Challenges of project management in avoiding project failures in nigeria's oil an...

Experience, Failure



Introduction

In order to understand the meaning of project management, it is important to understand the meaning of the project. A project is something an event that does not take place as a routine. It has a specified beginning and end (Goodpasture, 2010 p. 36). The main aim of conducting the particular event or activity is to meet certain specified goals (Berkun, 2005 p. 10). The goals can improve sales, employee performance or the brand of a particular product.

The project should be coordinated (Kloppenborg, 2011 p. 80). It is where management is involved, and skills and knowledge are implied into the project. It is also where planning of finances, coordination of human resources and creating a time framework occurs. The project needs to be controlled to achieve success. A particular team or department organizes how the project will be managed to ensure it runs effectively and efficiently (Mantel and Meridith, 2012 p. 201).

This research is done to find out the challenges that the oil and gas sector faces when trying to avoid project failures. It aims at finding out the problems in order to deal with them better in the future. This process will enable an organization to have a competitive advantage (Cooner and Mehl, 2013 p. 145).

There are many research findings of the challenges that organizations face in trying to avoid project failure (Kidd, 2009 p. 193). This research anticipates finding out the current problems and focusing on Nigeria's oil and gas sector. It is an area that not much research has been conducted.

Aim

As earlier stated the purpose of conducting this particular research is to enable organizations not only in Nigeria performs more effectively and efficiently. They will be taught the challenges to expect when trying to avoid project failures in the oil and gas industry.

Objectives

The following are some of the significance in carrying out the research; -To find out what are the challenges are faced by the oil and gas industry. To review on project management

-To find out the measures of determining success and failure of a project -To find how to avoid the failure of project management in the oil and gas industry in Nigeria.

Scope

The research is aimed at finding out the problems that the oil and gas industry in Nigeria within the last twenty years.

Research Structure

Chapter one will be the introduction of the research problem, defining project management, the aims and objectives of the research.

Chapter two will be a literature review. A review of the different books,

journals and all kinds of writings that focus on the research problem

Chapter three, the methodology of the research will be highlighted and find

out how the information about the research was gathered and put together.

Chapter four, the case study. These are the different situations in which the

research problems have previously been experienced.

Chapter five will analyze all the materials and findings that the researchers have established a critical analysis of the case study and the findings of the research.

Chapter six, this will be the conclusion of the research. What is true and false based on the findings and future recommendations.

Literature Review

The oil and gas industry dates back to the year 1908 (Obaje, 2009 p. 32). A German company started the exploration of oil in that region. The exploration was stopped during the breakage of the First World War. It later continued after the end of the war. After several years of exploration, major oil deposits were found in the Niger Delta (Omorogbe, 2003 p. 13). It led to the rise of many investors in the region.

The oil and gas can be said to be the backbone of the economy of Nigeria (Onuoha, 2004 p. 26). It majorly contributes to the government revenue. Many of the citizens also directly and indirectly benefit from the sector. It employs a large number of the Nigerian population. Many families attribute their income to this industry.

The oil and gas sector does contribute to the Gross Domestic Product (Jericho, 2007 p. 135). However, it is in stagnation and there is not much growth that has been experienced in the industry. It continues to provide the same amount of revenue to the government. It can be due to three reasons; lack of finances, technology, and lack of skilled manpower and oil theft. The oil and gas industry sector does not receive much support from the

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government in terms of finances (Nkemjika and Matori, 2000 p. 203). The financing is left to individual companies. The companies experience lack of adequate capital. Thus, it is unable to perform their functions to the optimum.

The technology used in the oil and gas industry is outdated (Blanpain et al., 2012 p. 145). This process is because the industry has inadequate finances. They cannot purchase the modern machinery that would lead to the industry performing effectively and efficiently. They install modern machines together with the outdated ones. In most cases, they are not compatible; they require a total overhaul of their machines.

There is a lack of adequately qualified employees to work in the industry. Many of the people working in the sector do not have the training required for running the machinery. A number of universities and institutions providing courses in oil and gas industry do not adequately meet the demand in the industry.

There have been a number of losses that are as a result of oil theft. The amount of money lost is almost the same as the money that the industry makes (Davis, & Parker 1997 p. 12). A huge percentage of earnings are lost due to theft.

Methods of Avoiding Project Failure

Every project is different and unique in its way. However, the factors that cause project failure remain the same. Some of the causes of failure include; employing inadequate resources, lack of proper planning and lack of skills and knowledge among the staff (Industry-Wide E & P Committee for International Conferences (Nigeria) & Nigerian National Petroleum Corporation, 1999 p. 13). All of these should be put into consideration when performing a project.

Methodology

Project management is important in every sector of the economy. The focus of the research is finding out the challenges in project management when avoiding project failure in the oil and gas industry in the oil and gas industry in Nigeria (Chartered Institute of Bankers of Nigeria, 2006 p. 45). The research problem has led to the research questions below;

Research Questions

Research questions should be the center and guide to the whole research (Bolker, 1998 p. 139). Based on this the following are the research questions of the research; What are the problems that project managers face in avoiding project failure in Nigeria's oil and gas industry? What are the measures of the project's success or failure? How can the problems be controlled? What are the reasons that promote the failure or success of the project?

Research Design

The research design enables the systematic organization of the research activity and the findings of the research (Swetnam, 2004 p. 26). The systems used in the production of the data (Merriam, 2009 p. 46).

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Methods of Data Collection

For cohesive conclusions to be made about the research findings, it is necessary to have the methods that were used in collecting the data (Single, 2009 p. 36). In this research, four methods of data collection were used. These include; interviews, questionnaires, observation and similar research on the subject in question.

A case study involves conducting cohesive research on a particular group (Germano, 2005 p. 143). In this research, the group focused on the oil and gas industry in Nigeria. The group used in the case study should be facing the problem or situation being addressed (Brew and Lucas, 2009 p. 156). The oil and gas industry in Nigeria does face a problem in project management when trying to prevent project failures (Jiriko, 2007 p. 34).

Limitations

The limitations in the research studies are the situations or events that the researchers cannot control (Monsen, and Van Horn, 2008 p. 135). They need to be described so that the impact that the limitations may have on the findings be clear to the readers.

In this research, a major limitation is that it focuses on a particular industry and country. It does not seek to find out the challenges that other industries face in project management when conducting projects (Meredith & Mantel, 2012 p. 67). The main focus is also on a particular country, Nigeria. Different countries face different types of problems.

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