

Effect of Public Projects Abandonment on Clients and Host Communities: The Case of Dekina Local Government Area of Kogi State, Nigeria

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Abstract

This paper is an assessment of the effects of abandonment of public projects on the clients and the supposed beneficiary (the host community). Nigeria has a colossal phenomenon of abandoned public projects scattered all over the federation resulting in the denial of the intended benefit of such projects to Nigerians if completed and functional. Projects are initiated to meet human need, their eventual abandonment would obviously have adverse effect on the client, contractors, consultants, the construction industry and the society at large. Therefore, this paper assessed factors responsible for the abandonment of public project especially building projects and their effect on the client and the communities in Dekina Local Government Area of Kogi State. considering the large size of the population, the study adopts Taro Yamani's sample size formula to select 1000 respondents out of which 900 respondents completed and returned the questionnaires distributed to them. The data obtained from the questionnaire was statistically analyzed using the statistical package for social sciences (SPSS) method. It was discovered among other things that factors such as payment remittance delay, instability in leadership, improper project planning were responsible for project abandonment. It is therefore recommended that to forestall future public project abandonment, there should be an innovative planning and best practices of project management, excellent time phasing and policy of zero tolerance for project abandonment amongst other recommendations.

Key words: Public, Project, Abandonment, Client and Community

Introduction

The spate of abandonment of public building projects in sub-Saharan African has become such a huge concern to all stake holders in building industry. Nigeria has had its fair share this unfortunate development. The fact that this ugly trend will have adverse effect on other developmental efforts cannot be overemphasized. According to Ayodele & Alabi (2011) public building project

abandonment is the act of discontinuing any activities or maintenance works on a building project within a time frame of contract agreement with no intention to return to the work. In other words, the clients or the developer abscond not Just from the project site but completely away from the project and there is no Sign of their presence as to suggest future continuation of the said projects However, public building projects being a capital-intensive undertaking, should be critically analyzed to ascertain its feasibility and viability before embarking on. But on several Occasions and as it had been observed, governments, contractors and agencies have been abandoning public building projects mid-way into construction and completion. The causes and effects of these abandonments are not just peculiar to a particular reason rather, they cut across several reasons and as well as creating a total dwindling effect on the values of properties located close and within the vicinity (Aibinu 2002). The expected prominence of any remarkable development project is to be completed while at the same time, adding values to the built environmental aesthetics. Development projects are endeavors undertaken to create a unique product and service with a defined beginning and ending date. Projects are to be accomplished within the specified times otherwise the purpose of such development will not be realized (Gardner, 2005).

Statement of the Problem

According to Akindoyeni (2000), some of the causes of project abandonment in Nigeria are attributed to the death of the client (change in governance), inability of client to access fund or lack of good planning as well as corruption. This study is undertaken to assess causes of projects abandonment and their effect on the communities as well as the client in Kogi State. Abandoned projects such as civil engineering and heavy engineering development projects, residential houses, worship places, schools, roads, bridges, dams, tunnels, airports etc. are prevalent. Therefore, there is a need to investigate the causes and effects of their abandonment and suggest ways of tackling the menace headlong.

Aim and Objectives of the Study

The aim of this paper is to assess factors responsible for the abandonment of public building projects in Dekina Local Government area of Kogi State. Specifically, the study will:

1. Determine the causes of public building projects abandonment
2. Assess the effect of public building projects abandoned on the clients and the Communities.
3. Suggest solution to the problems identified

Hypotheses

In order to achieve the stated objectives of this research, the following null hypothesis will be postulated.

Ho: There is no significant effect of public building project abandonment on client and the communities

Ho2 There is significant effect of public building project abandonment on client and the communities

Literature Review

Projects developments, particularly infrastructural projects, are intended to provide products and services to the community and at the same time promote the beauty of the built environment. These benefits are undermined and made unattainable because of the incessant abandonment of projects (Ayodele and Alabi, 2011).

According to Adamu (2005), abandonment of projects is the act of discontinuing any activity or maintenance work on such project within a time frame of the contract. He further opined that project abandonment is a result of inadequate resources, inefficient programming, change in government, incompetent contractor, as well as wrong method of project procurement. However, without compliance with procedures and techniques; abandoned projects will not only threaten infrastructural development but also militate against organized efforts at combating the menace.

Project Abandonment

Adedipe (2004) defined project abandonment as the stoppage of work caused by either of the parties to the contract with or without the intention of further work on such projects, Adamu (2005) in his own view defined project abandonment as the act of discontinuing any activity or maintenance work on such project within a time frame of the contract,

Effects of Building Projects Abandonment

The literature has extensively x-rayed the effects of abandonment of projects on the lives of the people in terms of socio-economic as well as environmental implications in Nigeria.

