Is Standard desired in Feasibility and Viability Study? A Pursuit for Nigerian Estate Surveyors and Valuers.

[1]**BELLO, Nurudeen Akinsola**
(08033183613, bello.na@unilorin.edu.ng)
[1]Department of Estate Management, Faculty of Environmental Sciences, University of Ilorin, Kwara State, Nigeria

[2]**OGUNBA, Adebayo Olusegun**
(08034014739, segogunba@yahoo.co.uk)
[2] Department of Estate Management, Faculty of E.D.M., Obafemi Awolowo University, Ile-Ife, Osun State, Nigeria.

[3]**OGEDENGBE, Peter Shakede**
(08058466388, psogedengbe@yahoo.com)
[3] Department of Estate Management, Faculty of Environmental Sciences, University of Benin, Edo State, Nigeria.

Abstract
Globally, the drive for standards and harmonization which are commonly accepted and applicable in professional practices has been the watchword for transparency, consistency, rationality, comparability and uniform performance measures. The word standard in its technical connotation entail quality control principles put forward by professional regulatory bodies on how best to undertake professional work to a global acceptable level and its adherence distinguishes professional from non-professional in field of practice. In Nigeria, Nigerian Institution of Estate Surveyors and Valuers (NIESV) the professional body saddled with responsibility of estate surveying and valuation practice has standards and guidance notes published in 2006 on valuation, but there was no any noted standard structure set for members for preparation of the feasibility and viability study. This paper therefore attempts to establish the need for setting minimum standards for the conduct of 'feasibility and viability studies' to pave way for best practice that will allow consistency in evaluation approach across a wide range of investment appraisal in Nigeria. Questionnaires were served on head of practice of 203 Estate surveying firms, among the 324 registered estate surveying firms in Lagos (from a total of 775 of such in Nigeria). 93 questionnaires were successfully eventually administered representing 45.81% retrieval/response rate. Data gathered were analyzed using descriptive statistics, relative importance index and severity index. The findings indicated that there is a significant difference and no correlation in feasibility reports prepared from one firm to another and that standardization will ensure acceptability, reliability and build confidence in clients patronizing estate surveyors in feasibility and viability assignment, portray NIESV and her members as an organized professional body/members by way of uniform presentation of job format. In conclusion, the paper recommended the combination of estate surveyors in academics, estate surveyors in practice, professional body (NIESV) and regulatory body (ESVARBON) as standard setters for feasibility and viability study, while NIESV should ensure awareness creation and compliance by members.

Keywords—Estate Firm, Feasibility and Viability Study, NIESV, ESVARBON, Standard.

1.0 INTRODUCTION

Standard is seen by Ajayi (2009) as institution of best practice in quality and consistency, and the keywords of any standards should therefore include transparency, consistency, rationality, comparability and uniform performance measures. At global level, the International Valuation Standards Council (IVSC) is the established international standard setter for valuation. Through the International Valuation Standards Board, the IVSC develops and maintains standards on how to

undertake and report valuations, especially those that will be relied upon by investors and other third party stakeholders.

Globally, the drive for standards and harmonization which are commonly accepted and applicable in professional practices has been the watchword for transparency, consistency, rationality, comparability and uniform performance measures (Onuorah, 2009). The word standard in its technical connotation entail quality control principles put forward by professional regulatory bodies on how best to undertake professional work to a global acceptable level and such control principles include; mandatory rules, best practice guidance and related commentary (Ajayi, 2009).

The IVSC also supports the need to develop a framework of guidance on best practice for valuations of the various classes of assets and liabilities and for the consistent delivery of the standards by properly trained professionals around the globe. In Nigeria, Nigerian Institution of Estate Surveyors and Valuers (NIESV), the professional body saddled with responsibility of estate surveying and valuation practice has its own standards and guidance notes published in 2006, though majorly a duplication of IVSC on valuation, there was not any noted standard structure set for members for preparation of the feasibility and viability study.

In addition to the 2006 standards and guidance notes, recently, precisely in March 2014, NIESV also came up with the pilot property data bank in Lagos, Abuja and Port-Harcourt property market with the aim of extending it to the whole of Nigeria. Again, this is a mere emphasis towards having a valuation standards, it is not extended to feasibility and viability studies. Feasibility and viability studies are next to valuation because it also has element of appraisal like the valuation, and they both have some features in common, in fact, feasibility and viability study is the foundation of real estate valuation and decision making (Chegut et al, 2013).

Standards adherence therefore distinguishes professional from non-professional in field of practice. Furthermore, the courts prefer to rely on the published standards of professional bodies to guide in their judgments, especially in a liability cases such as negligence, fraud, professional incompetence and breach of contract (Sampton et al, 1998). It is generally accepted that the preparation of a feasibility and viability study is an important element early in the life cycle of an investment (Laird, 2001and Amos, 2001). Typically, initial assessments of the development potential of a research project are aimed at assessing the project's key technical and economic characteristics, with subsequent assessments designed to confirm assumptions and reduce the uncertainty associated with the development to an acceptable level.

