

## St. Mary's University

## **School of Graduate Studies**

# AN ASSESSMENT ON PROJECT STAKEHOLDER MANAGEMENT PRACTICE: THE CASE OF OMO KURAZ SUGAR FACTORY 1 IN SOUTH OMO ETHIOPIA.

## By TEMESGEN ABERA HAILE

February 2021

Addis Ababa, Ethiopia

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## By TEMESGEN ABERA HAILE (SGS/0595/2011A)

A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY, SCHOOL OF
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February 2021 Addis Ababa, Ethiopia

#### **ST.MARY'S UNIVERSITY**

## SCHOOL OF GRADUATE STUDIES

## DEPATEMENT OF PROJECT MANAGEMENT

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## **DECLARATION**

I, Temesgen Abera, the undersigned, declare that this thesis is my original work, prepared under the guidance Muluadam Alemu (PhD). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Name Signature

January.

## **Temesgen Abera Haile**

#### **ENDORSEMENT**

This is to certify that Temesgen Abera has carried out his project work on the topic "An assessment on project stakeholder management practice: the case of Omo Kuraz Sugar Factory 1 South Omo Ethiopia." under my supervision. In my opinion, this work qualifies for submission in partial fulfillment of the requirements for the award of Degree of Masters of Art (MA) in project management.

Advisor	Signature

St. Mary's University, Addis Ababa

February, 2021

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**Temesgen Abera** 

February, 2021

Addis Ababa, Ethiopia

#### ABBREVIATION/ ACRONYMS

CPs Complex Projects

CSR Corporate Social Responsibility

EIA Environmental Integration Authority

EPA Environmental Planning Authority

ESIP Ethiopian Sugar Industry Profile

ESC Ethiopian Sugar Corporation

FPIC First, Prior and Informed Consent

IFC International Finance Corporation

METEC Metal and Engineering Corporation

MPIC Major Public infrastructure and Construction Project

NGOs Non-Governmental Organizations

NIMBY Not in My Back Yard

OKSFP 1 Omo Kuraz Sugar Factory Project 1

PDCA Plan Do Check and Act

PMBOK Project Management Body of Knowledge

PMI Project Management Institute

SDG Sustainable Development Goal

SES Social Environmental Stanadard

SM Stakeholder Management

UNDP United Nation Development Program

## TABLE OF CONTENT

Content	Number
Advisor approval sheet	I
Approved by board of examiners	II
Declaration	III
Acknowledgment	IV
Abbreviations and Acronyms	V
Table of Content	VI
Lists of Tables and Figure	VII
Lists of Figures	IX
Abstract	X
CHAPTER ONE	1
INTRODUCTION	1
1.1. Back ground of the study	1
1.2. Back ground of the organization	3
1.3. Statement of the problem	6
1.4. Research Question	8
1.5. Objective of the study	8
1.5.1. General objective	8
1.5.2. Specific objectives	8
1.6 Scope of the study	8
1.7. Limitation of the study	9
1.8. Significance of the study	9
1.9 Organization of the study	11

CHAPTER TWO	12
2. REVIEW OF RELATED LITRATURE	12
2.1. Theoretical Review	12
2.1.1. Stakeholder Management Governance	12
2.1.2. Project stakeholder's management	15
2.1.3. Stakeholders	15
2.1.4. Types of stakeholders	16
2.1.5. Accountability to stakeholders	16
2.1.6. Stakeholder management	17
2.1.7. Stakeholder management input, tools and technique and output	19
2.1.8. Identify stakeholders	22
2.1.9. Stakeholder analysis	22
2.1.10. Plan stakeholder management	24
2.1.11. Stakeholder engagement	25
2.1.12. Control stakeholder engagement	28
2.2. Empirical Review	29
2.2.1. Mega project and Stakeholder Management	29
CHAPTER THREE	34
3. RESEARCH METHODOLOGY	34
3. Research design and Methodology	34
3.1. Research design and Approach	34
3.2. Target population and Sample size	34
3.3. Data source and Collection methods	35
2.4 Intervious	26

3.5. Observation/ Site visit	36
3.6. Document analysis	36
3.7. Data analysis and Presentation	36
3.8. Reliability and Validity	37
3.9. Research ethics	37
CHAPTER FOUR	38
4. RESULT AND DESCUSION	38
4.1. Demographic Characteristics of the Respondents	38
4.2. Types, responsibilities and interests of stakeholders	39
4.3. Stakeholder Identification.	43
4.4. Stakeholder Analysis	46
4.5. Stakeholder Engagement and Communication	47
4.6. Stakeholder management Practice	50
4.7. Stakeholder management Challenges	51
CHAPTER FIVE	
5. Summery, Conclusion and Recommendation	52
5.1. Summery	52
5.2. Findings.	52
5.3. Conclusion	56
5.4. Recommendation	57
References	58
Appendix	61

## LIST OF TABELS AND FIGURES

Table 3.1: Sample Size Breakdown
Table 4.1: Sex, Age, Educational status of Respondents and Duration of
Work experience in the organization
Table 4.2: Range of Stakeholders of the sector
Table 4.3: Stakeholders Interest, Responsibility and Level of Relevance41
Table 4.4: SH identification process that respondents used
Table 4.5: Stakeholder Identification Criteria
Table 4.6: When and how often Stakeholder analysis is undertaken by
Organization respondents44
Table 4.7: Working definition of SH engagement by organization respondents47
Table 4.8: How respondents carry out SH engagement in Omo Kuraz 148
Table 4.9: Methods of Communication & response with Stakeholders
Table 4.10: Methods of response with Stakeholders
Table 4.11: Need for SHM unit and Who Takes Response of SHM50
Table 4.12: Common and Popular Challenges on SH management in OKSFP 151
LIST OF FIGURE
Fig 1.1. Town residents collecting water from Omo River
Fig: 2.1. Stakeholder Management Inputs, Tools and Techniques and Out puts19
Fig 2.2. Issue prioritization from organization and stakeholder Perspective27
Fig. 2.3. Conceptual Framework

#### **ABSTRACT**

Projects stakeholder management in Omo Kuraz Sugar Factory 1 Project (OKSFP) face encounters from different groups with potentially conflicting needs and interests. The study assesses the practices of stakeholder management the case of Omo Kuraz Sugar Factory 1 Project (OKSFP). Using Census sampling strategy all stuff members (34) of OKSF1P were included in the sample. Community leaders, 1Zonal pastoralist development Bureau head and 1 Woreda administrator. Structured questionnaire was used to get information from CEO, General Manager, Deputy managers, Project Manager and project line managers, whereas Interview questionnaire was used to provoke information from Local community leaders, Zonal pastoralist development bureau head and Woreda administrator and personal site observation was held on. The stakeholder identification implement as indicated in stakeholder management plan. It was discussed that the interests and responsibility of the key Stakeholders were very critical to the effectiveness of the projects. The stakeholder management system was found institutionalized (part of organizational body) but it was not functional (the functionality was under quotation). The study to somehow revealed challenges like low commitment, conflicting interests, personal benefit seeking, ineffective engagement and communication, low understanding of different issues, deviation from common agreement, unrealistic expectations, environmental peace is critical and high cost of management rankly were found to effect on the performance of the projects in the organization. Finally, it is recommend that all stakeholder should be understand project goals and objectives, ensure strong engagement and communication, identify relevant stakeholders from the project planning, ensure functionality, accountability and transparency of stakeholder management and ensure full commitment from all stakeholders.

**Key words**: Project stakeholder, Project Stakeholder management, Stakeholder Governance Stakeholder Engagement.

## **Chapter One**

## 1, Introduction

## 1.1. Background of the study

A megaproject is "a project or aggregates of such projects characterized by magnified cost, extreme complexity, increased risk, lofty ideas and high visibility, in a combination that represents a significant challenge to the stakeholders, a significant impact on the community and pushes the limits of construction experience" (Fiori & Kovaka, 2005). Complexity and the unprecedented scale of these projects make them difficult to manage. According to Chinyio & Akintoye (2008), it is essential to formulate a process for Stakeholder Management (SM) and to identify effective approaches for stakeholder analysis and engagement in achieving project objectives. The complicated nature of megaprojects requires appropriate recognition and analysis of multiple stakeholders to achieve project objectives and to accommodate stakeholder interests.

The implementation of project in the 21<sup>st</sup> century is influenced by numerous factors. The concept of stakeholder management dominates scholarly conversations and publications, government policies and recommendations, and the general public. The rise in the number of scholarly works on stakeholder management is attributable to the increased emphasis on sustainable development. The struggle to achieve project objectives while meeting the expectations of various stakeholders is intense. Project stakeholders are groups who are actively taking part in a project or those likely their interests can be affected by the consequences of project implementation or completion (PMI, 2008).

Historically, megaprojects have performed poorly in terms of benefits and public support due to their impact on people and places and wastage of public resources. (Bruzelius et al., 2002). While the secondary stakeholders and the local community within them possess the attribute of legitimacy, because they are the risk bearers in the projects (Olander, 2007), little attention has been given to the stakeholder local community both from practitioners and academics in the project management arena. In spite of their ability to impact and stall the projects through well organized protests (Bornstein, 2010; Olander & Landin, 2005; Teo & Loosemore, 2014, 2017), the local community seems often to be excluded from communication plans and their inputs and needs remain not well perceived by project managers in the initiation phase of MPIC projects (Aaltonen & Kujala, 2010; Olander & Landin, 2008). This can be related to the limited

time spent on the front end of a project (Pinto & Winch, 2016) and the rush towards project approvals (Flyvbjerg, 2005) which, in turn, prevents a solid stakeholder identification, classification and assessment strategy and the engagement of a broader range of stakeholders being in place. The stakeholder approach to organizational management has generated widespread popularity and interest among academics and business managers alike. Studies indicate that businesses involving stakeholders in the planning and implementation of Corporate Social Responsibilities (CSR) projects makes for effective fulfillment of its social responsibilities which can create business value and benefit all stakeholders.

Stakeholder management is the process of identifying stakeholder groups, the interests they represent, the amount of power they possess, and determining if they represent inhibiting or supporting factors toward the transformation (Kassinis & Vafeas, 2006). Forman and Discenza (2012) stated that stakeholder management is a critical process for the success of every project. It strategic discipline is that successful project managers use to make their project competent and survive in the midst of stiff competitive environment. Stakeholder management is used to gain support from both internal and external stakeholder for the successful completion of the project (Forman & Discenza, 2012). The main task in the stakeholder management process is to understand the relationships, know the power and interests and then manage the stakeholders for the success of the project and organization (Freeman & McVea, 2001). Stakeholders who may be adversely impacted by an organization's decisions and activities should be prioritized, even if their level of influence in the organization's activities is low. As the role of each stakeholder, whether it is internal or external, may not be substituted one by another, it is paramount to define their roles, communicate and create good understanding among them at the project planning stage. The objective of stakeholder management is determining who the stakeholders are and how they should be dealt with (Kassinis & Vafeas, 2006). To this end, it is obvious that wise use of the principles of stakeholders 'management is fundamental for the success of a project. Taking into account the needs and requirements of both primary and secondary project stakeholders is recognized as an essential element to achieve better project performance (Cleland, 1986; Donaldson & Preston, 1995; Eskerod et al., 2015a, 2015b; Freeman et al., 2007; Olander, 2007; Sutter field et al., 2006). Accordingly. However, despite the fact that in the last decade secondary stakeholders have received greater attention both from practitioners and academics in the stakeholder management arena (Di Maddaloni & Davis, 2017), research has principally focused on those actors important to the project's economic interests, such as suppliers, sponsors and customers (Aaltonen & Kujala, 2010; Eskerod et al., 2015a, 2015b; Hart & Sharma, 2004). According to Eskerod and Huemann (2013),

Management-of-Stakeholders Approach offers an instrumental perspective to stakeholder management which aims to make the stakeholders comply with project needs and where stakeholders are often seen as provider of resources. Hence this study aims to provide a better understanding towards a more inclusive and holistic approach for engaging with a broader range of stakeholders (Eskerod & Huemann, 2013; Freeman et al., 2007, 2010), who could be harmed by the organization's strategy while executing Omo kuraz 1 sugar project.