The effects of projects abandonment can be categorized into the following: Implications on the prospective users of facilities and other stakeholders involved, implication on the construction industry, national economy and implications on the environment. The environmental effects of project abandonment are one of the risks that need to be taken into consideration by parities' involved in construction. Although this risk might not occur in every project, if it happens, it will have severe negative effects on the projects (Abdul-Rahman, Wang & Ariffin, 2015).

The occurrence of cost overrun can have devastating effects on the construction projects. Mukuku, Aigbavboa and Thwala (2014) opined that to the client an added cost over and above those initially agreed upon at the onset, resulting in less return on investment. To the end user; the added costs are passed on as higher or less costs or prices. To the professionals; cost overrun implies inability to deliver value for money and could well tarnish their reputation and result in loss of confidence response in them by clients. To the contractor, it implies loss of profit for non-completion and defamation that could jeopardize his or her chances of winning further jobs, if at fault. To the industry as a whole, cost overruns could bring about project abandonment and a drop in building activities, bad reputation and inability to secure project finance or securing it at higher cost due to added risks (Mukuka et-al, 2014). The study of identified and ranked the effects of construction delays as follows: time overrun, cost overrun, dispute arbitration, litigation and total abandonment of projects (Pourrostam & Ismai, 2012; Aibinu & Jagboro, 2012; Mac-Barango, 2017). Mukuka et-al (2014) revealed 40 causes of cost overrun with the top ten being the following: cost of materials, incorrect planning, wrong method of estimation, contract management, fluctuation of prices of materials, previous experience of contractor, absence of construction cost data, additional cost and project financing. The abandonment of building projects has specific harmful effects that come alongside with it (Ade-ojo & Babalola, 2013). Whatsoever the causes that might lead to project abandonment, it generally affects the building industry and the financial growth of a nation roughly (Sunitha, Zainal, Abidin & Riduan, 2013). The end users suffer in which they are not capable to use facilities.

Vacant and abandoned houses can generate an environment that lowers confidence, discourages investment, and essentially encourages homeowners to abscond the vicinity (Immergluck, 2006).

Buildings will certainly depreciate and might afterward be abandoned as they mature except they are accurately maintained. Moreover, changes in technology and business development might edge out some structures; making the structure out of date and prone to abandonment (Akindele, 2013). Building projects abandonment can cause common health problems in the metropolis such as diarrhea, typhoid fever, malaria and other dirt associated health problem. Such abandoned sites are also vagrant's enchantment, miscreant suitable residence and the hideout where criminals plan their activities, conclude or commit immoral acts in the area. For instance, the existence of abandoned structures has been observed to promote arson and other crimes, waste dump, and property value decline where they are present (Akindele, 2013).

One of the clear effects of project abandonment is the waste of resources as opined by Olapade and Anthony (2012), the misuse of resources here are in the form of capital, material and humans. Furthermore, abandonment of a project tends to encourage prohibited activity which consequently affects the security and comfort of a society (Olapade & Anthony, 2012). Therefore, when projects are abandoned, it becomes an eye sore to glance at, damaging the artistic visualization of it with an effect on the socio-economic development of the host community and invariably, the nation. owing to abandoned projects, where it is overwhelming looking at the enormous amount of funds and resources lost on the part of the client who has invested on that particular project. The true principle of the execution of projects is to bring about an encouraging change in the society, empowering the populace, economically and socially. When projects are abandoned, the members of the society are automatically robbed of the anticipated changes and thus leave them worse than they were before the project. Consequently, when projects are abandoned, the effect is felt by the individuals in the society, the society and the government (Hanachor, 2012). Another important effect of abandonment is the declining of the property values and also the declining of the property conditions. The effects identified by Olusegun and Michael (2011) are disappointed of the populace, reduced standard of living, wastage/underutilization of resources, unemployment, decrease in tempo of economic activities, decrease in revenue accruing to government and difficulties in attracting foreign loans. Henachor (2012) noted that the effects of poor project management are felt by the individuals, community and government.

Methodology

To study utilized questionnaire surveys to collect data from respondents. The structured questionnaire was administered to a sample of one thousand (1000) respondents selected from a population of about 260,968 people (2006 census) using Taro Yaman's formula for sample selection from large population. Ten communities were selected and from each community a sample of 100 respondents were selected out of which a total of 900 questionnaires were returned. The data collected was analyzed using the Statistical Package for Social Science (SPSS), the hypotheses were tested.

