Influence of Organizational Culture On Project Success In Nigeria. A Case Of Nestle Nigeria PLC

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Abstract

The study examined the effect of organizational culture on project success in Nigeria: with a focus on Nestle Nigeria plc. The study made use of questionnaire distributed to 130 employees of the company. Three objectives and one hypothesis were formulated to guide the study**.** The study found a significant relationship between organizational culture and project success. The study recommended that every organization identifies the culture that is beneficial to its operations and will help towards the achievement of stated goals. Project managers should endeavor to understand the culture that is vital to the success of a project and learn to communicate and work with it in developing strategies that will enable the success of projects.

Keywords: Organisational Culture, Project Success, Project Management

Introduction

Often, people tend to underestimate the extent to which organizational culture can impact on the success rate of a project. It is also general knowledge that a thorough understanding of what organizational culture entails is contributory towards aligning a project with an organization's objectives as well as established practices. Organizational culture varies from one organization to the other, as no two-organization practicing similar culture can obtain the same type of result. This can be attributed to differences in resources, span of project or even documentation resulting from the different corporate culture practiced. Whatever the case and the type of organizational culture adopted, there must be impact on it on project success or failure. It is in line with this reasoning that this study focuses on examining the effect of organizational culture on project success in Nigeria.

Ochiel, Iravo and Wandera (2017) opined organizational culture to be one of the dominant dimensions of a work climate. This is attributed to its reflection in how goals are set, tasks are achieved, and how people are geared towards attaining the set goal. Thus, they stated that culture has a strong impact on how decisions are made, as well as workers' reactions to opportunities and threats in the work environment. In addition to this, it impacts on how people are selected to perform ceratin tasks which have a direct influence on decision making and performance. Yazici (2009) pointed out that organizations are affected by ethnic cultures which are a representation of an individual's attitudes stemming from religious, educational and a general background; as well as their capacity for learning. This implies that there are various aspects of an organization that may make or mar the abilities of project managers to successfully execute a project. In spite of the broad nature of what culture entails in an organization, it is suggested to be a factor that plays of the biggest roles in project success

Statement of research problem

PwC carried out a review of over 10,000 projects in 200 companies globally and found out that only 2.5% of the companies reviewed, successfully completed 100% of projects embarked on. This indicates a very low percentage given the present business environment which calls for companies to successfully embark on projects and develop a sustainable growth within a given period. In view of this, it can be stated that there are various reasons for project failure; and one of the chief reasons is organizational work culture. Organizational work culture directly equates project success. This therefore draws the attention of this study to Nestle Nigeria Plc.

Nestle prides itself on a well-developed business culture reflected in the organizations' brand logo of "Good Food Good Life". The company stresses the importance of wellness in every aspect of life and work, which is also reflected in their mission statement. In regard to organizational culture, Nestle practices an open gate policy, which has over the years been one of their strong points. Emphasizing on collectivism, their workforce is encouraged to work harder. However, given the rise in the number of projects embarked on, employees are often required to become involved, which means increased relationships and roles. Thus, if there is poor definition of relationships, responsibilities and competencies, this could lead to conflict which may affect the execution of a project. This leads to the study considering the proposition of Alsudiri et al., (2013) which opined that a projects' success or failure is subject to quality and availability of

resources, schedule, the alignment of project to organizational objectives and work culture. Thus, the problem of this study is to examine the effect of organizational culture on project success in Nigeria with a focus on Nestle Nigeria plc.

Research objectives

The primary objective of this study is to examine the effect of organizational culture on project success in Nigeria. Specifically, the study seeks to;

1. Determine the impact of conducive work environment on project success.
2. Assess the impact of management leadership on project success.
3. Examine the impact of process familiarization on project success.

Research questions

1. What is the impact of conducive work environment on project success?
2. What is the impact of management leadership on project success?
3. What is the impact of process familiarization on project success?

Literature review: Conceptual and Theoretical Framework

Organizational culture

Organizational culture is defined as the guiding beliefs, norms and values of workers on how work is done (Yazici,, 2007). In carrying it out projects, it is required to have a business environment that possesses features that complements the requirements of what a good project management entail. As pointed out by Pinto (2010), Organizational culture impacts on the success rate of a project in four different ways. It impacts on departments in terms of their levels of support and interaction in the pursuit of stated goals. It also affects a project in terms of how it influences workers commitment level to project goals and how to balance competing goals. Thirdly, it impacts in the process involved in allocating resources to projects; finally, it affects the performance evaluation of teams and the outcome of the project done by managers (Pinto, 2010). Ochiel, Iravo and Wandera (2017) found the following to positively influence project performance; diversity, communication and leadership. Also, Tahir (2015) found a significant relationship between organizational culture and project performance.