By meeting or exceeding their needs and expectations and balancing the projects' economic, ecologic, and social interests, it is believed that benefit realization has a great impact for improving the performance of the projects. However, it was noted that the focus on mega project benefits has been associated with national government level or large public or private organizations (Mok et al., 2015 & Turner, 2014), where the local context of Omo kuraz 1 sugar project and related stakeholder management practices are often overlooked and therefore, warranted investigation (Di Maddaloni & Davis, 2017). While the secondary stakeholders and the local community within them possess the attribute of legitimacy, because they were the risk bearers in the projects (Olander, 2007), little attention has been given to the stakeholder local community both from practitioners and academics in the project management arena. In spite of their ability to impact and stall the projects through well organized protests (Bornstein, 2010; Olander and Landin, 2005; Teo and Loosemore, 2014, 2017), the local community seems often to be excluded from communication plans and their inputs and needs remain not well perceived by project managers

This study aims to provide constructive insights which will be useful for managing the often underestimated political and social issues around megaprojects and the social interactions in which they are embedded.

## 1.2: Background of the organization

It was 2010 when Ethiopia started the First Growth and Transformation Program (GTP I) that has been set an ambitious plan of giving a significant boost to the sugar industry, hence placing it among the pillars of the overall economic transformation. Between 2010 and 2016, using the loans, it secured and other sources, the government allotted close to 3.6 billion USD to expand the sugar industry, according to the 2016 Bloomberg report. By making the country to rank among the top-10 global producers by 2023 and Ethiopian Sugar Corporation (ESC) plans to make the sugar industry a globally competitive one. Ethiopia has more than 500,000 hectares

of irrigable and untapped fertile land, with abundant water resource, suitable for sugarcane development, according to a national survey. Omo Kuraz Sugar Factory was one of which found in South Region of South Omo Zone in Selamago District at a distance of 863 kms from Addis Ababa, the capital. By an agreement signed in June 2012 with Metal and Engineering Corporation (METEC), factory construction had been supposed to be completed and to begin production in 18 months. However, due to the delay for long period to accomplish the construction, contract with METEC was terminated by the decision of government in 2018.

At the termination point of the construction of the factory, it reached 80%. The remaining part of the construction of the factory was expected to be completed by well experienced foreign contractor that would overtake the responsibility. Its investment Cost, till April 8, 2018 was close to 34.8 billion Ethiopian Birr has been spent for the four sugar factories in Omo Kuraz Sugar Development Project for capital investment (irrigation infrastructures, land preparation, sugarcane development, housing, factory construction, etc.); project pre operation as well as operational budget. Social Benefit in collaboration with Southern Nations, Nationalities and Peoples Regional State, Sugar Corporation was implementing various life- style-changing activities to benefit the local society around and hence to bring regional transformation within the country.

Accordingly, the Corporation attempted fulfilling its social responsibility and has spent around 86 million Birr to the benefit of the local community. Hence, more than 50 social service institutions (schools, health posts, and community policing offices, local area administration offices, association offices, flour mills and animal health posts, potable water, internal roads, irrigated land supply) were constructed and have been giving service now. Compensation fees were 1,141,165 Birr which was given to pastoralists whose beehives and crops had been affected due to coffer dam and main canal construction work. Public Discussion and Mobilization cost was 2,584,309.30 Birr which spent to held public discussions at different times to raise their awareness about the benefits of the sugar development. Skill Gap Training cost 2,866,658 Birr was spent for medium level skill training so as to benefit the local society how to create job opportunities at the project area. Regarding Job Opportunities, more than 110,000 local community members have got job since the project started in 2011 by the project; contractors and micro and small enterprises on provisional, permanent and contractual basis were set. More than 300 micro and small enterprises were organized and have begun to work playing their own share in the creation of the job opportunities. Sugarcane Out grower Associations were established from local community in order to benefit pastoralists permanently and each household was given 0.75 hectares irrigated land since 2013/14 for 2,205 families that consisted four associations. The total area of land given for the pastoralists to cultivate and sell sugarcane for the factory was 1,653.75 hectares. In addition to this, the pastoralists have produced crops like maize for the first time in their history and this has started to transform them to semi farmers.

According to the guardian June, 13/2019 report, people who live in Lower Omo Valley faced starvation and conflict around the giant dam and irrigated sugar plantations said US thinktank



#### Source Charlie Rosser:

According to photograph 'A', a US-based think tank has claimed that giant dam and irrigated sugar plantations was "wreaking havoc" in southern Ethiopia and threaten to wipe out tens of thousands of indigenous peoples. For example, residents of the town Kangatin has collected water from the Omo River, which has been blocked by the construction of Africa's tallest dam. The Oakland Institute said that while the Ethiopian government has made considerable progress on human rights under Prime Minister Abiy Ahmed, it has not yet addressed the impact of state development plans on indigenous populations in the lower Omo valley, where people face loss of livelihoods, starvation, and violent conflict. Acute hunger was now widespread said the organization in its report, which was due to blockage of the Omo River by Gibe III, Africa's tallest dam. Since late 2015, the dam has stopped the river's annual flood which was a natural event that the valley's inhabitants have relied upon for centuries on tillage farming. As a result, entire communities have been tipped into destitution. Advertisement responding to the report, Sileshi Bekele, Ethiopia's Minister of Water, said that the government

accepted irrigation and electricity have problems, however, "the points raised in the paper are not properly documented or balanced". Unpopularity and local opposition were a common threat for megaprojects whereby secondary and external groups tried to influence the implementation of facility development projects (Boholm et al., 1998) and was commonly labeled 'Not in My Backyard' (NIMBY) syndrome.

This concept was defined by Dear (1992:288) as "the protectionist attitude of and oppositional tactics adopted by community groups facing an unwelcome development in their neighborhood". (Olander & Landin, 2008) used the concept of NIMBY to identify opponents of new developments who recognized that a facility was needed, but were opposed to it siting within their locality. While for Lake (1993), NIMBYism should be recognized for what it was, "an expression of people's needs and fears" (cited in Olander and Landin, 2008, p. 553). The widespread criticism of the NIMBY concept attempts to provide alternative explanations, drawing on disparate factors such as personal characteristics, place attachments, and project-related constructs (Devine-Wright, 2013). However, according to Xue et al. (2015), there was urgency for developing more rational construction programs to minimize the negative impact on citizen's daily lives. Therefore, it was necessary for project managers of major programs to better understand and analyze the concerns, needs and moral issues of (local) stakeholders, not only at the inception phase of the project, but throughout its entire life cycle.

## 1.3, Statement of the problem

The struggle to achieve project objectives and meeting the expectations of various stakeholders was intense. As stated in the background of the research area organization, unpopularity and local opposition was a common threat for megaprojects whereby secondary and external groups tried to influence the implementation of facility development projects. There was urgency for developing more rational construction programs to minimize the negative impact on citizen's daily lives. But Project managers have mainly focused on technical skills and rigid procedures, and the political and social issues around megaprojects have been overlooked and stakeholders poorly managed.

Research has narrowly focused on those actors that important to the project's economic interests, such as suppliers, sponsors, customers the human social and overlooking needs around project developments. The Oakland Institute also said that while the Ethiopian government has made considerable progress on human rights under Prime Minister Abiy Ahmed, it has not yet to address the impact of state development plans on indigenous

populations in the lower Omo valley, where people faced loss of livelihoods, starvation, and violent conflict.

The major residents in the proposed project area are pastoralists. Article 40(5) of the constitution indicates that Ethiopian pastoralists have the right to free land for grazing and cultivation as well as the right not to be displaced from their own lands. People have the right to full consultation and the community has the right to express its views in the planning and implementation of environmental policy and to deal with the projects that directly affect them.

The displacement of people or adversely affect the livelihood of the local population shall give the right to commensurate monetary or other means of compensation including relocation (resettlement) with adequate State assistance. All these aspects have to be considered in factory and irrigation projects as to explicitly state in the EIA Legislation (EPA, 2002) and EIA Guideline Document (EPA, 2000).

Environmental and social impact assessment (EIA, 2017). stated on the final report the socio economic causes effects are waterborne diseases, communicable and infectious diseases, malaria infestations, effects on water supply, sanitation and hygiene, settlement and loss of livelihoods, traffic hazards, pesticide poisoning, pressure on occupational health and safety, movement and access disruption, conflicts on resource uses, grazing land loss, impacts on social, cultural, historical, heritages, archaeological and recreational sites, pressure on biomass energy sources, impacts on women, etc.

Megaprojects as "projects which transform landscape rapidly, intentionally, and profoundly" and analyses the ensuing primary and secondary "displacements" for both the natural and social environment. The observation from this review is the complete absence of attention paid to the primordial stakeholder.

Academic study that reported by international rights group have repeatedly pointed out about the negative effects of the investment on local people's livelihoods and mentioned without stemming its defects how Project was being planned and implemented.

According to the observable problems that has been occurring and the threats that the community were facing, there was a crime which young men involved that had fought because of the encroachment of factories and sugar plantations onto their land. Moreover, the government did not give full attention for the pastoralist community except articulating about them for political consumption. In practice, they were highly marginalized and even the local government officials have not worked hard to transform the people. They also did not have

heartfelt dream and plan to mobilize them to participate equally with others to be benefited from the growth of the country's economy.

Due to this, the researcher's curiosity got aroused and motivated to conduct the research on the role of stakeholders management practices. It aimed to assess and show the current stakeholder management practice of Projects contribution to enhance the communities' involvement management and the challenges that the project (Omo Kuraz Sugar Factory 1) have been facing on the current management affaires and working for its sustainability.

## 1.4, Research Questions

## The research has answered the following questions:

- ➤ How does the practice of project stakeholder management look like?
- What are the challenges of project stakeholder management?
- ➤ How effective is the practice of project stakeholder management of sugar projects in Omo Kuraz 1?

## 1.5, Objective of the study

## 1.5.1, General Objective

The purpose of this research is to assess the Stakeholder Management practices of Omo kuraz sugar project 1.

## 1.5.2, Specific Objectives

- 1. To assess the current practice of project stakeholder management
- 2. To find out the challenges of project stakeholder management
- 3. To examine the effectiveness of the project stakeholder management practice of Omo

Kuraz 1

## 1.6, Scope of the Study

The study focuses mainly to assess the stakeholder management practice of sugar projects of Omo Kuraz 1 only. It includes project stakeholders, stakeholder governance, and stakeholder management practice and stakeholder engagement. Here, I choose only one factory which is placed in South Omo Zone Salamago Woreda Ethiopia to conduct the study which may not be good enough to generalize on the trend of stakeholder management in all type of Sugar projects

and it does not investigate the practice of other sugar projects and more, the organization is government established by Ethiopian sugar corporation and Omo kuraz sugar factory is the main actor for project stakeholder management practice and the steering committee is also the facilitator.