Presentation and Analysis of Results

4.1 Frequency Table

Causes of Abandonment of Public Building Projects

Table 4.1 Payment remittance delay

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	860	95.6	95.6	95.6
Agree	20	2.2	2.2	97.8
Undecided	20	2.2	2.2	100.0
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.1 above revealed 95.6% representing 860 respondents and 2.2% representing 20 respondents strongly agree and agree respectively that payment remittance delay cause public building project abandonment, while 2.2% representing 20 respondents are undecided. This shows that majority (95.6%) of the respondents strongly agree that abandonment of public building projects were due to payment remittance delay.

Table 4.2 Leadership instability

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	750	83.3	83.3	83.3
Agree	150	16.7	16.7	100.0
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.2 above revealed 83.3% representing 750 respondents and 16.7% representing 150 respondents strongly agree and agree respectively that leadership instability cause public building project abandonment. This shows that majority (83.3%) of the respondents strongly agree that abandonment of public building projects is due to leadership instability.

Table 4.3 Lack of adequate fund allocation

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	760	84.4	84.4	83.3
Agree	140	15.5	15.6	100.0
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.3 above revealed 84.4% representing 760 respondents and 15.5% representing 140 respondents strongly agree and agree respectively that lack of adequate fund allocation cause public building project abandonment. This shows that majority (84.4%) of the respondents strongly agree that abandonment of public building projects is due to lack of adequate fund allocation.

Table 4.4 Lack of continuity of government policies

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	900	100.0	100.0	100.0

Source: Field survey, 2022

Table 4.4 above revealed 100.0% representing 100 respondents strongly agree that lack of continuity of government policies cause public building project abandonment. This shows that majority (84.4%) of the respondents strongly agree that abandonment of public building projects is due to lack of continuity of government policies.

Table 4.5 Inconsistency of government allocation

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	20	2.2	2.2	2.2
Agree	530	58.9	58.9	61.1
Undecided	230	25.6	25.6	86.7
Disagree	80	8.9	8.9	95.5
Strongly Disagree	30	3.3	3.3	98.9
Total	900	100.0	100.0	100.0

Source: Field survey, 2022

Table 4.5 above revealed 2.2% representing 20 respondents and 58.9% representing 530 respondents strongly agree and agree respectively that inconsistency in government income cause public building project abandonment, 25.6% representing 23 respondents are undecided, and 8.9% representing 80 respondents disagree, while 3.3% representing 30 respondents strongly disagree. This shows that majority (58.9%) of the respondents strongly agree that abandonment of public building projects is due to inconsistency in government allocation.

Table 4.6 Improper project planning

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	750	83.3	83.3	83.3
Agree	130	14.4	14.4	97.8
Undecided	20	2.2	2.2	100
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.6 above revealed 83.3% representing 750 respondents and 14.4% representing 130 respondents strongly agree and agree respectively that improper project planning cause public building project abandonment, while 2.2% representing 20 respondents are undecided. This shows that majority (83.3%) of the respondents strongly agree that abandonment of public building projects is due to improper project planning.

Table 4.7: Change of Investment purpose

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	760	84.4	84.4	98.9
Agree	700	7.8	7.8	92.2
Undecided	700	7.8	7.8	100
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.7 above revealed 84.4% representing 760 respondents and 7.8% representing 70 respondents strongly agree and agree respectively that change of investment purpose cause public building project abandonment, while 7.8% representing 70 respondents are undecided. This shows that majority (84.4%) of the respondents strongly agree that abandonment of public building projects is due to change of investment purpose.

Table 4.8: Community interference

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	30	3.3	3.3	3.3
Agree	230	25.6	25.6	28.9
Undecided	70	7.8	7.8	36.7
Disagree	290	32.2	32.2	68.9
Strongly Disagree	280	31.1	31.1	100.0
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.8 above revealed 3.3% representing 30 respondents and 25.6% representing 230 respondents strongly agree and agree respectively that community interference cause public building project abandonment, 7.8 representing 70 respondents are undecided, and 32.3% representing 290 respondents disagree, while 31.1% representing 280 respondents strongly disagree.

Effect of public building projects abandonment on the client and the community

Table 4.9: Economic value reduction of client/community

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	810	90.0	90.0	90.0
Agree	90	10.0	10.0	100.0
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.9 above revealed 90.0% representing 810 respondents and 10.0% representing 90 respondents strongly agree and agree that public building projects abandonment affect economic value and reduction of client/community. This shows that majority (90.0%) of the respondents strongly agree that public building projects abandonment affect economic value and reduction of client/community.

