

Survival Strategies of Construction Small and Medium Enterprises (SMEs) in Lagos and Ogun State, Nigeria

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ABSTRACT

Construction SMEs is the bedrock of socioeconomic development of a nation because of their role in terms of production, employment generation, contribution to export and facilitating equitable distribution of income. This study has become crucial because of increasing unemployment in Nigeria, high mortality rate of construction SMEs among others. Descriptive survey research was adopted for this study. This research target 120 construction SMEs in Lagos and Ogun states, which comprises of manufacturing companies, building material merchants, consultants and construction/production management. Purposive Sampling Technique was adopted. The results show that a holistic adoption of survival strategies such as Companies Competitive advantage, proper use of well-designed company profile, direct marketing approach amongst others is require for survival. The impact of adopted survival strategies on firms' competitiveness and profitability was evaluated and the outcome reveal that adopted survival strategies such as Aggressive networking, Proper use of well-designed company profile, Prudent Financial management and Companies Competitive advantage had significant impact on Construction SMEs' competitiveness and profitability. Government's support to aid Construction SMEs survival was examined. The findings show that the Setting up of "Bank of Industry, BOI, "Small and Medium Enterprises Development Agency of Nigeria" (SMEDAN) are the major government support towards the survival of construction SMEs in Lagos and Ogun state. The study concludes that adoption of survival strategies by Construction SMEs is most critical for survival, competitiveness and profitability. And it strongly recommends the same to start-ups and ailing construction SMEs to stem the tide of high mortality rate.

KEYWORDS

SMEs, Strategies, survival, construction

I. INTRODUCTION

All over the Nation, Small and Medium Enterprises (SMEs) is been regarded as the engine of employment generation and technological development. However, advancement in ICT has enabled the multinational construction firms to increase their area of operations globally, thereby reducing the opportunities of construction SMEs in developing countries of the world. The outcome of these issues portends negative impacts on the survival of the small and medium Enterprises (SME) in developing countries like Nigeria. The continual economic downturn has necessitated the importance of the survival of construction SMEs, (Fajuyigbe,

2016). Osikoya, (2016), further argues that the current economic climate makes it more challenging for SMEs to compete with bigger, richer and more established companies in various sectors of the economy. That is why construction SMEs are desperately searching for survival strategies to enable them keep their heads above the water of high mortality rate in the industry; *this is the mission of this study*.

This study addresses a gap that requires more research on the impact of Strategy on construction SMEs survival in Lagos/ Ogun, Nigeria.

One fundamental reason for high mortality rate of construction SMEs is the absence of survival strategies both at inception and during operation. Many SMEs failures in the early years of operation could be traceable to lack of strategies. SMEs that operates without appropriate strategy seldom survives their first decade. A study carried out in the US revealed that only 36.4% of construction SMEs survives their first five years. It is imperative therefore, that the high mortality rates of SMEs, all over the world, including construction firms demand urgent attention. Construction SMEs must therefore adopt survival strategies that guarantee their sustainability to remain the fortification of tackling unemployment.

All over the world, small and medium-sized (SMEs) construction firms are prone to high mortality rates. The risk of business failure exists in every industry. However, construction SMEs are particularly vulnerable to failure due to the fragmented nature of the industry, excessive competition, relatively low entry barrier, high uncertainty and risk involved, and unpredictable fluctuations in construction volume. It is reported that over 80% of small and medium enterprises' failure rate is being experienced in the country of South Africa, and it is a worrisome trend.

Onugu, (2005), opined that less than 5% of SMEs survive beyond their first year of existence in Nigeria. This assertion is consistent with an earlier survey conducted by the Manufacturers Association of Nigeria (MAN), which revealed that only about ten percent (10%) of industries run by its members are fully operational, and about 60 percent are ailing companies. The study further discloses that low capacity utilization has undermined the competitiveness of manufacturing industries, whose fortunes have been worsened by the impact of globalization. Essentially, this means that 90 percent of the industries are either ailing or have closed down. Given the fact that manufacturing industries are well-known catalysts for real growth and development of any nation, this reality clearly portends a great danger for the Nigerian economy. In China, about 68% of SMEs close down within the first 5 years of operation; 19% survive for only 6 to 10 years, and only 13% survive more than ten years (Liu & Saleh, 2009). However, after an expository study of SMEs carried out by Fajuyigbe, (2016) confirmed that the failure rate among SMEs in many nations of the world is high and that over 60% of SMEs close down within the first five years of operation, with few SMEs surviving more than ten years.