The finding of this study will help the organization to see and evaluate how current stakeholder management practices meet the project objective, to analyze the significance, assess the effectiveness of stakeholder management practices that practiced in the organization because there is stakeholders' reaction that determines the feat and failure of project.

## 1.7, Limitation of the Study

The researcher faced the following major challenges (limitations) during this research project work: lack of willingness from some stakeholders to offer the researcher the information needed for political and other reasons rather than community (most of key stakeholders are governmental institution), and limited to key stakeholders without evaluating their role. And also there is of community livelihood and their attitude and the distance where the factory location. In addition the researcher experienced the following holdups during the research process. Difficulty to meet all the targeted respondents who are managers due to their busy schedule and taking annual leave. It was also very challenging to easily meet the Local community leaders as they are busy in nurturing their livelihood. Due to this difficulty to collect much information from the questioner and interviews in addition due to the pandemic and security issue. Documents that are important for the researcher but confidential to the organization are not allowed for providing detail. Time and Resource limitation. Due to lack of experience of the researcher and time constraint, difficulty to summarize the collected and analysis data.

## 1.8, Significance of the study

Understanding stakeholders and having effective stakeholder management strategies are important criteria influencing successful project outcomes (PMI, 2013). Taking into account the needs and requirements of both primary and secondary project stakeholders as an essential contributing element to better project performance provides a solid basis for stakeholder identification, classification and assessment.

However, project managers have mainly focused on technical skills and rigid procedures, and the political and social issues around megaprojects have been overlooked and stakeholders poorly managed stated (Flyvbjerg, 2013). Research has narrowly focused on those actors

important to the project's economic interests, such as suppliers, sponsors and customers overlooking the human social needs around project developments.

The seminal work of Freeman (1984), notes that the management-for stakeholders approach offers an inclusive and holistic perspective which aims to engage with a broader group of stakeholders, who could be harmed by the organization's strategy, by meeting or exceeding their needs and expectations and balancing the projects' Economic, ecologic and social interests. In this paper, the student researcher analyze the local community regularly affected by major projects and how the stakeholder interests often differ from those of the project. For instance, understanding and minimizing the effect of megaprojects on people and places can help manage project benefits by rethinking a tailored approach for the local community, which will help project managers improve accountability and transparency in their decision making by moving towards more 'community-inclusive' megaprojects (Bornstein, 2010). And to understand how megaprojects can be designed and delivered more effectively to ensure their effective commissioning within Ethiopia and Effective design and delivery means not only insuring that the megaproject is deli-Verde on-time and to budget but that it satisfies the societal and commercial needs that motivated its creation and that it continues to do so throughout its entire life-cycle"

- The importance of this study is assessing stakeholders 'management practices, examining the challenges related to it in Omo kuraz sugar project 1 to attain its intended objectives. As the success of this project will have great contribution in effective stake holder management and sustainability of the industry by integrating key stakeholders and duplicate in the regions since the government has a continual plan at large scale in the future taking the lesson learned.
- The outcomes of this study contribute to provide a better understanding and inform policy makers how stakeholder management concepts can be more successfully implemented in this sugar industry and how it can improve the success of project completion and sustainability. This understanding is based on the views of stakeholders about the practical approaches which can maximize the effectiveness of their involvement which will help to accomplish targeted outcome and best practice processes to be applied to these projects.
- ➤ To increase local acceptance of the project will require a novel approach towards local inclusion and it will also reduce the required substantial additional financial commitments by the government for the support and endorsement of new stakeholders from the private

- sector. And helps to rethink the successful operation of sugar industry will be measured in how environmental and social cost will reduced beside on economic terms.
- This study aims to provide a better understanding towards a more inclusive and holistic approach for engaging with a broader range of stakeholders.

## 1.9, Organization of the Study

This research project work has five chapters. The first chapter; deals with introduction, which incorporates, Background of the study, Background of Omo kuraz sugar factory 1, Statement of the problem, research questions, research objectives, scope of the study, limitation of the study, , significance of the study, and Organization of the Study. The second chapter addresses the Review of literature to the topic of the study. The third chapter deals with the Research design and Methodology, sources of data, target population and sampling technique, and tools of data collection and analysis. Under chapter four, Result and Discussions have been presented. And finally, (Chapter five) contains Conclusion and recommendations. In addition to this, there is a last part to present references, Interview questions, questioner and other relevant documents.

#### **CHAPTER TWO**

## 2. LITERATURE REVIEW

#### 2.1. THEORETICAL REVIEW

## 2.1.1. Project Stakeholders Governance

Within the project context, governance is defined as a multi-level phenomenon and encompasses the governance of the parent organization, any contractors or suppliers and the project, and the relationship between them (Turner &Müller, 2017). Similarly, Müller et al. (2016) define that project governance describes the interactions between project participants and the mechanisms adopted can heavily influence the engagement of the stakeholders and their trust in the project. These definitions shed light on the strong link that exists between governance and stakeholders.

In contrast to shareholder theory (Friedman, 1962), stakeholder theory (Freeman, 1984) argues that in addition to the shareholders, project organization is accountable to a broader range of stakeholders, and the structure of the organization should also be aligned with this broader inclusion of stakeholders. This in fact stems from the normative formulation of stakeholder theory that considers a moral right for all of the stakeholders of the organization. The governance structure of the project should provide space for stakeholder representatives and to manage their involvements in decision making and addressing their concerns and demands (Klakegg et.al. 2016).

Müller (2009) suggests that the functions of the governance mechanisms are: directing and controlling the organization, balancing goals (e.g. economic, social, environmental, and individual) and defining rights and responsibilities of stakeholders. Joslin and Müller, (2016)'s deductive analysis revealed that project governance has a small but significant correlation with project success. Similarly, the content of the success theme reveals that the definition of success in project organization has a crucial impact on the way organization selects the right projects, performs the projects in the right way, identifies the stakeholders, governs the relationship with them and learns from the project's success and failure to improve their performance towards stakeholders. On the one hand, the definition of success and value in the organization shapes its stakeholder governance approach and, on the other hand, the correct application of project governance can result in project and consequently organization's success. This correlation is

directed according to the stakeholder or shareholder orientation of the organization and the compatibility of the two constructs have a significant influence on achieving the organization's aims.

One major challenge of megaprojects is understanding the concerns and demands of the public and preparing plans and designs to consider and address them (Shiferaw et.al., 2012). This calls for the adoption of different objectives targeted by a value perspective model in a public project, which include the project outcomes, satisfaction, trust and legitimacy (Crawford & Helm, 2009). Consequently, this leads to a shift in society's involvement in making project decisions with the aim of understanding their demands and concerns (Xie et.al. 2017) which in fact bring the stakeholder theory into the debate. The consideration of society's opinion should not be limited to the early-stage decision making. It needs a stakeholder involvement strategy with a constant relationship with society during the whole lifecycle of the project. Building trust and confidence with local communities and improving democracy for the selection of more suitable governance mechanisms are among the activities that should be incorporated within the governance mechanism designed for megaproject management (Xie et.al, 2017).

According to Müller et al. (2013a), the governance style of an organization and its parenting institutions can influence the decisions made in the project from an ethical point of view. This theme makes a strong connection to project governance in two ways. First, it shows the relevance of accountability and transparency in relationships between the actors of the organization. Second, it connects that to the relationships between organizations and external stakeholders.

There are, however, only few articles exploring the influence of ethical values of the organization on external stakeholders. Governance mechanisms have the potential to improve transparency and accountability of projects towards society and government (Crawford & Helm, 2009; Osei-Tutu et.al, 2010). Governance mechanisms oriented by shareholder theory result in project managers trusting end users more, while stakeholder-oriented mechanisms lead to higher levels of trust between project managers and teams (Müller et.al. 2014). A societal-oriented governance mechanism should have uniformity, transparency, and the accountability of control as its mandatory characteristics (Ma et.al., 2017). Within this context we observe the influence of trust and ethics on different organizational levels and their relationships with each other. A narrow stream of research exceeds the dominant focus on the organizational stakeholders and links project governance to society as a group of external stakeholders.

Internal decision makers in megaprojects or public projects are responsible for involving external stakeholders in some decision making processes and building a trustful and transparent relationship with them (Shiferaw et.al., 2012; Liu & Wilkinson, 2014). Some researchers believe that public involvement would increase organization's prosperity due to promoting a good public image reducing potential conflicts for a smooth project execution (Xie et.al, 2017) and improving the acceptance of various audience of a project. However, even in the case of community involvement, their opinions may be misunderstood or dominated by decision makers' personal interests. This, in fact sheds light on the importance of adaptation of appropriate mechanisms for development of efficient relations with external stakeholders.

Organizational or corporate level is connected with the external stakeholders in two ways. First, the major concerns of the stakeholder theory of the project governance including the sustainability, organizational ethics and stakeholder orientation of the organization are decided and addressed at this level (Blomquist & Müller, 2006) and therefore, the decisions made at this level will have a direct influence on the external stakeholders at the levels beneath.

Failure to address the needs of external stakeholders can have a deleterious effect on project outcomes (Di Maddaloni & Davis, 2017). Organizations with megaprojects or public projects should acknowledge the importance and influence of external stakeholders and involve them in decision making processes and be aware of the values they can create for the organization.

Attention to stakeholders is also needed to assess and enhance political feasibility, especially when it comes to articulating and achieving the common well (Bryson et al., 2002; Campbell and Marshall, 2002). Finally, attention to stakeholders is important to satisfy those involved or affected that requirement for procedural justice; procedural rationality and legitimacy have been met (Eden and Ackermann, 1998; Suchman, 1995; Alexander, 2000). Note that what is being said does not imply that all possible stakeholders should be satisfied, or involved, or otherwise wholly taken into account, only that the key stakeholders must be, and that the choice of which stakeholders are key is inherently political, has ethical consequences and involves judgment.

## 2.1.2. Project Stakeholders Management

PMI (2013) defines Project Stakeholder Management as "the processes required to identify the people, groups, or organizations that could impact or be impacted by the project, to analyze stakeholder expectations and their impact on the project, and to develop appropriate management Strategies for effectively engaging stakeholders in project decisions and

execution". Stakeholder management also focuses on continuous communication with stakeholders to understand their needs and expectations, addressing issues as they occur, managing conflicting interests and fostering appropriate stakeholder engagement in project decisions and activities. Stakeholder satisfaction should be managed as a key project objective. The Major Project Stakeholder Management Processes are: Identify Stakeholders, Plan Stakeholder Management, Manage Stakeholder Engagement and Control Stakeholder Engagement.