References to feasibility studies are often prefaced with order of magnitude commencing with preliminary, bankable, definitive, detailed, final or other terms to indicate the level of detail investigated in a study. Resolution of technical issues is often seen as the primary focus of a feasibility and viability study, whereas in reality, these technical issues are the basis upon which a business plan is built. However, different people, organizations and situations give rise to different interpretations of what is to be investigated, the detail and needs forthe investigation, and the technically feasible and economically viable in the context of a resource project development.

Although valuations as well as feasibility studies may be inaccurate because they are inexact sciences (NIESV, editorial 2009) and because of dissimilar bases and methods of valuation for the same valuation assignment (Ajayi, 2009), the range or gap or variation should however not be too wide especially if there is a standard set for the exercise. The professionals and their professional bodies are confronted with a new reality of changing value perceptions and systems among market participants, and offers practical recommendations on how to cope with this situation. Since an effort has been made towards ensuring standards in valuation task, this needs to be extended to feasibility and viability studies as well, because both bothers on appraisal.

The feasibility study process must therefore demonstrate that not only have the technical issues been satisfactorily addressed, but also that the broader commercial, economic and social issues have been considered in the development of a comprehensive business plan, which includes an assessment of the risk-reward profile of the proposed development in a standard format. It is a characteristic feature of the resource industry that no two development projects – are the same. So these technical issues have to be addressed to a greater or lesser extent in evaluating any resource project's development potential.

Not surprisingly then, technical issues tend to predominate when assessing the development potential of a project in the process typically referred to as 'doing a feasibility study'. But the principal purpose of a feasibility study is to determine whether a development opportunity makes good business sense, not just whether it is technically possible. The questions agitating this research effort are:

i) How often is feasibility and viability study done by Nigerian Estate Surveyors?
ii) What formats where the report of feasibility study takes on different firm's perspective?
iii) Does one firm have access to the feasibility report prepared by other firms, if yes how are they compared?
iv) Is there any need for standardization of feasibility and viability study amongst

Nigerian Estate Surveying firms?

v) Who should be involved in the setting of feasibility standards and what benefits could be derived from such standardization?

This paper is therefore set to establish the need for setting minimum standards for the conduct of 'feasibility studies' to pave way for best practice that will allow consistency in evaluation approach across a wide range of projects. This is hoping to complement the initial efforts on standardizing valuation because both valuation and feasibility studies are breeds of appraisal. To achieve the aim of this paper, the work has been structured into five (5) sections; next section reviews the related literature, third section is on the study area and research methodology, followed by section four which is on the research findings and discussions of the findings. The fifth section discussed the research findings and concluded the work.

2.0 LITERATURE REVIEW

Valuation and feasibility and viability appraisal are within the professional scope of estate surveying coverage and both share certain things in common, but both are not

exactly the same. While valuation is to determine the monetary worth of interest in a given property in its existing state, feasibility and viability study is to appraise/evaluate if it can be possible and if it's worth it to embark on real estate investment.

A feasibility and viability report is a document that assesses potential solutions to the business problem or opportunity, and determines which of these are viable for further analysis. The feasibility report presents the project parameters and defines the potential solutions to the defined problem, need or opportunity; it is an aspect of investment appraisal.Feasibility studies as regard real estate investment is used to determine if it is financially feasible to develop a proposed property, renovate or upgrade an existing property, and to determine whether a property's complete and stabilized value is equal to or exceed the total costs to build it, can guarantee entrepreneurial profit and ensure an adequate return for the capital invested to develop the property right before commencement, it is thus an investment prediction base on available data.

Since capital appreciation is a major component of property investment performance, performance appraisal of the property portfolio is a meaningless exercise if the feasibility study is unreliable. The feasibility and viability study has one primary goal; to demonstrate that the project is practically and economically viable if it is designed, constructed and operated in accordance with the concepts set forth in the study. All technical concepts will be established and the corporate philosophy with respect to organizational structure, social and environmental responsibility, infrastructure contributions and financing will be determined. All the major decisions about how the project will be developed are made during the feasibility study.

The feasibility study process deals with uncertainty, and a phased and iterative study approach has evolved as a consequence. It is common practice for the feasibility study process to involve three phases, namely the conceptual or scoping phase, the preliminary or prefeasibility phase, and the final or definitive phase (West, 2006; Appleyard, 2001; Laird, 2001; White, 2001; Noort and Adams, 2006 and Shillabear, 2001), though additional study phases may be recognized during the project development cycle (Maslin, 2003). Noort and Adams (2006) describe three phases of a study process as: A scoping (concept) and that study should be used to define the potential of a project, eliminate those options that are unlikely to become optimal, and determine if there is sufficient opportunity to justify the investment required for further studies.

