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**Abandonment of government projects and socio-economic lives of the people of Niger Delta****Eugene Ogoh***Local Government Service Commission Asaba***Information Impact:**Journal of Information and  
Knowledge Management

2016, Vol. 7 (1) 191 – 200

ISSN: 2141 – 4297 (print)

ISSN: 2360 – 994X (e-version)

**Abstract**

The study examined the relationship between project abandonment and the socio economic lives of the people of Niger Delta. In conducting this survey research, 220 questionnaires were administered to respondent and 132 were correctly filled, returned and used for analysis. The Pearson's product moment correlation coefficient( $r$ ) was used to analysed data and the test of significance at 0.05 level of freedom was used to test the proposed hypotheses. It was revealed that project abandonment has negative effect on the standard of life of living of people of Niger Delta. It leads to the commitment of more funds. It was also revealed that project abandonment discourages investment activities in Niger delta. It was therefore recommended that there should be a conscious planning of vital capital projects to avoid a situation whereby contracts are awarded because of political ambition to avoid abandonment, amongst others.

**Keywords:** abandon projects, Niger delta, standard of living, investment activities.

**Introduction**

There is no precise definition of project abandonment. We can however define it as a situation whereby a project is discarded before its lifespan is over and/or before completion. Project abandonment and failure according to Ubani and Ononuju (2013) is described as the resultant effect of the consequences of renegeing on an already commissioned project by virtue of its abandonment. According to them, project abandonment is the act of given up an action on an issue completely with the intention of not resuming either. When decisions on a project are put on hold without any specific

time to commerce work on the project, such a project is termed to be abandoned.

A project which is left uncompleted for a reasonable number of years after much have been committed to it can be said to be abandoned. Project failure and abandonment are frequent phenomena in Nigeria environment. Ewa (2013) opined that the issue of project failure and abandonment has been left unsolved for a long time and this has created obvious room for a multiplier effect on the entire economy. Olalus and Anthony (2012) in their study opined that most construction projects that would have impacted on the economic well being and

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socio- development of Nigerians are left abandoned. This affects the entire environment by defacing the aesthetics and creating social problems as well as other health hazards to the citizenry. Morris (2012) further stated that managing public sector projects can be more difficult than private sector projects because they (public sector) most times operate in an environment that is prone to conflict while also involving different stakeholders with various interests.

According to Opawale et al (2013) a study carried out in year 2000 on infrastructural development revealed that before 1999, Nigeria was losing a whopping sum of about \$265 million annually via different types of illegal procedures in the award of contracts by government officials. These illegal practices were in the form of escalated contract sums, use of unqualified contractors, over invoicing, awarding contracts outside budgetary provisions and most importantly diversion of contract sums into private pockets which most often lead to the failure of such projects and abandonment.

According to Ayodele and Alabi (2011), the causes of project abandonment includes;

- Inconsistency in government policies,
- Persistent community interference.
- lack of proper project development timing and

- Inappropriate allocation of project finance.

In a developing country such as Nigeria, different regimes come up with different policies in order to be seen as unique and relevant. The result is that one regime may come up with a project to be developed and operated, only to be toppled at the shortest possible time. Government policies and actions of most developing countries are funded on a platform of ethnic, tribal and geo political consideration. Social disturbance and environmental upheavals are serious bottle neck in project development. Communal clashes, riot and religious considerations are examples of social factors that give rise to abandonment of project. As a result of various communal clashes and tribal war, the country has suffered immensely with the loss of many investment and infrastructures. In some instances, an ethnic nationality would prevent the government from completing a road project in their geographical area simply because a tree believed to have ancestral origin is standing thereon. Some resisted the dredging of rivers for construction of bridges based on their belief that the gods would be angry with them.

Another major cause of project abandonment is inappropriate handling of project finance. Many projects have been abandoned as a result of inability to manage the fund allocated for the projects. Such projects suffer abandonment simply because the contractors or managers diverts and misappropriate the fund meant for the projects.

## Objectives of the study

The main objective of this study is to examine the relationship between project abandonment and the socio economic lives of the people of Niger Delta.

This study specifically seeks to determine the relationship between

- Project abandonment and standard of living of the people of Niger Delta.
- Project abandonment and infrastructural development in Niger Delta.

## Research questions

The following research questions will guide this study.

- Is there any relationship between project abandonment and standard of living of the people of Niger Delta?
- Is there any relationship between project abandonment and infrastructural developments in Niger Delta?

## Statement of Hypotheses

The study postulated the following testable hypotheses in the null.

- **HO<sub>1</sub>**: There is no significant relationship between project abandonments and the standard of living of the people of Niger Delta.
- **HO<sub>2</sub>**: There is no significant relationship between project abandonment and infrastructural development in Niger Delta.