- ➤ Identify Stakeholders
- Plan Stakeholder Management
- Manage Stakeholder Engagement
- ➤ Control Stakeholder Engagement

#### 2.1.3. Stakeholders

Stake holders are persons or groups who are directly or indirectly affected by an intervention, as well as those who may have stakes in a project and/or the ability to influence its outcome, either positively or negatively. These include (but are not limited to) clients/end-beneficiaries, entity management and staff, investors/shareholders, suppliers, impacted local people and communities (including marginalized and vulnerable groups), local NGOs/civil associations, local government, etc. Freeman, who has contributed immensely to the development of the stakeholder concept defines a stakeholder as "any group or individual who can affect or is affected by the achievement of the organization's objectives" Freeman (1984). In a later publication, Freeman referred to stakeholders as "those groups who are vital to the survival and success of the corporation" (Freeman, 2004). The main groups of stakeholders are shareholders, customers, employees, local communities, suppliers and distributors. Additional groups were identified in Friedman's, (2006) publication. They include such groups as academics, non-governmental organizations (NGOs), government and the media (Friedman, 2006) classified stakeholders as internal (directly connected to the organization) or external (not directly connected, but able to affect an organization's outcomes).

## 2.1.4. Types of stakeholders

Stakeholders can be divided into internal and external. Internal stakeholders are those directly involved in an organization's decision-making process (e.g. owners, customers, suppliers, employees). External stakeholders are those affected by the organization's activities in a significant way (e.g. neighbors, local community, and public and local authorities). In the

construction industry, there has traditionally been a strong emphasis on the internal stakeholder relationship, such as procurement and site management, while the external stakeholder relationships have to some extent been considered a task for public officials via the rules and legislation that concern facility development (Atkin & Skitmore, 2008).

## 2.1.5. Accountability to stakeholders

Stakeholder accountability deals with management and reporting of social and environmental performance to both internal and external stakeholders (Katsulakos, 2006:16). An ever increasing number of organizations now put out regular publications, to highlight their Corporate Social Responsibility (CSR) behavior and activities. This phenomenon has come to be known as ethical reporting. Some companies issue regular "sustainability" or "social responsibility" reports which focus on environmental sustainability and social performance. Such reporting is important information and serves the purpose of the firm's accountability to stakeholders. The days of firms, only giving financial performance accounts are fading (Adams, 2004: 732). Multinational companies in particular seem to take ethical reporting very seriously. The Unilever Ghana limited issues yearly sustainable development reports, which focus on their ethical, social and environmental initiatives (Unilever Ghana sustainability report). Corporate portrayal of environmental, social and ethical performance might be different from sources external to the organization. A good ethics report should span both positive and negative aspects of all "material impacts" puts it, "reports should give a balanced view of the key ethical issues facing the company".

This is, however, hardly the case in reality. It is only logical that to present a balanced view, from a stakeholder perspective, (after all the report is to give accountability to stakeholders) of the ethical issues key stakeholders must be involved or consulted (Adams, 2004).

The European commission has attempted to encourage organizations to agree to third party independent auditing of CSR and sustainability reports, stating that "Verification by independent third parties of the information published in social responsibility reports is also needed to avoid criticism that the reports are public relations schemes without substance. Indeed such services are already beginning to be offered by a variety of companies, which would seek to perform them following agreed standards. The involvement of stakeholders, including trade-unions and NGOs, could improve the quality of verification" Growing stakeholder expectations coupled with regulatory and Competitive pressures demand robust

and objective ethical (CSR/ sustainability) reporting so that CSR efforts would be fully recognized and rewarded.

### 2.1.6: Stakeholder management:-

A PMBOK (2012) defines Stakeholder Management as:- The systematic identification, analysis, planning and implementation of actions designed to engage with stakeholders. On the other hand, Assuddani and Klopebog (2012) defined project stakeholder management is the continuing development of relationships with stakeholders for the project success." Stakeholder management has been one of the core soft skills areas that have been highlighted as being necessary for project management (PM) to advance (Crawford, 2005; Morris et al., 2006; Winter et al., 2006). Tres Roeder (2013) states that the discipline of stakeholder management is essential to project success. As part of the Balanced Approach, the successful project manager is an expert on managing the people in the project and harnessing their energy to achieve the desired project goals.

According to Neil (2011), think about everyone involved in your activities. But what gets more challenging is all the 'outsiders' who may be impacted by the activity and who might have an interest. This is why Stakeholder Management is so important. Stakeholder management supports an organization in achieving its strategic objectives by interpreting and influencing both the external and internal environments and by creating positive relationships with stakeholders through the appropriate management of their expectations and agreed objectives. The advantages of Stakeholder Management include eliminating conflicting interests among stakeholders, reducing the pressure of management to produce short-term results, reducing the costs associated with a high turnover among stakeholders, and providing the firm with committed stakeholders in an environment characterized by increasing competition.

Stakeholder management provides knowledge about the expectations, roles and needs of external and internal players who have the potential to either influence, or be influenced by a certain project/activity. This knowledge is an initial step in the analysis of stakeholders' impact on the outcomes of an organization, project, or activity (Freeman, 1984; Bourne, 2009; Mainardes, et al., 2012). Stakeholder management (SM) is a key factor affecting project performance in Complex Projects (CPs) (Beringer et al., 2012). SM considers not only individual stakeholders but also how stakeholders influence one another in complex interactions (Beringer et al., 2012); stakeholder interrelationships are themselves a cause of project complexity.

It is widely recognized in the literature that many projects fail (Damoah & Akwei, 2017). There are many causes of failure, one of which is project complexity, which creates difficulty in completing projects and requires extra effort to overcome. (CPs) demand systematic approaches and efficient management skills in managing stakeholders to attain the best outcomes in terms of project performance (Mok et al., 2015). The literature demonstrates that stakeholder characteristics play a critical role in effective SM, as project managers select appropriate SM strategies to deal with issues arising from specific stakeholder characteristics. Clear project objectives, agile response to change and effective communication are important components of an effective SM framework in mega-construction CPs (Park et al., 2017). A complex mega-construction project requires a more specialized approach to manage stakeholders. Also, the uncertain and complex nature of mega-construction projects requires an effective stakeholder management approach to resolve conflicting stakeholder interests.

Having clear project objectives are one of five criteria for effective SM in complex mega construction projects (Park et al., 2017). Project managers who clearly understand project objectives perform better in SM. Common goals and strategic flexibility are the two main factors in clear project objectives (Park et al., 2017). A clear definition of the project mission supports stakeholders to understand what should be done and whether their requirements will be met. Setting a target level of stakeholder satisfaction and involvement may help prevent wasting of resources. Alternative options should be prepared to ensure the proper revision of the project mission. Effective strategies bring about different outcomes for persuading stakeholders, while a lack of a clear strategy may lead project managers to apply defensive action (Olander & Landin, 2008). In the context of CPs, the research trend is to focus on environmental project complexity that involves multiple stakeholders and changes in policy, regulation, technology, economy and nature. Park et al. (2017) found that responding to environmental changes is one of five important agendas for an SM framework for CPs. Responding to political and economic change, responding to policy change and responding to social values change are three components of responding to environmental changes (Park et al., 2017). Managers of CPs should identify potential changes to the project environment, how these changes might affect projects and stakeholders and how to respond appropriately and with agility to these changes (Park et al., 2017).

Effective communication and a clear definition of the project are other important factors in the SM framework for CPs (Park et al., 2017). Two-way communication, minimization of dissatisfaction and active stakeholder participation are the main factors comprising effective

communication (Park et al., 2017). Two-way communication includes sharing information with stakeholders, allowing sufficient opportunities to appeal and Building trust with stakeholders. Minimization of dissatisfaction includes compromising to overcome conflicts among stakeholders, keeping balance among stakeholders and reasonable compensation for private loss. Active stakeholder participation includes operating communication system, operating governance system and monitoring, evaluation and feedback.

## 2.1.7. Stakeholder Management Inputs, Tools and Out put

As with other planning processes, there are "generic" tools and techniques that are used in practically all knowledge areas, such as expert judgment, decision making, and meetings. You talk to the people who know about your knowledge area, you get together with your project team in meetings, and you make decisions about what goes in the management plan (PMI, 2018).

Figure: 2.1. Stakeholder Management Inputs, Tools and Techniques and Out puts



Source; PMI (2018) PMBOK 6th Edition.

### 2.1.7.1. Project Management Plan

This plan includes:

- Life cycle selected for the project and the process that will be applied to each phase
- Description of how work will be executed
- Description of human resource, how roles and responsibilities, reporting relationship

- Change management plan that documents how monitored and controlled
- Need and techniques for communication among stakeholders

#### 2.1.7.2. Stakeholder Register

• Provides information needed to plan appropriate ways to engage the stakeholder

#### **2.1.7.**3. Enterprise Environmental Factors

 All factors are used as inputs to this process because the management of stakeholders should be adapted to the project environment.

#### 2.1.7.4. Organizational Process Assets

My includes: - Lessons Learned Data Base, Historical Information

### 2.1.7.5. Expert Judgment

You should consider expertise from individuals with specialized knowledge about:

- Politics and power structures in the organization and outside the organization
- Analytical and assessment techniques to be used for stakeholder engagement processes (especially the stakeholder engagement assessment matrix)
- Communications means and strategies
- Knowledge from previous projects regarding individual stakeholders and stakeholder groups that were involved in previous similar projects

## 2.1.7.6. Data Gathering

Benchmarking is a data gathering technique which compares the results of stakeholder analysis in the other tools and techniques for this process and compares them with information from other organizations.

#### **2.1.7.7. Data Analysis**

Data analysis techniques used for this process include:-

 Assumption and constraint analysis—analysis of current assumptions and constraints may be conducted in order to tailor appropriate engagement strategies. Root-cause analysis-identifies underlying reasons for the current level of support of
project stakeholders in order to select the appropriate strategy to improve their level
of engagement.

#### 2.1.7.8. Decision Making

Prioritization and ranking of stakeholder requirements is important, as is the ranking of the stakeholder themselves. Those stakeholders with the most interest (those impacted by the project) and the highest influence (those who can impact the project) are often prioritized at the top of the list.

#### 2.1.7.9. Data Representation

These are used to aid in data analysis and decision making (see the previous two paragraphs). Mind mapping—visually organizes information about stakeholders, their relationship to the project, to each other, and to the organization doing the project. Stakeholder engagement assessment matrix. This supports comparison between the current engagement levels of stakeholders and the desired engagement levels required for successful project delivery. Here is one way of classifying stakeholders:-

Unaware–unaware of the project and potential impacts: obviously you want to make these stakeholders aware, which means then they will turn into one of the following four classifications

**Resistant—aware of the project, and resistant to any changes** that may occur as a result of the work or outcomes of the project. These stakeholders will be un-supportive of the work or outcomes of the project. They might turn neutral or even supportive if you are able to address their concerns, which may involve changes to the project that mitigate the impact it will have on them and their department.

**Neutral—aware of the project**, but neither supportive nor non supportive, usually because it doesn't affect them. With these stakeholders, it is important to monitor if their position in the organization changes, because that may change their position with regards to your project.

Supportive-aware of the project, and supportive of the work and its outcomes.

**Leading–aware of the project**, and actively engaged in ensuring that the project is a success. This last group is a separate one from "supportive" because the leading stakeholders

can help you evangelizing to the rest of the organization. In addition, if they are members of senior management, they will be the ones to do the heavy lifting in terms of communication with other members of senior management who are resistant to the project, mainly because they influence over those members where you as a project manager do not. It should go without saying that you should always have at least one leading stakeholder on every project, namely, the project sponsor.

