

# STRATEGIC MANAGEMENT INITIATIVES IN SMALL AND MEDIUM SCALE CONSTRUCTION COMPANIES IN FCT ABUJA

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Small and medium scale construction companies' account for the bulk of Nigeria's construction industry and the impact of this sector on the growth of the national economy is seminal. The practise of strategic management in small and medium scale companies is low, however this does not imply that these firms lack intent or initiatives to grow and compete. It is on this grounds that this study seeks to examine the initiatives of small and medium construction companies and their performance in the Federal Capital Territory Abuja. The objectives are to examine the competitive strategies adopted by Small and Medium Construction Companies, to evaluate the dynamics involved in initiating and implementing strategic intentions and to determine its relationships with their performance. The study adopted a survey design approach using questionnaire to gathering data from 20 supply chain participants involved in 50 construction projects sites. The study data was analysed using descriptive statistics, mean item score and correlation test. Findings revealed that differentiation strategy is the most highly adopted competitive strategy by small and medium construction companies and the formation of strategic alliances improves the delivery of business objectives as a supply chain strategy. A competent the work force is essential for the success of any organisation and a significant correlation exist between the strategic management initiatives of small and medium and organizational performance. The study recommends the harmonisation of company efforts in small and medium scale organizations in line with strategic objectives for improved performance and growth of developing economies.

**Keywords:** Dynamics, Initiatives, Strategic Intent, Supply chain and Small & Medium companies.

## INTRODUCTION

Nigeria is a low income country in spite of its huge amount of crude oil sales and exports (World Bank 2010; Jeffrey, 2005). Rewane (2016) reported that its current economic condition is not impressive with low growth rates in need of new innovative policies. Crosshwaite (2000) stated that the construction industry has the potential of stimulating positive economic growth, and strategic management can aid companies in construction to win more customers, develop relationships and have the competitive advantage (Foster *et al.*, 2016). Small and medium scale construction companies' (SMCC) constitute the bulk of the construction industry and provides a major source of employment in Nigeria (Ofori, 2009). The practise of strategic managements in Nigerian construction companies has been an activity of low patronage in small and medium firms, however this does not imply that these firms lack the initiatives or capacity to compete and grow: on the contrast its adoption in large scale companies has been fully documented (Monday, Akinola, Ologbenla and Aladeraji, 2015). It is on this basis, that this study seeks to evaluate the initiatives of strategic management in small and medium scale construction companies FCT Abuja with a view to improve the strategic management practise. Premised on the above, the research seeks to answer the following questions: are there competitive strategies predominantly adopted by small and medium scale construction companies?

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Olubajo & Olawuyi, (2018) STRATEGIC MANAGEMENT INITIATIVES IN SMALL AND MEDIUM SCALE CONSTRUCTION COMPANIES IN FCT ABUJA. Contemporary Issues and Sustainable Practices in the Built Environment, School of Environmental Technology Conference, SETC, 2018