Unemployment has been found to reduce national wealth. Increase in crime waves and socio-political violence can be attributed to the high level of unemployment especially among the youths. The growing incidence of poverty in Nigeria can also be linked to the worsening unemployment situation. Lawanson, (2007) reiterates that, the problem of unemployment has posed a great challenge to many countries (both developed and developing). In recent

times, the incidence of unemployment in Nigeria has been deep and widespread, cutting across all facets of age groups, educational strata and geographical entities. Social vices that were not common, some decades ago are on the increase today because SMEs, which are supposed to generate employment for the teeming youth population, are struggling to survive. The above facts and economic reality makes it imperative for young graduates in the built environment to understand what it takes for construction SMEs' start-ups to survive in a depressed economy.

Small and Medium Enterprises (SMEs) in Nigeria in general have not done very well due to neglect by the government for years hence construction SMEs have not played the anticipated vital role in the infrastructural development of the country. This state of affairs has been of great concern to the construction industry professionals, the government and other stakeholders. This situation has driven the foreign construction firm's dominance of the industry until date. It is expected that after 50 years of independence, construction SMEs would have developed capacity and competence to meet up present day infrastructural development requirements of both the government and the private sector. After a comprehensive study of SMEs in Nigeria, (Onugu, 2005), points out that, in spite of the fact that SMEs have been regarded as the engine for employment generation and technological development in Nigeria, the sector nevertheless has had its own fair share of neglect with concomitant unsavoury impacts on the economy. Construction SMEs sub-sector has suffered negligence with very little attention. This is why this study is most crucial at this time. The significance of construction SMEs supports the rationale to discover the impact of strategy on construction SMEs survival. This could assist in solving the problem of unemployment and reducing poverty levels in Lagos/Ogun, Nigeria.

Generally, a lot has been said and written about SMEs. It has also formed the subject of discussions in so many seminars and workshops both locally and internationally. However, there is paucity of empirical research regarding strategy for construction SMEs' survival.

This study aims to fill this knowledge gap. The study also addressed a gap that required more research on construction SMEs' survival. This research anticipates that its outcome will go a long way in ensuring a turnaround of construction SMEs sub-sector continued existence. This study seeks to unravel survival strategies that are confirmed to guarantee the continued existence of construction SMEs, particularly in Lagos and Ogun state.

A. *Statement of the Problem*

Unemployment in Nigeria today is on the upsurge, predominantly because construction SMEs that are the engine of employment generations are prone to high mortality rate. The Nigerian construction industry is dotted with folding up construction SMEs in the sector and relocating to other countries, indigenous construction firms downsizing and eventually closing up. Graduates' unemployment is on the increase, with thousands of graduates being churned out yearly without job placement opportunities. Unemployment or underemployment births crimes, high poverty level, disease, hunger, kidnapping, prostitution and other social vices.

The above problems call for the urgent need to examine survival strategies adopted by existing construction SMEs, which have enabled them to survive the harsh economic terrain; and on the other hand enhance ailing/start-up Construction SMEs' profitability, performance and firms' competitiveness so as to create employments in Lagos and Ogun state. This is

why this study is very crucial at this time. The survival of construction SMEs is vital to employment generation and economic growth

Consequently, the following research question were formulated in line with the research problem:

- What are the challenges militating against construction SMEs survival?
- What type of strategies do existing construction SMEs' owners/managers adopts for survival?
- What are the impacts of adopted survival strategies by existing construction SMEs on competitiveness and firms' profitability performance in the construction industry?
- What are the government policies aimed at helping construction SMEs survival?

