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**PRACTICE OF EFFECTIVE RESOURCE BUDGETING AS A TOOL FOR PROJECT MANAGEMENT: A CASE OF URBAN SHELTER CLAY INDUSTRY, PAGO, MINNA**

**OFFORDILE CHEKWUBE PRECIOUS; & UMAR BABA NDEJI**

Department of Human Resources Management, JPTS Institute of Science Management and Technology, Minna Centre  
abdulfutminna@gmail.com

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**Abstract**

Analysis of the completed projects show that a significant number of projects exceed the planned time and costs and consequently reducing the benefits. Among many causes of project failure, it is widely recognized/ identified/that poor planning has an impact on project performance/success/. The main objective of the research presented in this study was to assess the role of project planning on project performance in Urban Shelter Clay Industry, in Pago, Minna. In addition the research explores that there is a significant relationship between effective resource budgeting and project management and Effective resource budgeting is used as a tool for project management; In order to achieve the objectives, information of past/executed/ project was collected from Urban Shelter Clay Industry, Pago, Minna. A questionnaire survey conducted to collect data from the respondents that consisted of project manager, Operation Manager, Planning Manager, supervisors, and other staff who has a direct engagement on the Planning activities. The study used SPSS version 24, correlation and other measure of central tendency is used to identify the importance of planning process/activities under each planning knowledge areas. The findings of the thesis indicate that the main planning input factors that affect the performance of planning processes are: - human, management, technical and organizational factors. And also the finding identifies the main problem areas in planning processes as risk, scope, quality human resource, and integration knowledge areas were inadequately/poorly/ performed in the studied project. This paper recommends an organization that conducts any project should improve the poor/inadequate planning performance of the identified knowledge areas. It is also important for the organization to spend more efforts in the identified planning activities to improve the performance of their project outcome.

**Keywords:** Urban Shelter Clay Industry, Project Planning, and Project Performance

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**Introduction**

Kiabel, (2010) stated that, project management must make hard decision about the company's future if project successes are to be expected. The best way to prepare for

changing conditions is to provide frameworks that contain a specific, but sufficiently flexible plan to accommodate unanticipated changes and the entire process of providing this framework is known as budgeting.

Budgeting also helps management in planning, coordinating and controlling operations. If management will consider the most important one, it must create an environment accessible to a fully implemented budget program; this made us to understand that most attempts on budgeting even small ones will prove helpful. Effective resource budgeting affects the success of the projects. Elements of the resource budgeting include estimating the cost of the operations in the project, coordination among the organs involved in the project, effective communication, motivation of the employees, controlling the activities of the projects, and evaluating the budget utilization (Kiabel, 2010).

Lucey, (2003) further urges that performance is influenced by many factors which includes planning and coordination, clarification of authority and responsibility, effective communication both internal and external, control of resources available, both human and non-human and motivation of both the lower and middle management. If the actual numbers delivered through the financial year turn to be close to the budget, this actually demonstrates that the organization's management understand its business and has been successfully driving it in the direction they had planned.

Studies conducted in this area such as Mochal (2014), Kiabel, (2010), and Baca (2015), mainly focused on the planning aspects. But other aspects of the effective resource budgeting depend on communication in the project, coordination of the project activities, evaluation the budget utilization, and motivation of the employees involved in the projects. The challenge in most organizations has posed a threat on the realization of its development and the achievement of its set objectives. This is as a result of fundamental issues of inadequate and improper acquisition, utilization and maintenance of resource.

The underutilization of Resources in Urban Shelter Clay Industry, has seriously led the organization into a mess because resource is not properly managed. Mismanagement is another serious problem facing our organization today and has reduced it to nothing as people are no longer kin with their work nor ready to own up to vital Resources in the organization. Both public and private organizations are usually faced with problems of managing their material resources effectively starting from the point of procurement to stores, issuance to user departments and finally the finished goods. These material resources are scarce and should be utilized properly for proper assimilation.

The factors that contributed or that are responsible for the failure of different companies have different problems. Financial resource management is neglected and has made most organizations to lose a substantial part of their fund through these enterprises because of Fraudulent act, Indiscriminate financing, Poor management, Lack of zealousness and experienced personnel and Inability to utilized its financial potentials etc. The poor quality and low quantity of product have revealed that the quality of Human and material resource put in place in organizations are not up to expectations

and has thereby reduced the company productivity. The aim of this study is to determine if there is a significant relationship between effective resource budgeting and project management in case of Urban Shelter Clay Industry and to ascertain if effective resource budgeting is a tool for project management.