Project success

Project success is a critical activity for organizations. According to Allen *et al.*, (2014), success can only be equated with projects that are completed. The study further observed that lots of

projects are often incomplete for one reason or the other such as failed project specifications and poor alignments. As observed by Anantatmula (2015) defining project success is a difficulty as there is no general consensus of its definition. It is the view of Rolstadas, Tommelein, Schieflore and Ballard (2014) that the definition of project success is one that is personalized and thus should be defined in line with the environment. For Serrador and Turner (2014), the definition of project success extends beyond quality, expenses and schedule limitation. Describing the constructs that describe project success, Serrador and Turner (2014) mentioned stakeholder satisfaction as among the determinants of project success; while Davis (2014) added integrated framework.

Theoretical review: *McGregor's X-Y Theory*

McGregor developed the Theory X and Theory Y which provides a distinction between management styles. Theory X is described as an authoritarian style which emphasizes on productivity and fairness and rewards for performance (Ramesh 2013). It is the assumption of this theory that workers are reluctant in carrying out their duties and usually find ways of not getting them done. The theory suggests having a motivated management staff that will encourage employees into being productive. The theory prescribes the use of strict control and monitoring once it is detected that employees are reluctant to work. It believes that the major reason for trouble in the work environment is the issue of employees avoiding taking up any responsibility. Theory Y on the other hand illustrates a participative style of management based on the assumption that when people are committed to an objective, they will be self-motivated to achieve those objectives. According to Ramesh (2013), it falls on the management to maximize such commitment. Thus, employees become more productive when trust and responsibility is bestowed upon them, which is a strong motivator.

Analysis of Research Questions

Research Question one: What is the impact of conducive work environment on project success?

The table below shows the respondents views on the impact of conducive working environment on project success. Accordingly, 35.9% of the respondents strongly agree to the statement that

"Conducive work environment influences workers to be open to new ideas"; 40.2% agreed; but 19.7% disagree with only 3.8% strongly disagreed. The same table indicated that 58.9% of the respondents strongly agreed to the statement that: "It develops in employees the zeal to be creative in dispatching their duties"; 33.1% agreed, but 7.3% disagreed while 0.8% strongly disagreed. The Table shows that: 28.9 % of the respondents strongly agreed that: "It encourages employees to engage in open discussion with superiors"38.6% agreed, but 29.1% disagreed while 2.6% strongly disagreed. Finally, the Table shows that: 36.7% of the respondents strongly agreed that: "Conducive working environment encourages collaboration among employees"; 37.6% agreed, but 20.2% disagreed while 5.5% strongly disagreed. Because majority of the respondents strongly agreed and agreed to the items in this section, one could conclude that conducive working environment have significant impact on project success.

Table 2. What is the impact of conducive work environment on project success

S/N	What is the impact of conducive work environment on project success		SA	A	D	SD	Total
1.	Conducive work environment influences workers to be open to new ideas	count	42	47	23	5	117
		%	35.9	40.2	19.7	4.3	100
2.	It develops in employees the zeal to be creative in dispatching their duties	count	73	41	9	1	124
		%	58.9	33.1	7.3	0.8	100
3.	It encourages employees to engage in open discussion with superiors	Count	33	44	34	3	114
		%	28.9	38.6	29.1	2.6	100
4.	Conducive working environment encourages collaboration among employees	Count	40	41	22	6	109
		%	36.7	37.6	20.2	5.5	100

Source: Survey, 2019

Research Question two: What is the impact of Management leadership on project success?