II. LITERATURE REVIEW

A. The Concept of Survival Strategy

Survival strategy refers to the game plan adopted by management for continued existence in their chosen market. Research has shown that the absence of long-term planning/survival strategies and lack of strategic thinking are major contributing factors to the failure of most construction SMEs. However, organisations that practice strategic management usually outperform those that do not (Chris, Gaynor, & Brink, 2010). There is, therefore, the need to investigate how the adoption of survival strategies by existing construction SMEs have addressed the problems faced by construction SMEs and made significant contributions to the competitiveness of construction SMEs.

B. A Brief Review of challenges militating against the survival of construction SME's in Nigeria

One of government initiatives to create a sustainable society is by empowering individuals to start businesses; many of these businesses shut down within the first 12 months of operation due to the myriads of challenges militating against their survival, competitiveness and profitability performance. Some of these challenges are discussed below:

1. Absence of Strategic Planning:

Unfortunately, most construction SMEs do not engage in proper strategic planning of their operations (Iorun, 2014). Moreover, this has contributed greatly to the failure rate of most construction SMEs. However, strategic planning is key to the sustainability of any thriving construction SMEs. Managers/owners of construction SMEs must develop an organized way of evaluating the environment, assessing their organization's strengths and weaknesses, and identifying opportunities for competitive advantage as well as manage change. Papulova & Papulova, (2006) submits that to survive, a construction SMEs must have clearly defined objectives and fully developed strategy for achieving them. In short, what is needed is a business plan, which many ailing construction SMEs lacks, talk less of a strategic plan. A business plan shows the purpose of the business and what it intends to accomplish. A

good business plan helps to give form and substance to an entrepreneurial vision, providing a mechanism that enables owners, managers and workers alike to function effectively.

According to (Duff, 2017) a strategic plan is a business plan with a specific goal. It documents a vision for what you want your company to achieve and provides a road map for how to get there. The goals can be organizational, such as developing better customer service than your competition; transitioning to a new construction specialty; or improving the quality of your work output. They can be marketing-oriented to attract new customers, they can be finance-oriented to improve profitability, or get payroll financing at the bank. Duff, (2017) further argues that a written strategic plan is a great road map to make sure you are putting all your good ideas into action. The Starting point is the mission statement, and then provides a detailed description of your goal. List the results of your SWOT analysis for that goal and your plans to optimize the positives and reduce or control the negatives. Include an action plan, which is a schedule of activities that will lead to your goal, with dates and benchmarks

2. *Poor Management and Low Entrepreneurial Skill Base:*

Onugu, (2005) asserts that dearth of suitable and sufficient managerial and entrepreneurial skills with the attendant lack of strategic plan, business plan, succession plan, adequate organisational set-up, transparent operational system, etc on the part of many owners and managers of construction SMEs in Nigeria is a major factor militating against their survival. Onugu, (2005) further added that as a fallout of this, many of the SME promoters purchase obsolete and inefficient equipment thereby setting the stage ab initio for lower level productivity as well as substandard product quality with dire repercussions on product output and market penetration and acceptance. Iorun, (2014) asserts that the deficiency of qualified work force and low managerial / entrepreneurial skill base constitute a serious clog in the wheel of survival of construction SMEs, further corroborate this assertion. Other Scholars have noted that inefficiency in overall business management and poor record keeping is the curse of most construction SMEs. Technical problems/incompetence and lack of essential and required expertise in production, procurement, maintenance, marketing and finance have always led to funds misapplication, wrong and costly decision making. Okechukwu & Izunwanne, (2014), argues that 90% of all business failures result from lack of experience and competence. Okechukwu & Izunwanne, (2014) further added that inefficiency in overall business management and poor record keeping is also a major feature of most construction SMEs. Poor management of company resources has robbed construction SMEs of their growth potentials and profitability.

3. *Financial Constraints:*

According to Onugu, (2005) one major problem militating against the survival of construction SMEs is Lack of easy access to funding/credits. This can be traceable to the reluctance of banks to extend credit to them, owing among other things, to poor and inadequate documentation of business proposals, lack of appropriate and insufficient collateral, high cost of administration and management of small loans as well as high interest

rates. Added to that also be discrimination from banks, which are averse to the risk of lending to SMEs especially start-ups.