## Methodology

The research design that was adopted for this study is the survey research design. The population of the study consists of two hundred and twenty (220) staff of Ministry of land and survey and Ministry of works. The population cut across Delta and Rivers States. The simple random sampling method was adopted which cuts across senior staff of ministry of works as well as of land and survey. In determining the sample size, the Yamens sampling formula as offered by Baridan (2001:93) was adopted. The formula is shown as;

$$N = \frac{N}{1 + N(e)^2}$$

Where n = sample size sought

N = population size

E = level of significance

The instrument for this study was questionnaire, the questions were structured by making use of a five point rating scale

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where SA= strongly agree, A=agree, U=undecided, SD=strongly disagree, and D=disagree. The Pearson product moment correlation co-efficient (r) formula was used to analyse data.

$$r = \frac{nEXY - EXEY}{\sqrt{nEX^2 - E(X)^2} \sqrt{nEY^2 - E(Y)^2}}$$

The statistical instrument used for the testing of hypotheses was the t – test. The test of significant was drawn from the critical value The t – test formula is given as

of the t – distribution table at 0.05 level of significant.

$$t = r \sqrt{\frac{n-2}{1-r^2}}$$

With n-2 degree of freedom

Where

N = no of observation

R= correlation coefficient

The decision rule is

Reject **H<sub>0</sub>**: if t – calculated is >-t – table

Accept **H<sub>0</sub>**: if t \_ calculated is <- t – table.

## Findings and discussion

A total of one hundred and forty two (142) sets of questionnaires were distributed to staff of the Ministry of works and that of land and survey across Delta and Rivers States. One hundred and thirty two (132)

sets were correctly filled and returned which were used for analysis.

**H<sub>01</sub>**: there is no significant relationship between abandonment and the standard of living of the people of Niger Delta.

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**Table 1: Project abandonment and standard of living of the people of Niger Delta**

|          | Questions   | SA        | A         | U        | D         | SD        |
|----------|---|-----------|-----------|----------|-----------|-----------|
| <b>a</b> | Abandoned road project leads to high cost of transportation.                            | 55        | 33        | 4        | 30        | 10        |
|          |   | 42%       | 25%       | 3%       | 23%       | 7%        |
| <b>b</b> | The rate of electricity power distribution in the country leads to high cost of living. | 93        | 32        | 1        | 4         | 2         |
|          |   | 70%       | 24%       | 3%       | 3%        | 2%        |
| <b>c</b> | Project abandonment leads to commitment of more funds                                   | 46        | 71        | 4        | 2         | 9         |
|          |   | 35%       | 54%       | 3%       | 2%        | 6%        |
| <b>d</b> | Project abandonment slow down business activities in Niger Delta                        | 42        | 45        | 10       | 23        | 12        |
|          |   | 32%       | 34%       | 8%       | 17%       | 9%        |
| <b>e</b> | Project abandonment leads to increase in prices of goods and services                   | 18        | 26        | 20       | 39        | 29        |
|          |   | 14%       | 20%       | 15%      | 29%       | 22%       |
|          | <b>Total average</b>  | 254       | 207       | 39       | 98        | 62        |
|          |   | 5         | 5         | 5        | 5         | 5         |
|          |   | <b>51</b> | <b>41</b> | <b>8</b> | <b>20</b> | <b>12</b> |

Research question one(1) for hypothesis one(1)

| Option    | X – point      | Y–responses     | XY             | X <sup>2</sup>          | Y <sup>2</sup>                 |
|-----------|----------------|-----------------|----------------|-------------------------|--------------------------------|
| <b>SA</b> | 5              | 51              | 255            | 25                      | 2601                           |
| <b>A</b>  | 4              | 41              | 164            | 16                      | 1681                           |
| <b>U</b>  | 3              | 8               | 24             | 9                       | 64                             |
| <b>D</b>  | 2              | 20              | 40             | 4                       | 400                            |
| <b>SD</b> | 1              | 112             | 12             | 1                       | 144                            |
|           | <b>EX = 15</b> | <b>EY = 132</b> | <b>EXY=495</b> | <b>E<sup>2</sup>=55</b> | <b>EY<sup>2</sup><br/>4890</b> |

Using the Pearson product moment correlation co – efficient formula

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$$r = \frac{nEXY - EXEY}{\sqrt{(nEX^2 - E(X)^2)(nEY^2 - E(Y)^2)}}$$

$$r = \frac{5(495) - 15(132)}{5(55) - (15)^2 - 5(4890) - (132)^2}$$

$$r = \frac{2475 - 1980}{(275 - 225)(24450 - 17424)}$$

$$r = \frac{495}{593}$$

$$r = 0.83$$

The correlation coefficient of 0.83 indicates that there is a linear relationship between the variables

Testing the significance of the relationship between the variable, using the t-test statistics formula.

$$t = r \sqrt{\frac{n-2}{1-r^2}}$$

$$t = 0.83 \sqrt{\frac{5-2}{1-(0.83)^2}}$$

$$t = \frac{0.83 (1.732)}{0.3111}$$

$$t = \frac{1.438}{0.588}$$

$$t = 2.58$$

From the table critical value of 3 ie (5 -2) degree of freedom at 0.05 level of significance in the t-distribution table is

2.35, while the t-calculated is 2.55. The decision rule is that.