The definitive feasibility study provides the basis for the decision on whether in fact further study is required, whether the project is worth pursuing or whether to advance the project to design and construction. The entire study process can require considerable time, effort and funding. Various studies indicate that feasibility study and valuations are often very inaccurate with notable wide variation visible to the clients. Hager and Lord (1985) found that valuations by professional Valuers differed by as much as 25.6% above to 7.6% below a control valuation, a range of 33.2%.

Cole, Gulkey and Miles (1986) showed an average absolute difference between valuations and selling price on a sample of 147 buildings between January 1978 and June 1984 of 9.5%, a range of some 19%. Lorenz &Lutzkendorf (2011) provided a

systematic overview of various publications and international research efforts undertaken to integrate sustainability considerations into the property valuation process; and their findings shows that changes are required in the process of gathering, processing and presenting property-related information, as well as in the methods for determining individual valuation-input parameters and for explicitly stating formerly implicit assumptions and qualitative judgment.

This includes but is not limited to the extension of the scope and informational content of standard reports to include sensitivity analyses, risk documentation and a separate section on sustainability. The required changes should be supported by actions that could be undertaken by the professional and -standard -setting bodies and organizations within the valuation world. These actions include: embracing and improved marketing of the qualitative nature of the real estate service; the development of educational material and formal guidelines; the provision of dedicated market research to assist practitioners operating in different market segments, geographic regions and local sub-markets; and adjusting and further developing existing standards to enable and support individual practitioners in offering a two-tier service to clients.

Gypton (2002) reports that from a sample of 60 projects developed in North, Central and South Americasince 1980, the average cost overrun was 22 per cent, with only 40 per cent projects costing within ±15 per cent of the feasibility study estimate. It would seem things have not got any better over time, although Gypton doesnote that: Published comparisons of expectations (feasibility) versus actual performance are almost non-existent. Feasibility study shortcomings are a sensitive subject at the very least, and in most cases, the operator is more Interested in running an investment, not analyzing what happened and why. Both the Gypton (2002) and McCarthy (2004) studies indicate that only about half of projects meet expectations – be that of cost and time to build the project or be that overall business outcome.

Joslin (2005) investigate how the property profession conveys uncertainties to their clients.In the majority of cases, the valuers' expression of uncertainty is integral, whereby one must express the amount of uncertainty present when undertaking an appraisal. In order to offer a client an accurate valuation, the valuer should make clear the background to the value presented and offer evidence about which factors may affect the figure, with regard to variation.

It is also widely accepted that the feasibility study process is multi-phased and iterative (West, 2006). Feasibility studies are typically undertaken after detailed data gathering of all material information relevant to the project development purposely to:
-Demonstrate the technical and economic viability of a business opportunity based on the proposed project;
-Develop only one project configuration and investment case and define the scope, quality, cost and time of the proposed project;
-Establish the risk profile and the uncertainties associated with this risk profile and develop mitigation strategies to reduce the likelihood of significant changes in the project assessment as set out in the feasibility study;
-Plan the implementation phase of the proposed project to provide a baseline for management, control, monitoring and reporting of the project implementation and establish a management plan for the operations phase;

-Facilitate the procurement of sufficient funds to develop the project in a timely manner;
-Provide a comprehensive report with supporting appendices that includes a clear recommendation to proceed with the investment or otherwise.

The framework recognizes that the feasibility study process is iterative, and indeed any phase of a study may quite correctly recommend that the project be abandoned, shelved or reassessed.

Many authors provide some guidance as to the table of contents of topics to be addressed during the feasibility study process (these include; White, 2001; Noort and Adams, 2006; Amos, 2001; Kuestermeyer, 2002). Most authors noted that the topics to be addressed in a feasibility study are project specific, but these can generally be categorized as either 'technical' or 'economic'.

The inclusion of table of contents of topics is an important addition to those in the usual technical and economic categories. In addition, the adoption of a consistent table of contents for each study phase not only ensures a comprehensive assessment, but also assists with the capture and storage of project information, facilitates independent project reviews, minimizes unnecessary duplication of work and eases the progression between study phases.

Also, many authors provide guidance as to the level of quality and of accuracy for each study phase of a feasibility study (Cusworth, 1993; White, 2001). Indeed, most firms have in-house standards (Kuestermeyer, 2002; McCarthy, 2004). The minimum standards are not only for table of content and quality of the study, but also for the deliverables from each study phase. Whilst it goes without saying that each element of the table of contents must be written up and consolidated into a report, which usually includes supporting appendices, the framework and minimum standards recognize that, in the event that a recommendation to proceed to the next phase of the project development cycle is made, then a key deliverable is a work plan for that subsequent phase.

Feasibility studies ensure policy that mandates the adoption of the minimum standards for all study phases. These policies recognize the conflicts between the need for consistency in approach to feasibility studies, yet the flexibility to address the inevitable project specific issues by referring to the standards as minimum standards, and study managers are obligated to adopt a flexible approach such that any value improvement or risk reduction opportunities not specifically covered by the minimum standards are investigated.

