Title of Article: Strategic Management Practices of Construction SMEs in Lagos, Nigeria

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Abstract: The Nigerian construction market has been described as vibrant and is among the largest in Africa. However, it is dominated by small and medium sized enterprises (SMEs). The significance of small and medium sized enterprises to world economies and Nigeria in particular cannot be over emphasized. SMEs make up the largest business sector in every economy. Moreover, they are major drivers of employment and economic growth. In Nigeria, SMEs contribute about 47% to the gross domestic product. However, it has been reported that performance problems are prevalent among construction SMEs. Furthermore, there are suggestions that strategic management could be a key determinant in improving business performance. Hence, the aim of this paper was to investigate the strategic management practices of construction SMEs in Lagos, Nigeria. The study employed a quantitative research design. 47 questionnaires were distributed to construction SMEs in Lagos. Findings revealed that construction SMEs have strategies for running business operations and majority of such businesses review their strategy every year. Most frequently used strategy for gaining competitive advantage by construction SMEs is differentiation strategy. The ability to analyze potential competitors in the construction sector, inadequate evaluation of the economic and political climate, need for more infrastructures in the country and scarcity of skilled labour are the most significant strength, weakness, opportunity and threat (SWOT) respectively of construction SMEs. Although the practice of strategic
management is prevalent among construction SMEs in Lagos, further studies on the impact of strategic management on the performance of construction SMEs are suggested.