### Materials and Methods

This study employed the use of Survey Research Design. The design was suitable for the study as the study sought to examine subject matters using the Urban Shelter Clay Industry, located at Pogo, Minna as a case study. The data collected from the respondent was analyzed by using quantitative and qualitative data analysis techniques. Quantitative analysis was used for the data which were collected through structured questionnaire. And the perceptions of the respondents was transformed to numeric codes by using five point Likert scale. In order to support the quantitative data, Focus group discussion was conducted and analyzed by a thorough qualitative approaches. Therefore, this study was used both quantitative and qualitative research approaches. Tables and simple percentage was used as technique of analyzing the research questions while Correlation was used to test the research hypotheses. All the tests were conducted at 0.05 level of significance.

### Results and Discussions

Table 1 shows the responses of respondents that there is a significant relationship between effective resource budgeting and project management.

**Table 1: There is a significant relationship between effective resource budgeting and project management**

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Strongly Agreed	7	25.0	25.0	25.0
Agreed	15	53.6	53.6	78.6
Undecided	5	17.9	17.9	96.4
Disagreed	1	3.6	3.6	100.0
Valid Total	28	100.0	100.0	

Source: Field Survey, 2023.

It presented that 7 of the respondents representing 25.0 percent strongly agree that there is a significant relationship between effective resource budgeting and project management. 15 of the respondents representing 53.6 percent agree that there is a significant relationship between effective resource budgeting and project management. 5 of the respondents representing 17.9 percent were undecided. 1 of the respondents

representing 3.6 percent disagree that there is a significant relationship between effective resource budgeting and project management. from Table 1, about 22 out of the 28 respondents agreed that there is a significant relationship between effective resource budgeting and project management. From the responses one can deduce is that there is a significant relationship between effective resource budgeting and project management

**Table 2:** shows the responses of respondents that Practice of effective resource budgeting is a tool for project management in Urban Shelter Clay Industry.

**Practice of Effective resource budgeting is a tool for project management in Urban Shelter Clay Industry.**

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
<b>Strongly Agreed</b>	15	53.6	53.6	<b>53.6</b>
<b>Agreed</b>	7	25.0	25.0	<b>78.6</b>
<b>Undecided</b>	3	10.7	10.7	<b>89.3</b>
<b>Valid Disagreed</b>				
<b>Strongly disagreed</b>	1	3.6	3.6	<b>92.9</b>
<b>disagreed</b>	2	7.1	7.1	
<b>Total</b>	<b>28</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Field Survey, 2023.

15 of the respondents representing 53.6 percent strongly agree that effective resource budgeting is a tool for project management, 7 of the respondents representing 25.0 percent agree that effective resource budgeting is a tool for project management. 3 of the respondents representing 10.5 percent were undecided. 1 of the respondents representing 3.6 percent disagree that effective resource budgeting is a tool for project management, While the remaining 2 of the respondents representing 7.1 percent strongly disagree that effective resource budgeting is a tool for project management. From the table above, about 22 of the respondent agreed that effective resource budgeting is a tool for project management; from their responses we conclude that effective resource budgeting is a tool for project management.

**Table 3** shows the responses of respondents that an effective resource budgeting has significant effect on project management

**An effective resource budgeting has significant effect on project management**

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
<b>Strongly Agreed</b>				<b>17.9</b>
<b>Agreed</b>	5	17.9	17.9	<b>71.4</b>
<b>Agreed</b>	15	53.6	53.6	

Undecided	3	10.7	10.7	82.1
Valid				
Disagreed				
Strongly	3	10.7	10.7	92.9
disagreed	2	7.1	7.1	
<b>Total</b>	<b>28</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Field Survey, 2023.

5 of the respondents representing 17.9 percent strongly agree that an effective resource budgeting has significant effect on project management. 15 of the respondents representing 53.6 percent agree that an effective resource budgeting has significant effect on project management and 3 of the respondents representing 10.7 percent were undecided. 3 of the respondents representing 10.7 percent disagree that an effective resource budgeting has significant effect on project management. While the remaining 2 of the respondents representing 7.1 percent strongly disagree that an effective resource budgeting has significant effect on project management. Analysis depicts that there is no doubt that an effective resource budgeting has significant effect on project management since 20 of the respondents agreed to it.

Table 4 shows the responses of respondents that resource budgeting has a role to play in the availability of raw materials for production in Urban Shelter Clay Industry.

**Resource budgeting has a role to play in the availability of raw materials for production in Urban Shelter Clay Industry**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agreed	18	64.3	64.3	64.3
	Agreed	7	25.0	25.0	89.3
	Undecided	3	10.7	10.7	
	<b>Total</b>	<b>28</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Field Survey, 2023.