#### 2.1.7.10. Meetings

As mentioned above, this is a generic tool and technique of all planning processes, because it is definitely an activity that the whole project team needs to be involved with because of its important for the success of the project.

With those inputs, tools and techniques, the final output of this process, namely the stakeholder management plan.

#### 2.1.8. Identify Stakeholders

According to IFC (2007), Identification of stakeholders and early consultations during planning can lay the groundwork for partnerships with key stakeholder groups as well as help identify potential stakeholder representatives for the Local Project Appraisal Committee, Project Board and/or steering committees. The stakeholder analysis will need to be updated as the project is further defined and additional interested and potentially affected stakeholder groups are identifiable. The stakeholder analysis should be a transparent, participatory process which provides the basis for the stakeholder engagement plan.

## 2.1.9: Stakeholder analysis

Stakeholder analysis is a process of systematically gathering and analyzing all relevant quantitative and qualitative information about the stakeholders in order to prioritize them and determine whose interests should be taken into consideration throughout the project and identification of stakeholder relationships that can be leveraged to build partnerships with stakeholders to increase the probability of project success (Bourne & Walker, 2006; Cleland, 1986;, Karlsen, 2002). Stakeholder analysis deals with the identification and prioritization of the stakeholders as individuals or stakeholder groups (Freeman, 1984). As Wahl (2019) stated purpose of stakeholder analysis is to capture important stakeholder information in a way that allows team members to structure stakeholder engagement and target communication strategies to each one's position and interests. The four steps are:

- 1. Define your stakeholder groups.
- 2. Assess each stakeholder group along the following two dimensions—level of importance to project success and current level of support for change.
- 3. Place each stakeholder group on a 2x2 grid.
- 4. Develop strategies to move the most important stakeholders into the upper-right quadrant where they will become visible advocates of the project.

Whereas Burns (2011) proposed a five-step stakeholder analysis process, and the steps are:

- 1) Identify the key sectors and stakeholders relevant to the project;
- 2) describe the important characteristics of each stakeholder group;
- 3) Analyses and classify the stakeholders, according to stakeholder attributes;
- 4) Examine the dynamic relationship among the stakeholders; and
- 5) Evaluate generic stakeholder- management strategies.

As per Ganesh Prabhu- (2016), Stakeholder analysis helps with the identification of the following:-

- Stakeholders interests
- Mechanisms to influence other stakeholders
- Potential risks
- Key people to be informed about the project during the execution phase
- Negative stakeholders as well as their adverse effects on the project.

A common approach is to map the interest and power or influence of each stakeholder group on a quadrant (Bryson, 1995). According to the prevailing definitions for stakeholder analysis, scholars (e.g. Gupta, 1995; Schmeer, 1999) have considered stakeholder analysis either as a process or as an approach to support decision making and strategy formulation. Almost all definitions for stakeholder analysis cover the issues of identifying stakeholders and their interests, analyzing stakeholders' impact and thereby developing strategies. Yang (2014) that proposed two key steps in major projects as stakeholder identification and prioritization. Separated the stakeholder analysis process into three steps, namely, identifying stakeholders, differentiating between and categorizing stakeholders, and investigating relationships between stakeholders. Mok et al. (2015) did a comprehensive review and found that limited studies have

focused on stakeholder analysis in megaprojects. As Flyvbjerg (2014) describes, "megaprojects are not just magnified versions of small projects. Megaprojects are a completely different breed of project in terms of their level of aspirations, lead times, complexity and stakeholder involvement". Complexity and the unprecedented scale of these projects make them difficult to analyses stakeholders.

Megaprojects involve multi-stakeholders such as the owners' team, delivery team, engineering, procurement and construction management team, constructor's team, lawyers, investment consortia, a peer review team and the public. Appropriately selecting stakeholders to be included in the project governance structure for decision making, and prioritizing their interests are vital for project success (Caravel, 2013). Analysis of stakeholders includes two main steps. The first step is the classification of stakeholders based on their relationships with the organization and the role/s these stakeholders play. The second step in stakeholder analysis is the prioritization of their influence on an organization.

## 2.1.10: Plan stakeholder management

The plan stakeholder management process provides a clear, actionable plan to effectively interact with stakeholders and support project's interest by defining the strategies for building close relationships with stakeholders, who can benefit the project and for minimizing the influence of stakeholders who may have a negative impact. This process is iterative and should be reviewed on a regular basis as the required level of engagement of the stakeholders 'changes in the project, (Burke & Barron, 2014 & Karlsen, 2002). This plan contains: current/desired engagement levels, scope and impact to stakeholders, interrelationships, communication requirements and forms, how to update the plan. The plan articulates management strategies to engage stakeholders for the project. Another output of Plan Stakeholder Management is the updates to project documents that include project schedule and stakeholder register.

When managing project stakeholders, a project manager (PM) should first ensure that all stakeholders fully understand the ultimate goals and deliverables of the project. This might appear to be a redundant or unnecessary step in the process, but many project managers discover too late that some stakeholders, especially those who have not been included in initial meetings or communications, have an incomplete or mistaken understanding of what the project is intended to accomplish (Clarizen).

According to Cleland (1999) that offers a process for managing stakeholders being:

Identifying appropriate stakeholders;

- Specifying the nature of the stakeholder's interest;
- Measuring the stakeholder's interest;
- Predicting what the stakeholder future behavior will be to satisfy him/her or his/her stake; and
- Evaluating the impact of the stakeholder's behavior on the project team's attitude in managing the project.

Stakeholders must be managed in each undertaking to avoid any of their negative influences, especially those that could be opposed to the objectives (Cleland and Ireland, 2002). There is a natural tendency for stakeholder to influence the implementation of projects in line with their individual concerns and needs (Olander & Landin, 2008). The project's success, or failure, is strongly influenced by both the expectations and perceptions of its stakeholders, and the capability and willingness of project managers to manage these factors and the organization's politics. Thus, the project leader's challenge is to use a structured approach to identify, influence and manage the key stakeholders within each phase.

## 2.1.11: Stakeholder Engagement

Stakeholder engagement is used as a generic, inclusive term to describe the broad range of interactions between decision makers and other stakeholders in megaprojects. It can include a variety of approaches, such as one-way communication or information delivery, Consultation, involvement, collaboration in decision making and empowered action in Informal groups or formal partnerships (Department of Sustainability and Environment, 2005). Comparing to stakeholder analysis, stakeholder engagement is to communicate with, Involve and develop relationships with stakeholders (Greenwood, 2007; Chinyio & Akintoye, 2008).

Stakeholders should be engaged as early as possible, and this has been considered as essential for stakeholder analysis and decision making (Chess & Purcell, 1999; Reed et al., 2009). Some of the approaches for stakeholder engagement, such as Workshop, and interviews (Ballejos & Montagna, 2008), could be used to involve Stakeholders to identify others or do analysis (Reed, 2008), especially in the context of Complicated environment, such as megaprojects.

The stakeholder engagement process is a focused version of a classic continuous Improvement cycle (e.g., Deming cycle, PDCA/PDSA cycle2) where stakeholders are an Integral part of an impact investment/organization's activities. (Rouamba & Mansour Moutari 2016), claimed that marginalized groups often bear the brunt of adverse impacts while having limited opportunities to engage or enjoy the benefits of the intervention. Stakeholders who may be adversely

impacted by an organization's decisions and activities should be prioritized, even if their level of influence in the organization's activities is low. "It is vital to make a special effort to understand the interests and concerns of stakeholders who are unable to articulate their views (Future generations, ecosystem) and give due consideration to disadvantaged and marginalized groups and other vulnerable Stakeholders such as women, children, indigenous people, and migrant workers." Under the policy based UNDP is committed to meaningful, effective and informed stakeholder engagement in the design and implementation of all UNDP projects. UNDP believes that Effective stakeholder engagement is a cornerstone to achieving sustainable development.

Civil society actors and organizations, indigenous peoples, local communities and other key stakeholders are crucial partners for advancing human rights-based development. And Effective stakeholder engagement is fundamental to attaining the Sustainable Development Goals (SDGs), and applying the principle of 'leave no one behind' in combating inequality and ensuring equity and non-discrimination across all programming areas. For example, SDG Goal 16 – promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels includes critical targets for achieving progress, including among others 16.7 – ensure responsive, inclusive, participatory and representative decision-making at all levels – and 16.10 – ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.

Stakeholder engagement is critical to secure multi-stakeholder partnerships to advance the SDGs (see SDG 17). UN Statement of Common Understanding on Human Rights-Based Approaches to Development Cooperation which provides for "Participation and Inclusion: Every person and all peoples are entitled to active, free and meaningful participation in, contribution to, and enjoyment of civil, economic, social, cultural and political development in which human rights and fundamental freedoms can be realized."8

UNDP's commitment to stakeholder engagement arises from internal policies, procedures and strategy documents as well as key international human rights instruments, principles and numerous decisions of international bodies, particularly as they relate to the protection of citizens' rights related to freedom of expression and participation. See, for example: Article 19 of the Universal Declaration on Human Rights (guaranteeing freedom of expression and the right to seek, receive and impart information and ideas); Article 25 of the International Convention on Civil and Political Rights (guaranteeing the right of all citizens to participate in

the conduct of public affairs); Article 5(c) of the International Convention on the Elimination of All Forms of Racism (guaranteeing all the right to participate in public life without discrimination)5; The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) further affirms the right of indigenous peoples to participate in decision-making in matters which would affect their rights, as well as to be consulted and to give their free, prior and informed consent to a variety of matters.7.the following figure (2.2) will show the prioritization of stakeholders perspective from organizations perspective.

, Alison et al. 2007. SEAT: Socio-Economic Assessment Toolbox. Anglo American.

Figure 2.2: Issue Prioritization from Organization and Stakeholder Perspectives

Prioritization of Issues from	Issues	Prioritization of Issues from an Stakeholder	Issues 1
Organization perspective	1	perspective	
Secures/threatens license to operate		Enhance / reduces overall quality of Life e.g. noise, space or light implications	
Direct financial benefits / costs to organization operation		Enhances / reduces health of stakeholder group	
Improves / strains relations with neighboring communities		Enhances / reduces livelihoods of stakeholders	
Improves / strains relations with regulators		Enhances/ reduces environment for stakeholder groups	
Improves / strains relations with NGOs		Enhances / reduces educational access of stakeholder group	
Enhances / undermines perceptions of business unit within organization		Enhances / reduces legal rights of stakeholder group	
Enables / disrupts operations		Enhances / reduces water and food security of stakeholder group	
Damages /improves corporate reputation		Results in perceived criminal activity against stakeholder group, e.g. forced migration, loss of property, loss of life	

Compliance /	Results in direct action against the	
noncompliance with	organization operation (e.g. public protests,	
responsible business	legal action, media action etc.)	
principles		
*		

Source: Neil Jeffery (2009), "towards stakeholder engagement. Adapted from McCallum

## 2.1.12. Control Stakeholder Engagement

Stakeholders are very important to the success of any project. Engaging stakeholders is an important project management activity. To engage them, it is crucial for the project managers to communicate effectively all throughout the project life cycle. Moreover, managing and controlling the stakeholder engagement is more than just responding to their concerns but also anticipating different project requirements and making sure that the engagement plan of stakeholder is maintained.

