

Effect of Institutional Structure on Project Managers Performance in Construction Projects: A Case Study in Nigeria

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Abstract : Project management practices play an important role in construction project performance and are one of project managers' essential key performance indicators. Previous studies have explored the poor performance of the construction industry, with project delays and cost overruns identified to contribute largely to numerous abandoned projects. These challenges are attributed to insufficient project management practices and a lack of utilization of project managers. The actual causes of inadequate project management practices and underutilization of project managers have been rarely discussed. This study tends to bridge the gap by identifying and assessing the actual causes of insufficient project management practices and underutilization of project managers. This study differs from past studies investigating the causes of poor performance by using institutional analysis methods to identify and analyze the factors influencing project management practices and proper utilization of project managers. Based on a comprehensive literature review, this study identified some factors embedded in the construction industry that influence the institutional environment and weaken the laws and regulations. These factors were used as the basis for semi-structured interview questions to investigate their impacts on project management practices and project managers. The data collected were coded into a four-level framework for institutional analysis. This method was used to analyze the interrelationships between the identified embedded factors, institutional laws and regulations, and construction organizations to understand how these influences result in the underutilization of project managers. The study found that the underutilization of project managers consists of two subsystems, including underutilization and lowering commitment. The first subsystem, corruption, political influence, religious and tribal discrimination, and organizational culture, were found to affect the institutional structure. These embedded factors weaken the industry's governance mechanism, forcing project managers to prioritize corrupt practices over project demands. The ineffectiveness of the existing laws and regulations worsens the situation, supporting unfair working conditions and contributing to the underperformance of project managers. This situation leads to the development of the second subsystem, which is characterized by a lack of opportunities for career development and minimal incentives within construction organizations. The findings provide significant potential for addressing systemic challenges in the construction industry, particularly the underutilization of project managers and enhancing organizational support measures to improve project management practices and mitigate the adverse effects of corruption.

Keywords : construction industry, project management, poor performance, embedded factors, project managers underutilization

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