18 of the respondents representing 64.3 percent strongly agree that resource budgeting has a role to play in the availability of raw materials for production in Urban Shelter Clay Industry. 7 of the respondents representing 25.0percent agree that resource budgeting has a role to play in the availability of raw materials for building in construction company. 3 of the respondents representing 10.7 percent were undecided. From the responses of the respondents we found out that about 25 of the respondents agreed that resource budgeting has a role to play in the availability of raw materials for building in Urban Shelter Clay Industry without doubt we conclude that resource budgeting has a role to play in the availability of raw materials for production in Urban Shelter Clay Industry.

Table 5 shows the responses of respondents that the practice of resource budgeting in most construction companies or mostly in building related sectors has increased overtime in Minna.

**The practice of resource budgeting in most construction companies has increased overtime in Minna.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agreed	8	28.6	28.6	28.6
	Agreed	12	42.9	42.9	71.4
	Undecided	4	14.3	14.3	85.7
	Disagreed	2	7.1	7.1	92.9
	Strongly Disagreed	2	7.1	7.1	
	<b>Total</b>		<b>28</b>	<b>100.0</b>	<b>100.0</b>

Source: Field Survey, 2023

8 of the respondents representing 28.0 percent strongly agree that the practice of resource budgeting in most manufacturing companies or mostly in building related sectors has increased overtime in Minna. 12 of the respondents representing 42.9 percent agree that the practice of resource budgeting in most manufacturing companies or Mostly in building related sectors has increased overtime in Minna. 4 of the respondents representing 14.5percent were undecided. 2 of the respondents representing 7.1 percent disagree that the practice of resource budgeting in most construction companies or mostly in building related sectors has increased overtime in Minna. While the remaining 2 of the respondents representing 7.1 percent strongly disagree that the practice of resource budgeting in most construction companies has increased overtime in Minna. About 20 of the respondent agreed that the practice of resource budgeting in most construction companies has increased overtime in Nigeria; since the total that agreed that the practice of resource budgeting in most construction companies or building related sector has increased overtime in Minna more than those that disagree. We therefore, conclude that the practice of resource budgeting in most construction companies has increased overtime in Nigeria.

**Ho:** There is no significant relationship between effective resource budgeting and project management.

**Hi:** There is a significant relationship between effective resource budgeting and project management.

**Level of significance** ( $\alpha = 0.05$ )

TABLE 6: Correlation between Effective Resources Budgeting vs. Project Management

		SRs ERB & PM	EffRB++ PM
Pearson Correlation		1	.817**
SRs ERB & PM	Sig. (2-tailed)		.000
	N	28	28
Pearson Correlation		.817**	1
EffRB++PM	Sig. (2-tailed)	.000	
	N	28	28

\*\* . Correlation is significant at the 0.01 level (2-tailed).

SRs ERB & PM = There is a significant relationship between effective resource budgeting and project Management

EffRB++ PM = An effective resource budgeting has significant effect on project management

From Table 6, the significance value is less than 0.05 and hence the null hypothesis is rejected and conclude that there is a significant relationship between effective resource budgeting and project management. There is a statistically significant (0.00) strong relationship (0.817) between the responses of the respondents that said that there is a significant relationship between effective resource budgeting and project management and those that said that an effective resource budgeting has significant effect on project management.

### Conclusion

In conclusion, effective resource budgeting and project management we can see from the result of the data analysis that there is a statistically significant (0.00) strong relationship (0.817) between the responses of the respondents that said that there is a significant relationship between effective resource budgeting and project management and those that said that an effective resource budgeting has significant effect on project management. The results obtained provide a good understanding of an important planning input factor that affects the quality/performance/ of planning processes. And also it provides to identify the effects of planning knowledge areas on project outcome. The result obtained from the analysis of gathered data identifies the main planning input factors for effective planning quality/performance/ as: - human, management, technical and organizational culture/structure/ factors.

The result also indicated that better estimation of time planning processes results in lower completion cost. For completing the project according to the required quality the study suggested that Time, cost, risk, scope and integration planning knowledge areas play an important role. Time, cost, risk human resource, communication and integration knowledge areas were identified as an important factors to fulfill customer satisfaction. In view of the findings made that study recommends that: Compatible organizational

form should be chosen so as to make the application of PM tools and techniques consistent with culture and Internal controlling system; Project management tools and techniques should be applied gradually especially in other Manufacturing sectors, whereby resistance to change perceived to be high.

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