (PMO) a statutory requirement for SMEs, stiff penalty for corrupt practices such as license withdrawals and heavy fines, setup of project monitoring outfits at ministerial levels, provide guidelines and frameworks for small projects, and review of SME Ownership to reduce over-bearing owner influence.

It was discovered that assimilation of innovative project management practices and commitment of stakeholders will bring the desired development of SME sub-sector.

Finally, the study shows the following important findings:

- Management problem areas is the greatest challenge to the application of project management in the SMEs;
- A relationship was established between effective project management and overall national development;

- A correlation was identified between application of effective project management techniques and reduction in project failures.

The implication for the policy maker are as follows: Attention should be given external factors that cripple capacities of the SMEs to incorporate innovative management procedures, subsidizing cost of project software, reducing interest rates and stabilization of exchange rates, deal with disruptive activities of area boys, elimination of multiple taxation, and intensification of anti- corruption crusade among other measures.

The researcher recommends more studies in topical issues of project management within the context of small and medium sized businesses such as; *“Impact of SME Owner’s Influence on Project Outcomes.”*

### **Benefits of Project Management**

Globally, well informed companies are increasingly implementing project management in organizational practices for delivery of expected results. The quest for innovation and transformation are reactionary to chaotic global economic situations in which businesses operate. It is pertinent to note that no business has immunity from the realities of stiff competition and urgency of updating business aspects for competitive edge. Project management works are more visible in companies having strong core competency as costs are cut, risks are mitigated, and success rate improves. Aligning project management strategies with strategic objectives of business is a vital way to achieving competitive edge.

Projects are integral parts of organization undertaken for various business goals and its management offers numerous benefits including and not limited to; *Efficiency in operations, Reduction in failure rate of projects, Business Expansion, Competitive Edge, Organizational Flexibility, Quality and Quantity Assurance, Communication Improvement ,and Resource Optimization.*

In developed countries where SMEs adhere to project management methods, economic transformation is highly visible and sustained. In the future, this trend will define the capabilities, prospects and competitiveness of any SME.

### **Reasons for Project Failures**

There are myriad reasons (simple and complex) why projects fail. Goatham (2014) identified common sources of project failures as follows;

- i. Inability of accessing and utilizing past failure experiences;
- ii. Market and strategy failures – This occurs if project outcome does not solve anticipated problem for which project was undertaken and usually this type of failure is too expensive;

- iii. Organizational and planning failures – This is attributed to lack of well articulated organizing and planning;
  - iv. Leadership and governance failures – This failure is associated with ineffective project leadership or ownership that compromise project governance and control;
  - v. Underestimation and analysis failures – Projects sometimes fail if commitment to schedule and project resources precedes appreciation of full complexities of project;
  - vi. Quality failures – Projects fail if quality of project inputs is compromised at any point. This occurs if the projects supplies are not monitored to ensure that the definitive characteristics (quality and quantity) of such supplies are not reduced. It is pertinent to observe that project outcome is as good as the input under normal situations;
  - vii. Risk failures – Projects fail or even a whole organization could be derailed if associated risks are not predicted accurately;
  - viii. Skills, knowledge and competency failures – Lack of requisite expertise and project management experience increase the chances of project failures. Projects involve man, money, material, machine (often), and skills that must be properly blended by project lead for anticipated project outcomes. The higher the project skills, the less the possibility of mistakes, errors, and failures;
  - ix. Communications failures – Projects fail if communication is ineffective. For a project to succeed, communication must be seamless between all project stakeholders. Communication inspires confidence, provides deeper insight through various perspectives, reduces stakeholders’ conflicts and increases project success;
- Carlos (2009) outlined common reasons for project failures as follows:
- x. Poorly defined project roles, responsibilities, objectives, and goals;
  - xi. The application of project methodologies with a “one tool for all projects” disposition of some project managers;
  - xii. Lack of end-user participation in the course of project implementation for acceptable criteria for project success definition;
  - xiii. Inadequate or vague project requirements;
  - xiv. Project team weaknesses and competing priorities;
  - xv. Insufficient project resources (finance, personnel and material);
  - xvi. Ignoring early project warning signs by project stakeholders, especially the project manager;
  - xvii. Inadequate testing procedure and shifting project objectives.

The lists of reasons for project failures are as many as authors, perspectives, and categorizations to the matter under discussion. However, the enumerated reasons are common issues typical of a developing economy like Nigeria.