On the other hand, the policy mandates that a statement of compliance with the minimum standards be provided in each study phase report, and if any of the requirements of the minimum standards cannot be satisfied, or do not apply to the investment opportunity being studied, then the reasons for or justification of the non-conformance must be clearly and explicitly stated. The reviewer should be cognizant of the need to distinguish between matters of fact and matters of opinion. The reviewer and the study manager must agree on matters of fact, but may agree or disagree on matters of opinion.

By and large, the benefits arising from this recommended approach are that: --studies are comprehensive, --studies are fit for purpose, studies and terminology are consistent, --studies address the needs of all stakeholders, and --the study purpose and standards to be achieved can be clearly communicated to all study contributors at the outset. Declaring the execution strategy for the feasibility study, include: minimum standards for the feasibility study report,procedures and systems to be employed, reporting requirements, contents of the study report, the development of documentation or any data room, resources required and organization structure, key personnel, and key performance indicators for the feasibility study.

Feasibility studies are regularly portrayed as being much more comprehensive and accurate than they are. Reporting the feasibility study should therefore comprise: Cover / Title Page Contents List, General Information, Scope of Work, Comparison of Options, test of viability and Final Recommendation. According to Public Works and Government Services, Canada, a typical feasibility report must however include:

1. Executive Summary-The purpose of the Executive Summary is to provide a very brief overview of the most essential and decision-relevant information concerning the project and should Clearly state the problem/opportunity being assessed.; identify any special issues or impacts that may need to be brought to the attention of the approving authority or stakeholders and list the options that are recommended for further analysis during the analysis phase.
2. Problem Statement - Brief identification of the main problem, opportunity, or key issue that the proposed project is seeking to address. The problem or opportunity statement should be taken from the Statement of requirement document.
3. Project Business Requirement- This section provides pertinent details regarding the context for undertaking the proposed project. This information should be based on the Problem Definition Section of the Statement of requirement document. This is the section where information relevant to the initial analysis can be noted, such as the findings of an environmental scan (whether pertaining to technology or to what other organizations have done to support a similar business problem or opportunity), key parameters/constraints from relevant policy and legislation.
4. Assessment of Options -The purpose of this section is to list the possible options for satisfying the client requirements and to document the results of the feasibility assessment of each of the options. This may be done in a table format. Documentation will include the rationale to support viable options and to reject non-viable options. Project constraints and limitations of expenditure are among the various factors that will determine viability.
5. Asset Based Projects- This section will describe the major asset requirements of the proposed project and provide a description of the asset.
6.Asset Performance- Briefly discuss the operational, financial, and functional performance of the asset, and whether performance targets for the asset are being met, Identify any operational, financial or functional performance issues which may be relevant to the project. It is generally appropriate to provide the details of the asset description in an appendix, with only a general overview and the most significant points included in the text of the feasibility report. Elements of the asset description may include: the age, area and other main characteristics of the asset; the number of occupants to be affected by the problem; the nature of any recent renovations that have been undertaken (may be presented in an appendix); detailed information regarding the features of the asset relevant to the project being

proposed; whether the property has a heritage designation or whether it is subject to other conservation initiatives.

This will also include a statement as to the overall condition of the asset and its main systems, including any limitations it may have. Identify upcoming project requirements for the asset, other than those associated with the current project. This information shall be summarized from the Asset Management Plan (AMP), the Building Management Plan (BMP), the Building Condition Report (BCR), and other relevant documents. Most of the information in this section may be presented in an appendix, with the main points referred to in the text of the feasibility report.

3.0 RESEARCH METHODOLOGY

Lagos, the commercial and industrial heart of Nigeria, accommodates a noticeable number of total industries in Nigeria… and also has the highest concentration of professional offices (Falade, 2005). The concentration of professional offices was also corroborated by the NIESV list of Estate Surveying firms for the year 2014 which indicated that 324 (representing 41.8% of the 775 total registered Estate Surveying firms in the nation) has at least an office (either as head or regional) in Lagos alone amongst 26 other geographical listings of members firms. These formed the basis of selecting Lagos as study area for this research.

Questionnaires were served on head of practice of 203 estate surveying firms, (representing 62.65% of 324). 17 of the returned questionnaires were not administrable because the head of their practice indicated that they have not undertaken any feasibility study in the history of their firm's practice. The simple random technique was adopted to eliminate bias and allow the respondents to have equal chance of being selected, the table of random numbers was used for selection.

Eventually 93 questionnaires were successfully administered representing 45.81% retrieval/responsive rate. Survey research design was adopted through the use of questionnaire which were administered through the cross sectional survey. The questionnaire was subdivided into close-ended questions and ranking by ordinal scale i.e. 4-point Likert type questioning.

The questionnaire solicited data such as: firm's practicing registration type, involvement in feasibility study, number of branches, mode of operation, time last done feasibility study, format of report, access to other firm's feasibility and viability report, comparison with other firm's for variation, cause of variation, awareness of any available standard, why a need for standard in feasibility report?, whose responsibility to set standard?and benefits of having standard setting for feasibility report among others.