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## Reject

**HO<sup>1</sup>** if  $t - \text{calculated} > / t - \text{table}$  it is therefore concluded that there is a significant relationship between project abandonment and the standard of living of the people of Niger Delta.

**HO<sup>2</sup>** there is a significant relationship between project abandonment and infrastructural development in Niger Delta.

**Table 2: Project abandonment and infrastructural development in Niger Delta**

|    | Questions  | SA              | A               | U               | D               | SD              |
|----|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| a. | Abandoned project in schools lead to poor learning in Niger Delta                | 50              | 39              | 9               | 21              | 13              |
|    |  | 30%             | 30%             | 7%              | 16%             | 9%              |
| b. | Project abandoned has negative impact on manpower development in Niger Delta     | 18              | 21              | 10              | 21              | 18              |
|    |  | 28%             | 35%             | 7%              | 16%             | 14%             |
| c. | Project abandonment discourage investment or investors activities in Niger Delta | 36              | 40              | 25              | 16              | 15              |
|    |  | 28%             | 30%             | 19%             | 12%             | 11%             |
| d. | Project abandonment discourage entrepreneurial                                   | 25              | 49              | 15              | 17              | 26              |
|    |  | 19%             | 37%             | 11%             | 13%             | 20%             |
| e. | Lack of expertise leads to some projects been abandoned in Niger Delta           | 9               | 10              | 41              | 40              | 32              |
|    |  | 7%              | 8%              | 31%             | 30%             | 24%             |
|    | Total /average   | <u>157</u><br>5 | <u>183</u><br>5 | <u>100</u><br>5 | <u>115</u><br>5 | <u>104</u><br>5 |
|    |  | <b>31</b>       | <b>37</b>       | <b>20</b>       | <b>23</b>       | <b>21</b>       |

Research question two(2) for hypothesis one(2)

| Option | X – point      | Y–responses     | XY               | X <sup>2</sup>  | Y <sup>2</sup>                 |
|--------|----------------|-----------------|------------------|-----------------|--------------------------------|
| SA     | 5              | 31              | 155              | 25              | 961                            |
| A      | 4              | 37              | 148              | 16              | 1369                           |
| U      | 3              | 20              | 60               | 9               | 400                            |
| D      | 2              | 23              | 46               | 4               | 529                            |
| SD     | 1              | 21              | 21               | 1               | 441                            |
|        | <b>EY = 15</b> | <b>EY = 132</b> | <b>EXY = 430</b> | <b>E * 2=55</b> | <b>Ey<sup>2</sup><br/>3700</b> |

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Using the Pearson product moment correlation co – efficient formula

$$r = \frac{nEXY - EXEY}{\sqrt{(nEX^2 - E(X)^2)(nEY^2 - E(Y)^2)}}$$

$$r = \frac{5(430) - 15(132)}{5(55) - (15)^2 - 5(3700) - (132)^2}$$

$$r = \frac{2150 - 1980}{(275 - 225)(18500 - 17424)}$$

$$r = \frac{170}{232}$$

$$\mathbf{r = 0.73}$$

The correlation co-efficient of 0.73 shows linear relationship between projects abandonment and infrastructural development in the Niger Delta.

Testing for the significance of the relationship

$$t = r \sqrt{\frac{n-2}{1-r^2}}$$

$$t = \frac{0.73 \sqrt{5-2}}{\sqrt{1-(0.73)^2}}$$

$$t = \frac{0.73 (1.732)}{0.6863}$$

$$\mathbf{t = 1.84}$$



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The test of significant of t calculated of 1.84 revealed that the null hypothesis be accepted that there is no significant relationship between project abandonment and infrastructural development in Niger delta

The findings was primarily based on the analyse data of the relationship between project abandonment and social economic lives of the people of Niger Delta;

1. It was revealed that there is a significant relationship between project abandonment and the standard of living of the people of Niger Delta. That project abandonment has negative impact on the people of Niger Delta.
2. It was revealed from findings that there is a linear relationship between project abandonment and infrastructural development in Niger delta. But the relationship is not strong in terms of level of significant.

## Conclusion and recommendations

It is hereby concluded that project abandonment is not the best option since it has negative impact on the people of Niger Delta. It reduces their standard of living and leads to commitment of more funds. It has negative effects on infrastructural development and it discourages investors or investment activities in Niger delta. In the view of the findings it is hereby recommended that;

1. The government should always ensure that all the technical details and involvement that will be needed in setting up project are carefully and thoroughly examined, so that such projects are not abandoned in the cause of execution due to technical lapses
2. There should be a conscious planning of the vital capital project to avoid a situation were the projects are executed because of political ambition and influence which can lead to abandonment in cause of change in government.
3. Government should thoroughly screen all the contractors tendering for contract to determine their validity, experience and capability to execute the project in question
4. The government should ascertain the commercial viability of a project and make a cost benefit analysis before embarking in a project, so that such project is not abandoned in the cause of execution.
5. Government should ensure that projects are executed according to schedule to avoid inflationary effect and cost overruns.

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