## **The Way Forward**

The findings of this paper are enough to contend that Nigerian SMEs have a long way to trail in quest for relevance within the global business arena as well as make their contributions to national development. In this era of competitiveness, the resource optimization capacity of effective project management continues to inspire economies. The challenges and problem areas associated with SMEs present disposition to project management vary and need urgent multi-faceted approaches. The following are ways forward in dealing with problem areas associated with management of projects within the SME sub-sector of Nigerian economy:

- i. Government should ensure the structuring of Project management methodologies that fit small business project types, technical and attitudinal peculiarities of resource elements;
- ii. Government by act of parliament should establish professional bodies that regulate project management practices in line with global trends;
- iii. The establishment of project management office (**PMO**) should be made a statutory requirement for SMEs;
- iv. The Government should adequately fund and mandate relevant agencies such as National Orientation Agency (**NOA**) to champion SME re-orientation towards utilization of project management in their operations. This could be carried out through seminars, symposia, conferences, and site visitations;
- v. The Sole Proprietorship and Partnerships should be redefined to separate control and management functions similar to that of larger companies to reduce the over-bearing influence of Owner-Financier that challenge project management process;
- vi. The Government through the ministries of Industry, Technology and Commerce should provide well articulate and workable guidelines on small project implementation in SMEs. These guidelines could be monitored and enforced through respective Monitoring and Evaluation Units (MEUs);
- vii. Government should enforce comprehensive reports and documentations on project implementations. This database could be used for planning and decision-making regarding the revitalization of the ailing SME sub-sector;
- viii. The educational curriculum at higher educational levels should incorporate project management as a compulsory elective as well as offering of the course at full degree in more institutions;
- ix. The three-tiers of Government (Local, State and Federal) should continue to urgently address issues of corruption, bribery,

- institutionalized incompetence through due process, transparency in actions and adequate punitive measure to ensure deterrence;
- x. The Government should enact appropriate laws prohibiting non-certified project managers from handling projects. Presently, project management thoughts and practices are directed by graduates from other disciplines lacking the passion to drive the derivation of project management merits;
  - xi. Government should provide incentives to application of project management such as subsidizing cost of software, providing enough capital for projects, abolishing multiple levies and tax exemptions for complying SMEs, outlawing Area Boys and so on;
  - xii. SME promoters and project management stakeholders should work closely in increasing capacities of the SMEs towards incorporating project management methodologies in their business operations;
  - xiii. SMEs should build the capacities of their PM personnel through training, career development and taking advantage of supporting technological and information technologies;
  - xiv. Government should produce industrial policy capable of addressing the emerging challenges and issues that could hinder adoption and diffusion of project management in the SMES;
  - xv. Government at all levels should set up Project Management Boards with associated linkages to the proposed PMOs established at the SME level and PM Professional bodies;
  - xvi. Incorporating topical issues of project management in any Consortium involving Small and Medium Scale Enterprises (SMEs);
  - xvii. Government should institutionalize PM practice as a means of resolving the historical and lingered rivalry between project management and competing disciplines of architecture, engineering, building and surveying.
  - xviii. SME and Project management stakeholders should be more collaborative during implementation of small projects instead of adopting the ‘I know it all’ attitude that has menaced economic and development activities.

It can be contended that the state of any nation is mirrored in the business activities and practices especially of SMEs. Therefore, the transformational and innovative potentials of project management are crucial to sustainable development, worthy of extensive studies.



## Conclusion

This paper concludes that for any country to enjoy economic and developmental prosperity, its SME sub-sector must be vibrant. And that this vibrancy can be achieved largely through the incorporation of project management practice into SME operations. Therefore, the identified problem areas need be tackled urgently by enactment of appropriate policies, engagement of qualified PM personnel, sharing of PM experiences, facilitation of PM adoption and diffusion, marketing of PM practices via effective communication channels and so on. The government as key umpire in developmental activities should take the lead in stimulating the SME sub-sector towards employment of innovative procedures and best practices during project implementations. The catalytic impact of SMEs sub-sector is guaranteed when the desire for project management overwhelms fear of failure. For Nigeria to become a proud member of the twenty dominant economies by the year 2020, all stakeholders must adopt globally accepted and tested best approaches in handling projects, while leveraging on garnered PM experiences. Let the success stories and experiences of developed economies regarding the capacity of project management in transforming the SMEs sub-sector provide sufficient incentives to all developing economies, especially Nigeria my beloved country.

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