Data gathered from closed-ended questions were analyzed using descriptive statistics, while that of ordinal scale data was weighted with average ranking i.e. relative importance index. The severity index was used to confirm the ranking of relative importance index as extension of the work of Olusola and Adesanya (2004). The frequency of options to the questions asked was calculated on percentage basis with:

$$\% = \frac{FC}{TFC} \times 100 \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots \quad (1)$$

Where: FC = frequency counts on each option, TFC = total respondents or frequency counts which for this study is 93. The frequency tables generated from responses to options from questions asked by this research were combined as appendix A and explained in the research findings. As regards the 4-point Likert scale, relative importance index (RII) and severity index (SI) were calculated from the data.

$$RII = \frac{TFW}{TFC} \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots \quad (2)$$

Where FW= FC X W, W= the weight assigned to each option (4 for strongly agree, 3 for agree, 2 for disagree & 1 for strongly disagree. The RII are then ranked in order to determine their position of preferences. For SI;

$$SI = SA + A \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots \quad (3)$$

Where SA = the percentage of frequency of strongly agreed option:

$$SA = \frac{FWSA}{TFW} \times \frac{100}{1} \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots \quad (4)$$

$$A = \frac{FW \times A}{TFW} \times \frac{100}{1} \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots \quad (5)$$

4.0 RESEARCH FINDINGS

Majority of the respondents to the study are head of practice of the firm and principal partner (74.2%) with HND academic qualification (48%), ANIVS and RSV professional qualification (94.4%) and have been in practice of estate surveying for between 7 and 10 years (45%) see the appendix. Most of the firms (70.82%) have been established over 7 years ago with average of 1-10 branches (68.82%).

As regard engagement in feasibility study (47.32%) of the firms last engaged in feasibility study more than two years ago and 97.85% affirm that their firms' adopt uniform mode of practice in all their branches. 41.94% of the respondents indicated that valuation report style was adopted as format of preparing their feasibility report. 96.77% representing majority of the firms' affirm that they have access to other firms prepared feasibility report and 90.32% indicated that they do not have a follow up of the outcome of their report. 89.25% of the respondents subscribed to the need for standardization of feasibility report prepared by estate surveying firms.

The 4-point Likert scaling on statement of comparison of firms indicated that there is a significant difference in feasibility reports prepared from one firms to another by means of rating this statement first among other statements of comparison and having the highest relative importance index (RII) of 3.41. The second rating is that there is no correlation between different firms' feasibility reports having RII of 2.94. The RII of 2.03 placed statement that there is no difference between different firms report at third ranking. The fourth rating was that one firm's report is almost the same

with another firm's report which its RII was calculated as 1.99, while the least and the fifth rating indicated that virtually all feasibility reports are the same with 1.82 RII. This is captured in Table1a as presented below:

Table 1a: Comparison of one firm's feasibility and viability report with another

The Reasons	Strongly agree (4) FC (FW)	Agree (3) FC (FW)	Disagree (2) FC (FW)	Strongly disagree (1) FC (FW)	Sum of weighted frequency (TFW)	Relative importance index (RII)	Ranking
Virtually our report is the same with that of other firm's report	7 (28)	11 (33)	33 (66)	42 (42)	169	**1.82**	5th
Our firm's report is almost the same with other firm's report	9 (36)	12 (36)	41 (82)	31 (31)	185	**1.99**	4th
There is a significant difference in our firm's report and other firm's report	49 (196)	37 (111)	4 (8)	3 (3)	318	**3.41**	1st
There is no correlation between our report and other firm's report	34 (136)	35 (105)	8 (16)	16 (16)	273	**2.94**	2nd
There is no significant difference between our firm's report and other firm's report.	11 (44)	19 (57)	25 (50)	38(38)	189	**2.03**	3rd

Source: Authors Field Work (2013)

This finding was corroborated by the severity index in table 1b where the first ranking of 3.41in table 1a was rated highest in percentage, specifically indicating 96.54% severity index. The second ranking has the next percentage of 88.28%, the third has 53.44% while fourth and fifth have 38.92% and 36.10% respectively.

Table 1b: Comparison of one firm's feasibility and viability report with another

The Reasons	Strongly Agree SA	Agree A	Disagree D	Strongly Disagree SD	Total Percentage (%)	Severity index (SI)	Ranking
Virtually our report is the same with that of other firm's report	16.57%	19.53%	39.05%	24.85%	100	**36.10%**	5th
Our firm's report is almost the same with other firm's report	19.46%	19.46%	44.32%	16.76%	100	**38.92%**	4th
There is a significant difference in our firm's report and other firm's report	61.63%	34.91%	2.52%	0.94%	100	**96.54%**	1st
There is no correlation between our report and other firm's report	49.82%	38.46%	5.86%	5.86%	100	**88.28%**	2nd
There is no significant difference between our firm's report and other firm's report.	23.28%	30.16%	26.46%	20.11%	100	**53.44%**	3rd

Source: Authors Field Work (2013)

Also, on who are suppose to set the standard for feasibility study of professional Estate Surveyors, the Likert scaling first rating in this regard indicated the combination of estate surveyors in academics, estate surveyors in practice, professional body (NIESV) and regulatory body (ESVARBON) as standard setters for feasibility report. This is indicated by RII calculate as 3.21. The second rating with RII 3.11 is that only the estate surveyors in academics should set the standard, that the professional body (NIESV) should set the standard had 2.45 which is rated third, while the estate surveyors in practice is rated fourth having RII 2.28. The regulatory body (ESVARBON) was rated the fifth with 2.27 in the preference rating. These are represented in Table 2a.