- 1. The control stakeholder engagement is a process in project management that monitors the entire project and also the stakeholder relationships. It is done by adjusting different strategies in engaging the stakeholders. The main benefit of this project management activity is that it helps improve the efficacy of the stakeholder engagement activities as the project life cycle continues to evolve due to the different changes of the environment and project requirements.
- 2. The control stakeholder engagement process requires inputs of information to create the management plan and these include the issue log, work performance data, and other required project documents. All of these inputs will be used to create the work performance information, change requests and updates on the management plan, project documents, and organizational process.
- **3.** The control stakeholder engagement ensures the commitment of the stakeholders during the entire stage of the project. It also ensures that their expectations are met as well as anticipate any future problems so that they can be addressed during the project's lifecycle.

It is important to take note that the stakeholders have high influence during the implementation of the project as well as during its progression. This is the reason why the control stakeholder engagement process is very important in project management as it keeps the stakeholders involved with the life cycle of the project—including its changes—at all times.

This term is defined in the 5th edition of the PMI, (2017).

#### 2.2. EMPIRICAL REVIEWS

## 2.2.1. Mega Project and Stakeholder Management

Mega projects are massive investments of infrastructure, initiated by the government, which have extreme complexity, long schedules, immense life spans and significant Social impacts (Flyvbjerg et al., 2003; Sun & Zhang, 2011). Many countries see Major Public Infrastructure and Construction projects (MPIC) as a tool to enhance their status in global political and economic systems, satisfy human, economic and social needs, and elevate a country's social image.

Historically, megaprojects have performed poorly in terms of benefits and public support due to their impact on people and places and wastage of public resources (Bruzelius et al., 2002). For instance, understanding and minimizing the effect of megaprojects on people and places can help manage project benefits by rethinking a tailored approach for the local community, which will help project managers improve accountability and transparency in their decision making by moving towards more 'community-inclusive' megaprojects (Bornstein, 2010). And to understand how megaprojects can be designed and delivered more effectively to ensure their effective commissioning within and Effective design and delivery means not only insuring that the megaproject is deli-Verde on-time and to budget but that it satisfies the societal and commercial needs that motivated its creation and that it continues to do so throughout its entire life-cycle".

Winch, (2020) state that on the second observation from this review is the complete absence of attention paid to the primordial stakeholder. Even Zeng et al (2015) in their review of "social responsibility" on megaprojects mention environmental concerns only in passing, yet for many stakeholder groups environmental concerns are the principal issue with megaprojects. Indeed, Gellert and Lynch (2003: 16) define megaprojects as "projects which transform landscape rapidly, intentionally, and profoundly" and analyses the ensuing primary and secondary "displacements" for both the natural and social environment.

According to Sewagegnew (2018) state on his finding many of the respondents believe there was a problem in clearly understanding the issue of many stakeholders and the stakeholder analysis lacks strategies to address the question and concern of different stakeholders like the local community and local authorities.

According to Mitchell et al. (1997), which is considered a notable work on Stakeholder Management (SM), stakeholder salience is positively related to a cumulative number of three

attributes, i.e. power, legitimacy and urgency. The power of stakeholders refers to their ability to mobilize social and political forces as well as their ability to withdraw resources from the organization (Forester, 1989; Post et al., 2002). Legitimacy is defined as "a generalized perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, values, beliefs and definitions."

By exploring the literature, this study recognizes that projects and the stakeholders operating within them are considered a temporary organization (Hanisch & Wald, 2012; Söderlund, 2004; Turner & Muller, 2003). Assert that temporary organization approaches see projects as social systems, whereby behavior (not just decision-making) through social interactions is highly influenced by the context in which they are embedded. Projects are temporary and unique (Yang et al., 2011a, 2011b) and these characteristics require additional effort to generate trust between the project stakeholders (Grabher, 2002). Consequently, project managers need to be attuned to the cultural, organizational and social environments surrounding projects (Wideman, 1990).

Joslin and Müller, (2016)'s deductive analysis revealed that project governance has a small but significant correlation with project success. Similarly, the content of the success theme reveals that the definition of success in project organization has a crucial impact on the way organization selects the right projects, performs the projects in the right way, identifies the stakeholders, governs the relationship with them and learns from the project's success and failure to improve their performance towards stakeholders. On the one hand, the definition of success and value in the organization shapes its stakeholder governance approach and, on the other hand, the correct application of project governance can result in project and consequently organization's success. This correlation is directed according to the stakeholder or shareholder orientation of the organization and the compatibility of the two constructs have a significant influence on achieving the organization's aims.

UNDP's socio economic status (SES),(2017), Guidance Note 6 on Indigenous Peoples are aligned with the UN Human Rights-Based Approach to development programming and the commitment to uphold principles of equality and non-discrimination, nothing that prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social ort geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. Stakeholder engagement processes need to respect these commitments to succeed the objectives.

In addition, if the project may involve indigenous people's stakeholders (Pastoralists), additional measures will be required to ensure their full and effective participation. If the project may affect indigenous people's rights and interests, lands, resources, and territories, first, prior and informed consent (FPIC) processes will need to be initiated early and respected throughout the project.

The empiricism perspective was challenged by previous scholars. Although the decision makers may have rich experience in megaprojects, in many cases, it is still difficult to make wise decisions by looking at the impact of individual stakeholders argued that realistic stakeholder assessment can only be achieved by adopting a perspective which reflects the mutually influential nature of the communication process.

Thus, a "network" perspective for stakeholder analysis is emerging in previous studies. This "network" perspective arises from social network theory, and is a powerful way to identify powerful "hidden/invisible" stakeholders, who may have little apparent influence, but could cause major disruption to the project development through unseen power and influential links. Maginn (2004) supported this perspective, as he considered stakeholders' power (influence) can flow through systems, and activate changes of others' attitudes.

Unpopularity and local opposition is a common threat for megaprojects whereby secondary and external groups try to influence the implementation of facility development projects (Boholm et al., 1998) and is commonly labeled 'Not in My Backyard' (NIMBY) syndrome. This concept is defined by Dear (1992; 288) as "the protectionist attitude of and oppositional tactics adopted by community groups facing an unwelcome development in their neighborhood". According to (Olander and Landin, 2008) that used the concept of NIMBY to identify opponents of new developments who recognize that a facility is needed, but are opposed to it sitting within their locality. While for Lake (1993), NIMBYism should be recognized for what it is, "an expression of people's needs and fears" (Olander and Landin, 2008; 553). The widespread criticism of the NIMBY concept attempts to provide alternative explanations, drawing on disparate factors such as personal characteristics, place attachments, and project-related constructs.

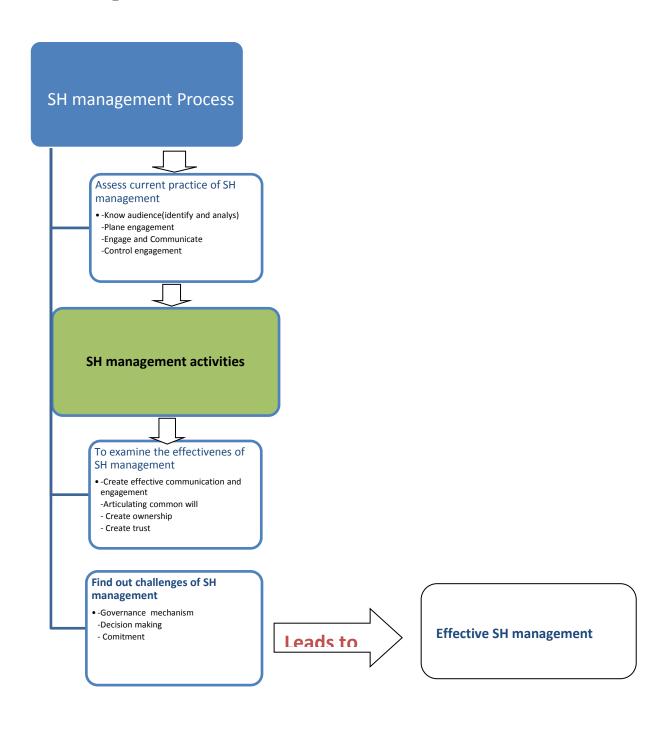
However, according to Xue et al. (2015), there is urgency for developing more rational construction programs to minimize the negative impact on citizen's daily lives. Therefore, it is necessary for project managers of major programs to better understand and analyze the

concerns, needs and moral issues of (local) stakeholders, not only at the inception phase of the project, but throughout its entire life cycle.

UNDP Handbook on Planning, Monitoring and Evaluation (2009:25), shows that marginalized groups often bear the brunt of adverse impacts while having limited opportunities to engage or enjoy the benefits of the intervention. Stakeholders who may be adversely impacted by an organization's decisions and activities should be prioritized, even if their level of influence in the organization's activities is low. "It is vital to make a special effort to understand the interests and concerns of stakeholders who are unable to articulate their views (future generations, ecosystem) and give due consideration to disadvantaged and marginalized groups and other vulnerable stakeholders such as women, children, indigenous people, and migrant workers." UNDP-SES (2017).

Hence a complex nature of mega-projects requires an effective stakeholder management approach to resolve conflicting stakeholder interests. And Failure to address the needs of external stakeholders can have a deleterious effect on project outcomes. Organizations with megaprojects or public projects should acknowledge the importance and influence of external stakeholders and involve them in decision making processes and be aware of the values they can create for the organization.

Fig. 2.3. Conceptual Framework



Theoretical frame work of stakeholder management

Source: own survey 2020

## **CHAPTER THREE**

#### 3. RESEARCH DESIGN AND METHODOLOGY

This chapter describes how the research was conducted. It presents the research design, target population, sampling technique, data source, data collection tools and techniques, and data analysis that were used in this study.

## 3.1. Research Design and Approach

Research design is a plan and the procedures for research that span the decisions from broad assumptions to detailed methods of data collection and analysis (Creswell, 2009). In this research a descriptive research design was used, with the qualitative research approach found to be most appropriate. This approach is applicable for discovering and comprehending little known phenomena (Creswell, 1994). Semi-structured, in-depth interviews, questioner and site observation was used to gather data to allow for the emergence of rich descriptions and stakeholder perspectives. Purposive (judgmental) sampling will be used because it was more reliable. The primary argument for qualitative research design is that the issue under study doesn't require any means of quantitative measurement or statistical procedure with small sample size. The student researcher use a qualitative method to gain a deep understanding of the company's policies, processes, procedures, and individuals' lived experiences (Chan, Fung & Chien, 2013).

One round of interviews will be conducted with various stakeholder groups to gain a rich understanding of the context. Stakeholders in the project area were first approached to be involved in the research and had an opportunity to better understand what the research entails. The research was performed in the natural environment, and therefore involved site visits to the project area. Ethical clearance to conduct the study was obtained. Participants was presented with an informed consent form and assured about confidentiality. Each interview was lasted approximately an hour, and digitally recorded and transcribed.

## 3.2. Target Population and Sample Size

The sampling method is purposive(judgmental) sampling, since the target population and the sample are selected key informants from external and internal stakeholders who are responsible of the sugar projects with total sum of (34) participants from the entire population those are (1)ESC CEO, (1) ESC head office communication director, (1) Omo kuraz 1 project general manager and (3) Omo kuraz 1 deputy managers, (17) OK1 project team leaders, (9) local

(endogenous) community leaders and governmental leaders from community, and (1)Woreda administrators and (1) Zonal pastoralist development bureau head from the given sample (9) local community leaders and (2) Zonal pastoralist development (ZPD) bureau head and woreda administrator total of 11 participant was expected to participate in responding the interview questions.