Table 3 below shows the respondents' views on the impact of Management leadership on project success. Accordingly, 35.9% of the respondents strongly agree to the statement that "Management leadership enables clear goals to be set and responsibilities delegated"; 40.2%

agreed; but 19.7% disagree with only 4.3% strongly disagreed. The same table indicated that 58.9% of the respondents strongly agreed to the statement that: "Management leadership encourages employees to have an input in decision making"; 33.1% agreed, but 7.3% disagreed while 0.8% strongly disagreed. The Table shows that: 28.9 % of the respondents strongly agreed that: "Management leadership enables the growth of a cooperative team which will be encouraged to work together to achieve a goal" 38.6% agreed, but 29.1% disagreed while 2.6% strongly disagreed. Finally, the Table shows that: 36.7% of the respondents strongly agreed that: "Employees are motivated to take on high-risk high-return projects"; 37.6% agreed, but 20.2% disagreed while 5.5% strongly disagreed.

Table 3 What is the impact of Management leadership on project success

S/N	What is the impact of Management leadership on project success		SA	A	D	SD	Total
1.	Management leadership enables clear goals to be set and responsibilities delegated	count	42	47	23	5	117
		%	35.9	40.2	19.7	4.3	100
2.	Management leadership encourages employees to have an input in decision making	count	73	41	9	1	124
		%	58.9	33.1	7.3	0.8	100
3.	Management leadership enables the growth of a cooperative team which will be encouraged to work together to achieve a goal	Count	33	44	34	3	114
		%	28.9	38.6	29.1	2.6	100
4.	Employees are motivated to take on high-risk high-return projects	Count	40	41	22	6	109
		%	36.7	37.6	20.2	5.5	100

Source: Survey, 2019

Research Question three: What is the impact of Process familiarization on project success?

The table below shows the respondents views on the impact of process familiarization on project success. Accordingly, 54.9% of the respondents strongly agree to the statement that "Adhering to project management process enhances the chances of delivering successful projects"; 39.7% agreed; but 5.3% disagreed with none strongly disagreed. The same table indicated that 46.7% of

the respondents strongly agreed to the statement that: "Process familiarization by project teams increases their ability to handle risks better"; 40.2% agreed, but 3.3% disagreed while 9.8% strongly disagreed. The Table shows that: 65.32 % of the respondents strongly agreed that: "Process familiarization enables workers handle requirement changes and project issues in a timely manner"27.3% agreed, but 4.1% disagreed while 3.3% strongly disagreed. The Table shows that 65.3% of the respondents: "Process familiarization enables the creation of a work plan that will be effective in handling a project"; 27.3% agreed, but 4.1% disagreed while 3.3% strongly disagreed. Finally, the Table shows that: 26.7% of the respondents strongly agreed that: "Process familiarization enhances people to stick to correct procedures more than correct results"; 30.4% agreed, but 32.2% disagreed while 10.7% strongly disagreed.

Table 4 What is the impact of Process familiarization on project success

S/N	What is the impact of Process familiarization on project success		SA	A	D	SD	Total
1.	Adhering to project management process enhances the chances of delivering successful projects	count	72	52	7	0	131
		%	54.9	39.7	5.3	0	100
2.	Process familiarization by project teams increases their ability to handle risks better	count	57	49	4	12	122
		%	46.7	40.2	3.3	9.8	100
3.	Process familiarization enables workers handle requirement changes and project issues in a timely manner	Count	67	25	11	16	119
3.	Process familiarization enables workers handle requirement changes and project issues in a timely manner	Count	67	25	11	16	119
		%	56.3	21	9.2	13.4	100
4.	Process familiarization enables the creation of a work	Count	79	33	5	4	121
		%	65.3	27.3	4.1	3.3	100

	plan that will be effective in handling a project						
5	Process familiarization enhances people to stick to correct procedures more than correct results	Count	30	34	36	12	112
		%	26.7	30.4	32.2	10.7	100

Source: Survey, 2019

Conclusion

The study examined the influence of organizational culture on project success in Nigeria: with a focus on Nestle Nigeria plc. The study made use of questionnaire distributed to 130 employees of the company. Three objectives were formulated to guide the study. The data collected was analyzed using percentage and frequency. The study found a significant relationship between organizational culture and project success. In view of this, the study concludes that understanding the culture inherent in an organization is vital to the successful completion of a project. Culture is embedded in every aspect of an organization and as such has a significant influence on the performance of individuals and their relationships with people around them and their work commitment.

Recommendation

It is recommended that every organization identifies the culture that is beneficial to its operations and will help towards the achievement of stated goals. Project managers should endeavor to understand the culture that is vital to the success of a project and learn to communicate and work with it in developing strategies that will enable the success of projects.

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