Table 2a: Who should be responsible for setting standards format for feasibility and viability report

The Core Participants	Strongly Agree (4) FC (FW)	Agree (3) FC (FW)	Disagree (2) FC (FW)	Strongly disagree (1) FC (FW)	Sum of weighted frequency (TFW)	Relative importance index (RII)	Ranking
The estate surveyors in the academics only should set the standards	39 (156)	34 (102	12 (24)	8 (8)	290	**3.11**	2nd
The estate surveyors in practice only should set the standards	18 (72)	21 (63)	23 (46)	31 (31)	212	**2.28**	4th
The professional body (NIESV) only should set the standards	11 (44)	38 (114)	26 (52)	18 (18)	228	**2.45**	3rd
The regulatory body (ESVARBON) only should set the standards	20 (80)	14 (42)	30 (60)	29 (29)	211	**2.27**	5th
All the above categories should jointly set the standards	47 (188)	29 (87)	7 (14)	10 (10)	299	**3.21**	1st

Source: Authors Field Work (2013)

The outcome of responses in relative importance index in Table 2a above was confirmed by severity index in Table 2b as follow:

Table 2b: Who should be responsible for setting standards format for feasibility and viability report

The Core Participants	Strongly Agree (SA)	Agree (A)	Disagree (D)	Strongly Disagree (SD)	Total Percentage (%)	Severity index (SI)	Ranking
The estate surveyors in the academics only should set the standards	53.79%	35.17%	8.28%	2.76%	100	**88.96**	2nd
The estate surveyors in practice only should set the standards	33.96%	29.72%	21.70%	14.62%	100	**63.68%**	4th
The professional body (NIESV) only should set the standards	19.30%	50.00%	22.81%	7.89%	100	**69.30%**	3rd
The regulatory body (ESVARBON) only should set the standards	37.91%	19.91%	28.44%	13.74%	100	**57.82%**	5th
All the above categories should jointly set the standards	62.88%	29.10%	4.68%	3.34%	100	**91.98%**	1st

Source: Authors Field Work (2013)

In Table 2b, the earlier first rank of 3.21 was confirmed with 91.98 percentage which is the highest percentage in the severity index confirming the submission of the respondents that the combination of estate surveyors in academics, estate surveyors in practice, professional body (NIESV) and regulatory body (ESVARBON) should be the setter of standard for feasibility study in estate surveying practice. This was followed by the view that the estate surveyors in academics only should set the standard for the feasibility and viability study report as indicated by 88.96 percentage to take second ranking. Other rankings of 69.30, 63.68 and 57.82 percentages hold for the third, fourth and fifth positions respectively by severity index confirming the order in the relative importance index.

As regards the benefit attached to the standardization of the feasibility report, the relative importance index rate as first that it will ensure acceptability, reliability and build confidence in clients patronizing estate surveyors in feasibility assignment, this is reflected by 2.98 RII followed by the second rating of 2.77 which hold 'that it will

portray NIESV and her members as an organized professional body/members by way of uniform presentation of job format.

The hope that it will reduce too much variation that may arise due to poor yardstick and poor analysis was rated third with 2.26 RII while meeting international standards through transiting from individual, national to international standards was rated fourth as coincided with 2.24 RII. The last rating, i.e. fifth had 2.18 which is that it will reduce the investment somersault due to faults caused by the wrong appraisal approach and may improve the national income. These views were presented in Table 3a:

Table 3a: The benefits associated with setting standards for feasibility and viability report.

The Likely Benefits	Strongly agree (4) FC (FW)	Agree (3) FC (FW)	Disagree (2) FC (FW)	Strongly disagree (1) FC (FW)	Sum of weighted frequency (TFW)	Relative importance index (RII)	Ranking
The Nigerian feasibility report will meet international standards through transiting from individual, national to international standards	16 (64)	19 (57)	30 (60)	28 (28)	209	**2.24**	4th
It will ensure acceptability, reliability and build confidence in the clients patronizing estate surveyors in feasibility assignment	33 (132)	36 (108)	13 (26)	11 (11)	277	**2.98**	1st
It will portray NIESV and its members as an organized, professional body/ members by way of uniform presentation of job format.	28 (112)	32 (93)	19 (38)	15 (15)	258	**2.77**	2nd
It will reduce the investment somersault due to faults caused by the wrong appraisal approach and may improve the national income	18 (72)	12 (36)	32 (64)	31 (31)	203	**2.18**	5th
It will reduce too much variation that may arise due to poor yardstick and poor analysis.	19 (76)	17 (51)	26 (52)	31 (31)	210	**2.26**	3rd

Source: Authors Field Work (2013)

The holds in Table 3a as regards the benefits associated with the setting of standards for feasibility and viability study report by the relative importance index were confirmed by severity index in table 3b:

Table 3b: The benefits associated with setting standards for feasibility and viability report.