**Table 3.1: Sample Size Breakdown** 

Sample Category	Number of Sampled	Percent (%)
	members	
CEO	1	2.94
ESC Communication director	1	2.94
General manager	1	2.94
Deputy managers	3	8.8
Project tam leaders	17	50
Local(community) leaders	9	26
ZPD bureau head	1	2.94
Woreda administration	1	2.94
Total	34	100

Source: OKSF 1 Record 2020

#### 3.3. Data Source and Collection Methods

Qualitative data type is collected and the major sources of data in this study was categorized into primary and secondary data sources includes ESC CEO, ESC head office communication director, project manager, deputy managers, project team leaders, local (indigenous) community leaders, Woreda administrators and Zonal pastoralist development bureau head. The primary data is collected from respondents to the interview questions and questioners. The secondary sources of data was obtained from the corporation policies, procedure manuals, reports from the sugar project officers, section heads and directors of the projects. According to Wanjiru (2013) for descriptive type researches primary data can be obtained either through observation or through direct communication with respondents in one or another form or

through personal interviews, questionnaires, observation method etc. are data collection methods was incorporated in this study.

#### 3.4. Interview

Based on Saunders et al (2009), this research conducted a semi structured interview that there was a list of themes and questions covered based on the responsibility and role of the interviewee. Hence Local community (endogenous) leaders and woreda administrator and zonal pastoralist development bureau director were interviewed using different unstructured interview questions.

#### 3.5. Observation/Site Visit

Observation/ Site Visit have been carried out to gain first-hand knowledge of existing environmental and social conditions of the project area. It would be a good instrument in assisting the secondary and primary data collected from the project site. During site visiting the study was use different techniques to acquire more realistic information such as informal Discussion with residents or workers, visiting the core project areas, photographing the critical observed environmental and social conditions, etc.

## 3.6. Document Analysis

In addition to the primary data, documentary evidence such as policies, minutes of meetings, project planning records, published and unpublished documents, books, articles and other related resources was used to supplement and triangulate the study.

## 3.7. Data Analysis and presentation

Endaweke (2011) refers qualitative data analysis allows describing a phenomena from different direction through holistic approach. The features of qualitative data indicate its diverse nature and there is no standardized procedure for analysis. Saunders, et al (2009) also explained the data analysis process in the form of summarizing (condensation) of meanings; categorization (grouping) of meanings; Structuring (ordering) of meanings using narrative groups in analysis process. The analysis was conducted by summarizing or condensing of meanings; categorizing or grouping of meanings and structuring or ordering of meanings. And due to the small sample size, developing statistical data was difficult and no advanced statistical analysis was performed in this study.

Instead descriptive analysis and conclusion was drown from the analysis of specific stakeholder management practices to general or overall stakeholder management processes through inductive approach. Therefore, based on Creswell (2009) the results were presented in

descriptive and narrative form. In this study the data was obtained from interview and questioner and observation triangulated by document analysis; the key points of the interview was documented and sent back to the interviewees for approval so that the researcher didn't misunderstand and misinterpret anything, and finally summary of the findings was discussed with key project officials of the corporation.

## 3.8. Reliability and Validity

#### 3.8.1. Reliability of scale test

Internal consistency describes the extent to which all the items in a test measure the same concept or construct (Assessment of stakeholders management practice in OKSF 1 projects); and hence, it is connected to the interrelatedness of the items) within the test.

Internal consistency and the reliability of the questionnaire instrument used in this study was conducted in depth interview asking the respondents in different angle of perspectives with respectively in-depth to became the question reliable.

#### 3.8.1. Content Validity test

Content validity is the extent to which the content aspects of the questionnaire instrument cover the concept being measured (Goddard & Melville, 2006: 47; Saunders et al., 2009: 592; Yang, 2010: 107). The advisor and other responsible persons were asked to indicate their views whether the issues in the questionnaire adequately covered all aspects of stakeholder management in stakeholders management practice of projects with an open ended question. That is, to give their views on the content validity of the questionnaire instrument.

#### 3.9. Research Ethics

The researcher followed ethical consideration required from professionals. All rights of Respondents were respected. Respondent's right to choose, rights to safety, rights to be informed, rights of privacy, and confidentiality was accepted to meet research objective.

#### **CHAPTER FOUR**

## 4. DATA PRESENTATION, ANALYSIS AND

#### INTEPRETATION

In this chapter, the data collected through questionnaire and interview in order to discuss on the project stakeholder management practice in the case of Omo Kuraz Sugar Factory 1 (OKSF 1). Pilot testing (pretest) was given before the questioner was administered so as to get the intended result. The interview which was prepared for the pastoralists was analyzed and interpreted accordingly. Concerning the questionnaires, they were grouped under three topics in order to address the pre designed objectives which are: exploring the current practice of project stakeholder management; to find out the challenges of project stakeholder management; and examining the effectiveness of the project stakeholder management practice of Omo Kuraz 1.

Regarding the questionnaire returning rate, a total 23 questionnaires was distributed. Out of this, 18 which constitutes 78% was filled and returned properly. The rest 5 was not returned.

The content of the chapter was grouped into five subsections: The general profile of the respondents is the first while the stakeholder identification, classification and relevance is the second grouping. The stakeholder analysis and the stakeholder engagement and communication are the third and fourth parts respectively. The last is stakeholder management, and its practice. Concerning the data analysis method, descriptive statistics such as, percentages, frequency, were employed.

## 4.1. Demographic Characteristics of the Respondents

A summary of demographic characteristic of the respondents is presented below. This part explains the respondent's gender, age, and the level of education in the companies. These enabled the respondent to provide information that is valid, reliable and relevant to the study which will enhance the authenticity of the data.

As stated below on table **4.1** 100% of the respondents are male between the ages of 31 to 40 years old. Besides 72% of them are first degree holder and the remaining 27% are master's holder. This data implies as the respondents are informed enough to make decisions it adds credibility to their response that helps the researcher to arrive at a certain conclusion on the matter raised.

Table 4.1: Sex, Age, Educational status of Respondents and Duration of work experience in the organization

Characteristics		Frequency	Percent
Sex of respondents			
	Male	18	100
	Female	-	0
	Total	18	100
Age of respondent			
	20-30	-	0
years			
	31-40	18	100
years			
	41-50	-	0
years			
	Total	18	100
<b>Educational status</b>			
	Diploma	-	0
	BA/BSC	13	72.22
		5	27.77
MA/MSC			
	Ph.D	-	0
	Total	18	100
How long have you work in this organization	L		
	0-5 years	-	0
	6-10	7	38.88
years			
	11-15	11	61.11
years			
	Iore than 15 years	-	0
	Total	18	100

Source: own survey data, 2020

#### 4.2: Types, responsibilities and interests of stakeholders

Under this section, analysis and interpretation of the types of stakeholders that are important to the project are identified and the Stakeholders Interest, Responsibility and Level of Relevance is also measured. In addition, stakeholders' identification process that are used and Stakeholder Identification Criteria implemented are analyzed and interpreted accordingly. This is done with intention of getting the information from the respondents so as to assess the raised project engagement mechanism. Besides, the project stakeholder identification time is also covered in the analysis and interpretation section.

#### 4.2.1: Types of stakeholders in Omo kuraz project 1

Table 4.2: Range of Stakeholders of the sector

NO	Range of likely stakeholders	Freq . for yes	Percen t (%)	Why a given group is not or your stake- holder
1	Donor/project sponsor	18	100	Provide funds, Community mobilization, they have power to cause change (positively or negatively), they have the interest in project goals.
2	Traditional authorities	18	100	Community mobilization, they play critical role, they have power to cause change (positively or negatively).
3	Public authorities	18	100	They have power to control policy, have interest in project goals, they mobilize implementation they provide facilitation
4	Beneficiaries or line organizations	16	88.8	They are the center of work, means they are the owners of project outcome (products or service).
5	Project community	18	100	Part of the project beneficiaries, they are the owners of project outcomes (results).
6	Project team	18	100	They are the essential key process drivers, they are the main planner, implementers of the project goals.

7	Line projects	11	61.1	Have common interest, support each other to implements & achieve project goals.
8	Contractor/consultants	14	77.7	They are expertise/technical service providers, they support the project work in project work from planning up to evaluation works.
9	Financial institutes	18	100	They are financial service providers
10	Media	12	66.6	They publicize the project performance, project end result, give education in different issues of the project.
11	Insurance companies	13	72.2	They ensure project property and staffs.

Source: own survey data, 2020

As indicated in Table **4.2** above this question was prepared to identify the prominent types of stakeholders of the OKSF project-1 based on the respondents reasoning given accordingly. Out of the total range of groups and institutions, 18 of the respondents identified the six types as a key stakeholders. These are: Donors (Project Sponsors), Traditional authority, Public authorities, project community, Project team, and financial institutes were considered as very prominent. The remaining five are not considered as noticeable as former ones. This implies that the engagement role of the five selected stakeholders is key to the project while the remaining are relatively not as prominent as the prior once.

#### 4.2.2: Stakeholders Interest, Responsibility and Level of Relevance

Table 4.3: Stakeholders Interest, Responsibility and Level of Relevance

N O	Range of likely stakeholders	Stakeholder interests	Stakeholders responsibilities	Level of relevance of the responsibilities
1	Donor/project sponsor	Enhance development in all aspects Efficient use of funds Achieve project goals	Funding of projects Technical service Monitoring and Evaluation	Very critical 18(100 %)
2	Traditional authorities	Secure livelihood of their community and	Mobilize the local community	Very critical 18(100 %)

		Development	Mentoring the local community	
3	Public authorities	Empowerment of their people Insure development, Secure livelihood of their people	Policy and information support Insure legality of the projects	Very critical 18(100 %)
4	Beneficiaries or line organizations	Achieve Project deliverables	Taking ownership Implementation of the project plan	16 Very critical (88.8 %) 4 Critical (22.2 %)
5	Project and local community	Insure Development Support the project ideas	Implementation of the project plan	Very critical 18(100 %)
6	Project team	Achieve project goals  Flourish the image of their organization  Insure development	Planning of the project activities Implementation Execution and facilitation of different issues	Very critical 18(100 %)
7	Line projects	Experience sharing Women empowerment Development	Provide information Support in monitoring and evaluation process	11 Critical (61 %) 7 Medium (39 %)
8	Contractor/con sultants	Development Achieve project objectives	Expertise supports (technical, evaluation services, etc.)	14 Very critical (77.7 %) 4 Critical (22.3 %)
9	Financial institutes	Maximize profit	Financial services Technical services	Very critical 18(100 %)

10	Media	Public education Profit Accountability	Publicity Public education Provide Information	12 Critical (66.6%) 8 Medium (33.4 %)
11	Insurance companies	Profit	Insurance Technical services	13 Very critical (72.2 %) 5 Critical (27.8 %)

Source: own survey data, 2020

The list of stakeholders stated on Table **4.3** above is intended to show the stakeholders' interest, responsibility and level of relevance to the project. 100% of the respondents agreed that the five stakeholders which are donors, project teams, traditional authorities, public authorities and financial institutions are more interested, relevant and responsible. This indicates that the mentioned five stakeholders are highly relevant and participated to the project making in the mentioned case.