Iorun, (2014) further argue that the problem of funding construction SMEs is not so much the sources of funds but the accessibility. Most of these enterprises cannot access loan on a long and short-term basis. Literature review reveals that other factors inhibiting funds accessibility by the construction SMEs are the stringent conditions set by financial institutions, the lack of adequate collateral and credit information, and the cost of accessing funds.

4. *Infrastructural Inadequacies:*

Shortage of infrastructural facilities is a severe barrier to the survival, competitiveness and performance of construction SMEs in Nigeria, (Onugu, 2005). The problem of infrastructure includes epileptic power supply, access road network, water supply and solid waste management. Construction SMEs have to provide costly corresponding infrastructures. Out of all these teething troubles, the challenge of power supply has been the most critical in Nigeria. The irregular power supply has extremely stalled the survival, growth and profitability of construction SMEs in Nigeria. As a result, most construction SMEs have folded up or cannot operate because of unpredictable power supply. Hence according to Olarenwaju as cited in (Onugu, 2005), most banks have hidden under this umbrella to blame their inability to fund SMEs on the poor state of infrastructure, economic climate and low performance of public utility. Okechukwu & Izunwanne, (2014) equally supported the above school of thoughts that infrastructural inadequacies is a major challenge bedevilling construction SMEs' survival, competitiveness and profitability in Nigeria.

5. *Poor Marketing:*

Entrepreneurs often blame their failure on inadequate sales. However, the real problem lies with ignorance of the need for marketing skills and not just inadequate sales. Quite often small business owners appear to be overly optimistic about sales. They don't seem to know that the best of products still need stimulants to be able to move out of warehouses and out of retail stores. Many small businesspersons in Nigeria see poor sales as isolated problem rather than a poorly developed and poorly coordinated marketing effort or lack of it.

C. The Impact of Adopted Survival Strategy by Existing Construction SMEs' on Competitiveness and Profitability Performance

According to Acho, (2013), survival strategy refers to a logical and/or rational pattern that is implanted and implemented to continuously overcome organization's challenges to gain sustainability in one's chosen environment, and in turn, gain financial peace. A survival strategy makes crystal an organization's SWOT. It is imperative to emphasize that strategists do not fail. They may fall but they get back up, just because they understand perspective intelligence; they are enriched with tactics. It is obvious from the foregoing that

the high mortality rate of SMEs, particularly in the construction industry is a function of the absence of survival strategy.

Adopted survival strategies by existing construction SMEs have positive impact on their competitiveness and profitability performance in the following ways:

- Helps a construction SMEs to manage the expectations of its stakeholders, and balance their conflicts.
- Aids construction SMEs to eliminate potential challenges that hinders the achievement of the firm's success.
- Helps a construction SMEs benchmark itself with the best in its industry hence points out the need to improve performance to stay above competition.
- Enable a construction SMEs overcomes its weaknesses using her strengths.
- Shows a construction SMEs the opportunities surrounding her to utilize them.
- Inform her that its threats should be buried as soon as possible and her problems taken care of one after another.

III. METHODOLOGY

The geographic location of the study is Lagos and Ogun state, Nigeria. Lagos is the commercial hub of Nigeria and makes a huge contribution to the national GDP. Lagos accommodates the main seaport and most populous City in Nigeria, which lies on the south-western edge of Africa. Furthermore, Ogun state shares boundary with Lagos state. In reality, it is the only state that shares land boundary with Lagos state; from where it derives its nickname of the gateway state. The researcher adopted the data obtain from a report by SMEDAN in conjunction with National Bureau of Statistics which states that Lagos and ogun state have a total of 11,663 and 1,794 Small and Medium enterprises respectively (Smedan, 2013). The National Survey of 2013, (Kale, Micro, Small and Medium Enterprise National Survey, 2013) corroborated this report and further stated firmly that 2% of the above figure consists of construction SMEs, which is 233 and 36 for Lagos and ogun state respectively. That brought the strength of 269 as the underlying population for this study. In determining the sample size the researcher adopted research advisor's 2006 sample size table, where the total number of 156 questionnaires was established base on 95% confidence and 5% margin of error. The sample size is consider adequate to permit the needed statistical computation for the study according to the table which is scientifically computed (Advisor, 2006). A purposive sampling technique was employ in selecting the sample of the 269 SMEs. The study adopted a purposive sampling technique to select a sample size of 156 out of 269 construction SMEs in Lagos and Ogun state.