The Likely Benefits	Strongly Agree (SA)	Agree (A)	Disagree (D)	Strongly Disagree (SD)	Total Percentage (%)	Severity index (SI)	Ranking
The Nigerian feasibility report will meet international standards through transiting from individual, national to international standards	30.62%	27.27%	28.71%	13.40%	100	**57.89%**	4th
It will ensure acceptability, reliability and build confidence in the clients patronizing estate surveyors in feasibility assignment	47.65%	38.99%	9.39%	3.97%	100	**86.64%**	1st
It will portray NIESV and its members as an organized, professional body/ members by way of uniform presentation of job format.	38.89%	42.71%	13.19%	5.21%	100	**81.60%**	2nd
It will reduce the investment							

somersault due to faults caused by the wrong appraisal approach and may improve the national income	35.47%	17.73%	31.53%	15.27%	100	**53.20%**	5th
It will reduce too much variation that may arise due to poor yardstick and poor analysis.	36.19%	24.29%	24.76%	14.76%	100	**60.48%**	3rd

Source: Authors Field Work (2013)

The Table 3b indicated that 86.64% was the highest severity index representing the first rank as in the 2.98 relative importance index in Table 3a. This is conveying the same message that the setting of standards will ensure acceptability, reliability and build confidence in the clients patronizing estate surveyors in feasibility assignment. 81.60%, 60.48%, 57.89% and 53.20% were ranked as the second, third, fourth and fifth ranking in severity index to confirm the exact position by which both indices place the responses as regard the benefits of setting standard for estate surveyors and valuers in feasibility and viability report.

5.0 SUMMARY OF RESULTS AND CONCLUSION

The results from this finding indicated that there is no uniform mode of practicing feasibility and viability study among Nigerian estate surveying firms, no uniform format of reporting, which have implication on the acceptability of the work of the general potential clients and best practice among the estate surveyors in Nigeria due to lack of correlation and significant differences in their feasibility reports.

For this reason, the sampled estate firms in the study were of the view that there is a need for uniform standards in feasibility reports prepared by estate surveyors. Also the combination of estate surveyors in academics, estate surveyors in practice and the professional (NIESV) and regulatory (ESVARBON) bodies for the practice of estate surveying in Nigeria are to be responsible for setting standards for feasibility study.

The research findings further concluded that setting standards for feasibility and viability study will ensure acceptability, reliability and build confidence in the clients patronizing estate surveyors in feasibility assignment. It will also portray NIESV and its members as organized, professional body/members by way of uniform presentation of job format.

By and large, it is one thing to set standards which may not be easy to come by, and it is another thing for the professional members to comply with such set standards. In this regard, NIESV and ESVARBON should therefore follow up the set standards by enforcement and imposition of sanctions on the erring members after maximum awareness must have been created among the members.

REFERENCES

Ajayi, C.A. (2009) 'International Valuation Standards as they Apply to the Use of the Investment Method of Valuation and in Mortgage Valuation'. *The Estate Surveyor and Valuer*, Vol 32 (1). Jan-June p7

Alexander Joslin (2005): "An Investigation into the Expression of Uncertainty in Property Valuations" *Journal of Property Investment & Finance*. Vol.23 (3)

Amos, Q, (2001).' Resources and risk – *A lender's view* in *Mineral Resource and Ore Reserve Estimation – The AusIMM Guide to Good Practice'* (ed: A C Edwards), p 511 (The Australasian Institute of Mining and Metallurgy: Melbourne).

Chegut A.M; Piet M. A. &Eichholtz P. R. (2013) 'The London Commercial Property Price Index' *Journal of Real Estate Finance &Economics.*Springer Science+BusinessMedia New York 47:589 Published online: 7 June 2013

Cusworth, N, (1993).'*Cost Estimation Handbook'* The Australasian Institute of Mining and Metallurgy: Melbourne pp 252-259.

David Lorenz, Thomas Lützkendorf (2011) "Sustainability and property valuation: Systematisation of existing approaches and recommendations for future action" *Journal of Property Investment & Finance* Vol: 29 Iss: 6

Kuestermeyer, A, (2002). 'Minimum requirements for feasibility studies, *Pincock Perspectives'* 34(September) (Pincock, Allen & Holt: Lakewood, Colorado).

Laird, A M, (2001).'How to develop a project, in Mineral Resource and Ore Reserve Estimation – The AusIMM*Guide to Good Practice'* (ed: A C Edwards), p 21 (The Australasian Institute of Mining and Metallurgy: Melbourne).

