

Review of Capitalization of Construction Industry on Sustainable Risk Management in Nigeria

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Abstract : The construction industry plays a decisive role in the healthy development of any nation. Not only large but even small construction projects contribute to a country's economic growth. There is a need for good management to ensure successful delivery and sustainability because of the plethora of risks that have resulted in low-profit margins for contractors, cost and schedule overruns, poor quality delivery, and abandoned projects. This research reviewed Capitalization on Sustainable Risk Management. Questionnaires and oral interviews conducted were utilized as means of data collection. One hundred and ninety-eight (198) large construction firms in Nigeria form the population of this study. 15 (fifteen) companies that emanated from merger and acquisition were used for the study. The instruments used for data collection were a researcher-developed structured questionnaire based on a five-point rating scale, interviews, focus group discussion, and secondary sources (bill of quantities and stock and exchange commission). The instrument was validated by two experts in the field. The reliability of the instrument was established by applying the split-half method. Kendall's coefficient of concordance was used to test the data, and a degree of agreement was obtained. Data were subjected to descriptive statistics and analyzed using analysis of variance, t-test, and SPSS. The identified impacts of capitalization were an increase in turnover (24.5%), improvement in the image (24.5%), risk reduction (20%), business expansion (17.3%), and geographical spread (13.6%). The study strongly advocates the inclusion of risk management evaluation as part of the construction procurement process.

Keywords : capitalization, project delivery, risks, risk management, sustainability

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