Table 1: Sampling Scheme for the 3 Urban Areas

State	Construction SMEs	Sample size
Lagos	233	130
Ogun	36	20
Total		150

Purposeful sampling allowed for the selection of participants who best understand the influence of strategies on SMEs survival. The population from which the sample was drawn is quite representative of construction SMEs, in Lagos and Ogun state given the state-wide spread of construction SMEs. Internal Consistency Reliability method was adopted using Cronbach's Alpha with the aid of SPSS, were the result show the reliability coefficient of 0.792. This is found to be okay based on Cronbach's Alpha recommendation of a minimum a coefficient between 0.65 and 0.8 (or higher in many cases)

Two constructs were measured in this study and these are the impact of adopted survival strategies on competitiveness and profitability performance. Impact of adopted survival strategies on competitiveness was measured by product features, customization, added value and product quality. On the other hand, profitability performance was measured by sales growth/volume, growth in returns on investment, growth in customer base and growth in revenue. The questionnaire was made up of six sections A, B, C, D, and E, F. section A contained nine main questions that reveals the demographical characteristics of the respondents. Section B contained twenty-four questions measuring the impact of Challenges Militating against Construction SMEs Survival. Section C also contains thirty-five questions measuring Strategies adopted for construction SMEs survival. Section D also had thirty-five questions measuring the impact of adopted Survival Strategies on competitiveness and profitability performance, while section E focused on questions measuring the Government policies aimed at helping construction SMEs' survival. The responses for section B-E were made using a 3/5 point Likert scale ranging from! (Strongly disagree) to 5 (strongly agree).

IV. RESULTS

Table 2: Demographic Profile of Respondents

Respondent's variables	Frequencies	Percentage	Cumulative Percentage
Respondent's position in the company			
Owner-Manager	41	38.3	38.3
Managing Director	30	28.0	66.4
Project Manager	21	19.6	86.0
Associate/Partner	15	14.0	100.0
Highest Academic Qualification of Respondent's	1	.9	.9
	1	.9	1.9
Others (specified)	30	28.0	29.9
Diploma	40	37.4	67.3
Bachelors' Degree	33	30.8	98.1
Masters' Degree	2	1.9	100.0
Doctorate			
Professional Background			
Architecture	15	14.0	14.0
Building	20	18.7	32.7
civil Engineering	29	27.1	59.8
Services (Electrical & Mechanical)	13	12.1	72.0
Quantity surveying			

others (specified)	13	12.1	84.1
	17	15.9	100.0
Years of experience since graduation			
Less than 10	6	11.1	11.1
10-20	41	75.9	87.0
above 20	7	13.0	100.0
Professional body registered with.			
NIOB	15	14.0	14.0
NIQS	18	16.8	30.8
NSE	7	6.5	37.4
others, (specified)	29	27.1	64.5
	34	31.8	96.3

findings shown in Table 1; above, revealed that 38.3% are Owner-Managers, 28.5% are Managing Directors, 19.6% are Project Managers while 14.0% are Associate/Partners of construction SMEs. In addition, that lends more credibility to the data of this study that those involved in this study are well experienced in the affairs of their organisation.

Table 3: showing challenges facing construction SMEs

Challenges	Mean	Std. Deviation	Rank
Absence of strategic planning	4.59	.73	1
Poor management	4.50	.71	2
Bribery and corruption as a common means of getting government contracts	4.46	.85	3
Poor Strategic Thinking in decision making	4.38	.87	4
Low entrepreneurial skill base	4.25	.91	5
Financial constraints	4.22	1.01	6
Absence of long-term finance to fund capital assets	4.20	1.01	7
Difficulty in getting bank loans	4.18	.93	8
Foreign Multinational dominance of the industry	4.16	.96	9
Infrastructural inadequacies	4.16	.87	9
Absence of long-term finance to fund SMEs projects	4.14	.86	10
Inconsistent government policy	4.11	.87	12
Lack of government support for SMEs' development	4.10	.87	13
Abnormally high interest loan from money lenders	4.06	.98	14
High dependence on imported raw materials	4.03	1.01	15

The study also found that infrastructural inadequacies, Poor management, Poor Accounting Systems and financial constraints of the SME in manufacturing industry largely hampers the survival of construction SMEs as indicated by the study. This is in line with (Okpara, 2011) who stated that issues such as lack of finance, poor management, corruption, lack of

infrastructure, and poor accounting/bookkeeping are major obstacles to small business development in Africa.