McCarthy, P L, (2004). 'New mining projects — Expectations and outcomes' in *Proceedings PACRIM 2004 Conference*, pp 57-61 (The Australasian Institute of Mining and Metallurgy: Melbourne).

NIESV (2009) 'Why standards, the editorial' of *The Estate Surveyor and Valuer.*Vol 32(1)jan-june p4

NIESV (2014) 'Investment Property Databank 2013' First edition, the publication of Nigerian Institution of Estate Surveyors and Valuers, March

Noort, D J and Adams, C, (2006).'Effective mining project management systems, in *Proceedings International Mine Management Conference,* pp 87-96 (The Australasian Institute of Mining and Metallurgy: Melbourne).

Olusola K. &Adesanya D.A.(2004) 'Public acceptability and Evaluation of Local Building Materials for Housing Construction in Nigeria': *Journal of Property Research and Construction.* Vol1(1) pp 83-98

Onuorah E.B. (2009) 'From the presidential desk'. *The Estate Surveyor and Valuer.* Vol 32(1)jan-june p6

S. Chen, B. Mulgrew, and P. M. Grant, (1993) "A clustering technique for digital communications channel equalization using radial basis function networks," IEEE Trans. on Neural Networks, Vol. 4, pp. 570-578, July

Tobias Schnaidt, Steffen Sebastian (2012) "German valuation: review of methods and legal framework"*Journal of Property Investment & Finance. Vol 30(2)*

VALMIN Committee, 2005. *The Valmin Code* [online]. Available from: http://www.ausimm.com.au/codes/valmin_2005.pdf [Accessed 15 January 2007].

Will Fraser (1985): "Rational Models or practical Methods?" *Journal of Property Valuation* Volume:3 iss: 3

W Mackenzie and N Cusworth (2007): "The Use and Abuse of Feasibility Studies Project Evaluation Conference " Melbourne, Vic, 19 - 20 June 2007 1

White, M E, (2001). 'Feasibility studies – scope and accuracy, in *Mineral Resource and Ore Reserve Estimation' – TheAusIMM Guide to Good Practice* (ed: A. C. Edwards), p 421

The Australasian Institute of Mining and Metallurgy: Ptoject Evaluation Conerence,12 Melbourne, *Vic*, 19 - 20 June 2007

Appendix A: Combined Tables on Administered Questionnaires

TABLE	QUESTION ASKED	RESPONSE OPTIONS	FREQUENCY	(%)
1	**Designation of Respondents**	Branch Manager	14	15.05
		Head of Practice	20	21.51
		Principal Partner	49	52.69
		Estate Surveyor	10	10.75
		TOTAL	**93**	**100.0**
2	**Respondents Academic Qualification**	National Diploma	07	07.52
		Higher National Diploma	48	51.61
		Bachelor of Science	31	33.33
		Master of Science	06	06.44
		Others	01	01.10
		TOTAL	**93**	**100.0**
3	**Respondents Professional Qualification**	ANIVS Only	47	53.54
		ANIVS & RSV	38	40.86
		Non-professional	00	00.00
		Others	08	08.60
		TOTAL	**93**	**100.0**
4	**Period of Practicing by Respondents**	1-3 years	20	21.51
		4-6 years	18	19.35
		7-10 years	42	45.16
		11 years and above	13	13.98
		TOTAL	**93**	**100.0**
5	**Firms' Establishment Period**	1-3 Years	10	10.75
		4-6 years	19	20.43
		7-10 years	20	21.51
		11 years and above	44	47.31
		TOTAL	**93**	**100.0**
6	**No of Branch offices**	None	01	01.07
		1-5	39	41.94
		6-10	25	26.88
		11-15	20	21.51
		16 and above	08	08.60
		TOTAL	**93**	**100.0**
7	**Last time you undertook feasibility & viability study**	Less than 6 months	23	24.73
		More than 6 months but less than 1 year	16	17.20
		More than 1 year but less than 2 years	10	10.75
		More than 2 years ago	44	47.32
		TOTAL	**93**	**100.0**
8	**Do your firm has uniform mode of practice**	Yes	91	97.85
		No	2	02.15
		TOTAL	**93**	**100.0**
9	**Your firm's format of feasibility report**	Table of contents style	05	05.38
		Valuation report style	39	41.94
		General Reporting style	30	32.26
		Any available style	19	20.43
		TOTAL	**93**	**100.0**
10	**Do you have access to Feasibility report prepared by other firms'?**	Yes	90	96.77
		No	03	03.23
		TOTAL	**93**	**100.0**

11	**Do you see a need for uniform standards in feasibility report prepared by estate surveyors**	Yes	83	89.25
		No	10	10.75
		TOTAL	**93**	**100.0**
12	**Do you have a follow up for your feasibility and Viability study?**	Yes	09	09.68
		No	84	90.32
		TOTAL	**93**	**100.0**

Source: Author's Field Work (2013)