Table 4.10: Negative effect on the environment

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	610	67.8	67.8	67.0
Agree	290	32.2	32.2	100.0
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.10 above revealed 67.8% representing 610 respondents and 32.0% representing 290 respondents strongly agree and agree that public building projects abandonment cause negative effect on the environment. This shows that majority (67.8%) of the respondents strongly agree that public building projects abandonment cause negative effect on the environment.

Table 4.11: Waste of financial and material resources

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	900	100.0	100.0	100.0

Source: Field survey, 2022

Table 4.12 above revealed 100.0% representing 900 respondents strongly agree that public building projects abandonment cause waste of financial and material resources. This shows that majority (100.0%) of the respondents strongly agree that public building projects abandonment causes waste of financial and material resources.

Table 4.13: Denying members of the community employment opportunity.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	630	70.0	70.0	70.0
Agree	150	16.7	16.7	86.7
Undecided	120	13.3	13.3	100
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.13 above revealed 70.0% representing 630 respondents and 16.7% representing 150 respondents strongly agree and agree respectively that public building projects abandonment deny members of the community employment opportunity, while 13.0% representing 120 respondents are undecided. This shows that majority (70.0%) of the respondents strongly agree that public building projects abandonment deny members of the community employment opportunity.

Table 4.14: Deprive government expected revenue from property tax

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	610	67.8	67.8	67.0
Agree	290	32.2	32.2	100.0
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.14 above revealed 67.8% representing 610 respondents and 32.2% representing 290 respondents strongly agree and agree respectively that public building projects abandonment deprive government expected revenue from property tax. This shows that majority (67.8%) of the respondents strongly agree that public building projects abandonment deprive government expected revenue from property tax.

Table 4.15: Bad image to Builder's organization

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	560	62.2	62.2	62.2
Agree	130	14.4	14.4	76.7
Undecided	80	8.9	8.9	85.6
Strongly Disagree	130	14.4	14.4	100
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.15 above revealed 62.2% representing 560 respondents agree that public building projects abandonment gives bad image to builder's organization, 14.4% representing 130 respondents are undecided, and 8.9% representing 80 respondents disagree, while 14.4% representing 130

respondents strongly disagree. This shows that majority (62.2%) of the respondent's agree that public building projects abandonment gives bad image to builder's organization.

Table 4.16: Depriving community of intended service

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	150	16.7	16.7	16.7
Agree	640	71.1	71.1	87.8
Undecided	110	12.2	12.2	100
Total	900	100.0	100.0	

Source: Field survey, 2022

Table 4.16 above revealed 16.7% representing 150 respondents and 71.1% representing 640 respondents strongly agree and agree respectively that public building projects abandonment deprive community of intended service, while 12.2% representing 110 respondents are undecided. This shows that majority (71.7%) of the respondents agree that public building projects abandonment deprive community of intended service.

Test for Hypothesis

Hypothesis One: There is significant effect of public building project abandonment on clients and communities.

Test Statistics

	Economic value reduction of client/community	Negative effect on the environment	Denying members of the community employment opportunity	Deprive government expected revenue from property tax	Bad image to Builder's organization	Less supply of product in building market	Depriving community of intended service
Chi-Square ^{a,b,c}	57.600	11.378	54.600	11.378	67.244	11.600	58.067
df	1	1	2	1	3	3	2
Asymp. Sig.	.000	.001	.000	.001	.000	.009	.000

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 45.0.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 30.0.

c. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 22.5.

Source: Statistical Package for Social Sciences (SPSS) version 20.0

H₀: There is no significant effect of public building project abandonment on clients and communities.

H₁: There is significant effect of public building project abandonment on clients and communities.

Decision Rule

Reject H₀ if P value ≤ 0.05, otherwise accept H₀.

Conclusion

Since P_{sig.} (0.000, 0.001, 0.000, 0.001, 0.000, 0.009, 0.000) < 0.05 we reject H₀ and accept H₁. That is, there is economic value reduction of client/community, negative effect on the environment,

waste of financial and material resources, denying members of the community employment opportunity, deprive government expected revenue from property tax, bad image to builder's organizations and depriving community of intended service all have a significant effect on clients and community as a whole. H_1 is therefore accepted.

Recommendations

The following recommendations are made to forestall future public building project abandonment:

1. There should be an innovative planning and best practice of project management approach such as developing reasonable implementation plans or timely monitoring, evaluating and reporting on project activities;
2. There should be development project plans as well as proving excellent time phasing for the project, introducing modification if necessary;
- 3 The government in efforts to curb the menace. should suggest "total no to project abandonment" in order to sustain and promote the convention by providing adequate policies and continuity of those policies to any incoming governments;
4. There should be proper orientation through advocacy and educational interventions to indigenes of communities as well as clients (governmental and non-governmental agencies) the effect of public building project abandonment.

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