Table 4: Strategies for Survival of Construction SMEs

Survival Strategies	Level of adoption Mean	Std. Deviation	Rank
Companies Competitive advantage	2.12	.48	1
Proper use of well-designed company profile	2.03	.49	2
Direct marketing approach	1.96	.64	3
Identifying ones' niche and becoming a specialist in it	1.95	.55	4
Prudent Financial management	1.92	.76	5
Concentrate on product in high demands	1.92	.64	5
Use of office signage/site signboards and complementary cards	1.84	.55	6
Smart Hiring of best/smart professionals	1.83	.59	7
Ability to attract and retain suitable staff	1.83	.70	7
Aggressive networking	1.79	.78	8

Table 4. Above shows the respondent's response on the extent to which Construction SMEs adopts the given strategies as a way of tackling the Challenges Militating against Construction SMEs Survival.

From the findings, majority of the respondents indicated that Companies Competitive advantage, proper use of well-designed company profile, direct marketing approach are the topmost adopted as indicated by a mean of 2.12, 2.03% and 1.96% as the most fully adopted survival strategies. This is in line with Fajuyigbe, (2016) who upholds that a distinctive service was a competitive differentiation strategy, and suggested that a construction SME can position itself as a differentiator without incurring costly activities. Other top highly adopted survival strategies are identifying ones' niche and becoming a specialist in it, Prudent Financial management, concentrate on product in high demands which are ranked as, fourth, fifth and sixth.

The study sought to know the respondent's ranking of the level of impact that adopted survival strategies contributes to the competitiveness of their Construction SMEs firms' in the construction industry, in Lagos and Ogun state. From the findings in Table 4.5, all respondents agreed that adopted survival strategies meaningfully influenced the competitiveness of existing construction SMEs.

V. IMPACT OF ADOPTED SURVIVAL STRATEGIES ON CONSTRUCTION SMES COMPETITIVENESS AND PROFITABILITY

However, the result in Table 5 above, shows that respondents ranked Aggressive networking Proper use of well-designed company profile, Companies Competitive advantage, High risk taking and Investing in different businesses as the highest high impact strategies on

Construction SMEs firms' competitiveness as indicated by a mean of 2.66, 2.64, 2.51, 2.50 and 2.50 respectively as the most fully adopted survival strategies in the construction industry, in Lagos and Ogun state.

Table 5: Impact of Survival Strategies on Competitiveness and profitability

4.5 Competitiveness				4.6 Profitability			
Survival Strategies	Mean	Std. Dev.	Rank		Mean	Std. Dev	Rank
Aggressive networking	2.66	.62	1	Prudent Financial management	2.64	.56	1
Proper use of well-designed company profile	2.64	.60	2	Companies Competitive advantage	2.60	.56	2
Companies Competitive advantage	2.51	.62	3	Direct marketing approach	2.52	.64	3
Through high risk taking	2.50	.61	4	Proper use of well-designed company profile	2.45	2.08	4
Investing in different businesses	2.50	.63	4	Learning to manage difficult clients	2.44	.57	5
Direct marketing approach	2.50	.60	5	Investing in different businesses	2.40	.62	6
Learning to manage difficult clients	2.49	.61	6	Identifying ones' niche and becoming a specialist in it	2.39	.54	7
Prudent Financial management	2.40	.58	7	Collaborative Partnerships	2.38	.60	8
Sourcing finance through credit facility	2.38	.70	8	Product differentiation/focus on narrow	2.37	.63	9

				segment of the market			
Collaborative Partnerships	2.38	.72	9	Regular contact with customer with a view to retaining them	2.37	.69	9
Through innovation	2.37	.73	10	Downsizing when necessary	2.36	.70	10
Identifying ones' niche and becoming a specialist in it	2.36	.65	11	Adoption of new construction methods	2.36	.61	11
Through research and development	2.36	.69	11	Ability to attract and retain suitable staff	2.35	.66	12
Smart Hiring of best/smart professionals	2.36	.72	11	Aggressive networking	2.34	.66	13
Develop multiple source of income	2.35	.69	12	Use of office signage	2.34	.64	13
Concentrate on product in high demands	2.35	.72	12	Through high risk taking	2.34	.59	14
Cut down cost of running the business	2.30	.68	13	Smart Hiring of best/smart professionals	2.33	.67	15
Adoption of new construction methods	2.30	.68	13	Ditto through the bank	2.31	.61	16
Team up with other enterprises for joint	2.29	.62	14	Computerized project management	2.31	.58	16

business (merger)				nt and control			
Ability to attract and retain suitable staff	2.28	.59	15	Cut down cost of running the business	2.30	.63	17
Product differentiation/focus on narrow segment of the market	2.28	3.01	15	Concentrate on product in high demands	2.30	.68	17
Use of office signage/site signboards and complementary cards	2.27	.65	16	Develop multiple source of income	2.29	.69	18

VI. DISCUSSION

This study examined the impact of adopted Survival Strategies on construction SMEs survival in Lagos and Ogun states. The study affirmed that major challenges militating against construction SME survival are: absence of strategic planning, poor management, bribery and corruption as a common means of getting government assistance and poor strategic thinking in decision making. However, it was found that Companies Competitive advantage, proper use of well-designed company profile, direct marketing approach are the major strategy for the survival of construction SMEs in Lagos and Ogun state as revealed by the study. In addition, findings revealed that Aggressive networking, Proper use of well-designed company profile and Companies Competitive advantage are the top survival strategy that had the highest impact on construction SMEs' competitiveness in Lagos and Ogun State. Prudent Financial management, Companies Competitive advantage and direct marketing approach are the peak survival strategy that had the highest impact on construction SMEs' profitability in Lagos and Ogun State. Finally, it was found that the Setting up of "Bank of Industry, BOI, "Small and Medium Enterprises Development Agency of Nigeria" (SMEDAN) are the major government support towards the survival of construction SMEs in Lagos and Ogun state. This implied that strategic responses adopted by the SME in Construction sector were positive in minimising challenges of Construction SMEs survival.

VII. CONCLUSION

Research has revealed that in a dense competitive business environment such as Nigeria survival is the top most priority of construction firms. Based on the findings of this study, it is therefore concluded that construction SMEs in Nigeria can thrive by adopting such survival strategies as Companies Competitive advantage, proper use of well-designed company profile, and direct marketing approach amongst several others holistically. There is no doubt that construction SMEs can be the actual tools of economic growth and development in

Nigeria, just as they have been in Asia and America. If Nigeria is to effectively address the development problems of unemployment and poverty, construction SMEs must be accorded adequate and appropriate priority. Tackling the problems of unemployment is sure to address youth vices in Nigeria.

A. *Suggestion for Further Study*

This research was carried out to evaluate the impact of survival strategies on construction SMEs survival in Nigeria with a limited focus of Lagos and ogun state. By implication, generalized national conclusions cannot be drawn. However, Studies that extend attention to more states across Nigeria will give more generalized conclusions. Also this research work recommends that further studies to establish the growth strategies to be adopted by construction SMEs to translate to national/multinationals corporations or be able to compete favourably with them, be undertaken.

RECOMMENDATIONS

Based on the survey of findings and available literature, the study proposes the following guidelines and strategies that construction SMEs can use to boost their competitiveness and profitability performance.

- The study strongly recommends that construction SMEs should strive to strategically create their unique 'company's competitive advantage'.
- Endeavour to Properly use a well-designed company profile,
- Learn to manage difficult clients,
- engage in Aggressive networking,
- Direct marketing approach and
- Prudent Financial management as strategies for survival.

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