Stakeholder Management is the processes required to identify the people, groups, or organizations that could impact or be impacted by the project, to analyze stakeholder expectations and their impact on the project. Hence it helps to develop appropriate management Strategies for effectively engaging stakeholders in project decisions and execution. From this finding stakeholder management team was know their stakeholders (identify), analyze their interest and responsibility and their influence to plan SH management and engage with in effective way. And it explains how to identify key stakeholders, and how to assess their power, influence and interest.

#### 4.3: Stakeholder Identification

#### 4.3.1: Stakeholder Identification Processes

Table 4.4: SH identification process that respondents used

	How do you identify your stakehold	lers?	Frequency	Percent
1	Project team brainstorming		5	27.7
2	Stakeholder forums	3	16.6	
3	Snowballing (through peers)			11.11
4	4 Combination of all			44.4
		Total	18	100

**Table 4.4**: above shows that (27.7%) of the respondents use project team brainstorming, 16.6% of the respondents use stakeholder forums, and (11.1%) of the respondents use snowballing. The rest (44.4%) of the respondents use combination of all that mentioned above. This implies that in the process of stakeholder identification most of the respondents preferred to use a combination of all of the identification processes so as to add reliability to the process.

#### 4.3.2. Stakeholder Identification Criteria Table

#### 4.5: Stakeholder Identification Criteria

	Stakeholder Identification Criter	ia	Frequency	Percent
1 Influence			2	11.11
2	Mission and Vision of all			38.88
3	Interest based			27.77
4	4 Geographic reasons			0
5 Combination of all			4	22.22
<u> </u>		Total	18	100

Source: own survey data, 2020

**Table 4.5** deals with the stakeholder identification criteria. As the table above indicated, (11.11%) of the respondents use influence to identify their stakeholder while (38.88%) of the respondents use mission and vision based criteria. The remaining (27.77%) of the respondents said they use interest based, and the other (22.22%) of the respondents use combination of all. This implies that the majority of the respondents prefer to use mission and vision, and interest based criteria as their primary identification criteria.

It implies the respondents more focus on mission, vision and interest besides giving less concern for influence which is implication of groups or institutions power to influence the project because knowing the power of SHs it helps to analyze easily. In stakeholder analysis stage the concern is knowing stakeholders power and interest to manage effectively addressing their interest and manage their power.

#### 4.3.3. Stakeholder Identification Timetable

#### 4.6: When Respondent Organizations undertake identification in a project life

At wh	nich stage of your project life do you identify SH	frequency	Percent
1	Prefeasibility stage	10	55.55
2	Initiation stage	4	22.22
3	Implementation stage	2	11.11

4	Throughout project life	2	11.11
	Total	18	100

Source: own survey data, 2020

This item was prepared to measure the stakeholder identification time. As shown in Table **4.6** above, 55.55% of the respondents replied they select the stakeholders in the prefeasibility stage while 22.22% of respondents said they identify their projects stakeholder at the initiation stage and the remaining 22.22% of respondents combined carried out their stakeholder identification at the implementation and during the project life time stage. This indicates that most of the respondents chose their stakeholder at the prefeasibility and initiation stage. This enables them to wait readily for the challenge and opportunities that are coming.

Identify Stakeholders is the process of identifying project stakeholders regularly and analyzing and documenting relevant information regarding their interests, involvement, interdependencies, influence, and potential impact on project success. The key benefit of this process is that it enables the project team to identify the appropriate focus for engagement of each stakeholder or group of stakeholders. This process is performed periodically throughout the project as needed.

# **4.3.4:** Types of Stakeholder Categorizations and Criteria for Categorization

This section was asked as an open ended question in order to assess the respondents' knowhow of the categorization process of project stakeholder.

The first item was prepared to state how they categorized the stakeholders and to name them explicitly. According to respondents response most of them which constitutes 77.77% said two way stake holder categorization is used so as to categorize stakeholders. The remaining 22.23% replied they implement three way categorization. This implies that the project stakeholders commonly categorized or grouped under the two way categorization mechanism. According to Mitchell, et al., (1997), the three way categorization consists of primary, secondary and key stakeholders' categorization for an effective project management system. He also advances that the primary categorization includes Beneficiary, Public authority, Traditional authority, Project team, Line organization, and Project community. On the other hand the secondary groups are Contractors/Consultants, Financial institutes, Media, and Insurance companies. Finally, Michelle, added that the key stakeholders are donors, Public authority, Traditional authority,

and Project community. This tells us that the Omo Kuraz project stakeholders were categorized using two way categorization that lacks detail to delegate the intended responsibility.

The other item in this part was asked to assess what determines the status of the key stakeholders. The respondents replied that Influence over project resources, Stake on project deliverables, Political influence, and Information access and control are the determinants that matters most in determining the key stakeholders. Off these factors, Influence over project resources, and Stake on project deliverables account 83.32% of the share. This indicates that mostly project stakeholders are become inflectional because they are the source of the resource. This creates a heavy burden for the professionals to judge their job on merit bases.

## 4.4: Stakeholder Analysis

Stakeholder analysis is a process of systematically gathering and analyzing all relevant quantitative and qualitative information about the stakeholders in order to prioritize them and determine whose interests should be taken into consideration throughout the project and identification of stakeholder relationships that can be leveraged to build partnerships with stakeholders to increase the probability of project success.

In this part, the respondents understanding of the concept of stakeholder analysis is measured. Besides, the project management implementation and its necessity to their project is asked.

The first item was asked to assess their Working (operational) definition regarding stakeholder analysis. Most of the respondent that account 72.22% defined stakeholder analysis as an identification and decision making process while the remaining 27.88% of them said it is a systematic analysis of various stakeholders of a project in order that all actors are mobilizing towards achieving project objectives. From this we can infer that the luck of common working definition is observed. This extends its gap in to other parts of the project through time.

The other item was inquired to assess the respondents view on the necessity of the stakeholder analysis and the stage when it should be implemented. All of the respondents agreed on its necessity although their response varies concerning the implementation stage. 55.55% of the respondents said at the initiation stage while 16.66% of them said during the implementation stage. This indicates that most of the respondents have better understanding of the right time choice.

## 4.5: Stakeholder Engagement and Communication

Table 4.7: Working definition of SH engagement by organization respondents

	Operational Definition (meaning)		Frequency	Percent
1	Process of working with stakeholders		9	50
2	A two-way dialog process between project management and stakeholders		6	33.33
3	An event to let stakeholders known what is/ should be expected from and by them		3	16.66
		Total	18	100

Source: own survey data, 2020

The first item as indicated in the table above states that 50% of the respondents define it as a processes of working with stakeholder while the other 33.33% of them said it is a two way dialogue process between project management and stakeholders. The remaining 16.66% replied it is an event to let stakeholders known hat is/should be expected from and by them. This implies that most of them believes it means working with stakeholders which is mainly person focused approach.

The second item was asked to assess the contribution of Stakeholder Engagement to the project. Most of the respondents answered that it ensures project success in the form of project effectiveness and sustainability, in other words, it brings understanding by all parties regarding the roles each has to play in achieving project objectives. It also guarantees effective realization of project results and serves as a platform for monitoring and evaluation of your project in order to determine what to do next.

In addition they also mentioned that it ensures transparency, accountability and responsiveness as well as efficiency in project delivery and equally serves as a check on project team and as such makes them time conscious. They also added that it brings out clearer and better understanding of roles and expectations and simplifies definition and understanding of project objectives among stakeholders. Besides, it ensures success through influence and participation of all stakeholders by how they are oriented and it provides the organization with valuable information as well as serving as a platform for continued sharing of best practices with key stakeholders. However, the community members' replay during the interview contradicts the views of the questionnaire respondents. This tells us that the presence of implementation gap.

Table 4.8. How respondents carry out SH engagement in Omo Kuraz 1

	At which stage of project life undertake SH engagement			Percent
1	Prefeasibility stage		6	33.33
2	Initiation stage		-	0
3	Implementation stage		2	11.11
4	Completion stage		-	0
	Throughout the project life		12	66.66
		Total	18	100

Source: own survey data, 2020

The other item was asked to identify at which stage of the project stakeholder engagement carried out.33.33% of the respondents is said at the prefeasibility stage while 11.11% of them replied at the implementation stage. The remaining 66.66% respondents said it is throughout the project life. This implies that they engage stakeholders at every stage. However, the community members' replay during the interview contradicts the response of the questionnaire respondents. This tells us that the presence of implementation gap again.

#### 4.5.1: Methods of Communication

Under this sub category, communication as apart, modes of communication and grievance handling relate questions are analyzed and interpreted.

All of the respondents from the total see communication as a very essential part of Stakeholder management processes and as such respondent organizations use it as part of their management processes, but as to how they ensure that, it was discovered that it takes place in various and in some cases similar forms.

Table 4.9: Methods of Communication & response with Stakeholders

	Methods of SH communication			Percent
1	Meetings		5	27.77
2	Reporting		3	16.66
3	Both meeting and reporting		10	55.55
		Total	18	100

Source: own survey data, 2020

As shown in the above table, 27.77% of the respondents replied meeting while the other 16.66% of them said reporting. The remaining 55.55% answered both reporting and meeting. This indicates that they use limited mode of communication and it implies in effective communication over there. And the community members replay on interview's they are not communicate with organization unless initiation and prefeasibility stage of the project.

**Table 4.10: Methods of response with Stakeholders** 

	Is there a unit in response to grievance	;	Frequency	Percent
1	Yes		16	88.88
2	No		2	11.11
		Total	18	100
	Does stakeholders have access grieva	ance mechai	nism	
1	Yes		14	77.77
2	No		4	22.22
		Total	18	100

Source: own survey data, 2020

The other item was about the organizations response regarding grievance alleviation mechanism. 88.88% of the respondents replied yes while the remaining 11.11% said no. this tells us that there is a response unit in the organization. On the other hand, the respondents were asked if the stakeholders have access to grievance mechanism. 77.77% of the respondent said yes while the others said no. This tells us that the organization gives access to grievance mechanism.

From interviews response the community perspective on grievance mechanism there is a system to forward complain but there is no response mechanism. It implies there in ineffective grievance mechanism system. Grievance and SH response mechanism which is insure transparency, accountability and responsiveness on real collaborations with the local community and work nearby on the things what incidents will happens.

## 4.6: Stakeholder Management Practice

#### 4.6.1: To make SHM Institutionalize

This section deals with the presence of stakeholder management practice. Under this the availability of the unit, its challenge were discussed.

Table 4.11: Need for SHM unit and Who Takes Response of SHM

	Is there a need for SHM unit?	Frequency	Percent	
1	Yes		18	100
2	No		-	0
		Total	18	100
	Is there a unit of SHM in your org	anization	Frequency	Percent
1	Yes		18	100
2	No		-	0
		Total	18	100
	Who takes charge of SHM		Frequency	Percent
	Steering committee		18	100
	1	Total	18	100

Source: own survey data, 2020

The first item as asked if stakeholder management is needed. As shown in the table above 100% of the respondents said yes while no one said no. on the other hand, the availability of SHM unit was asked. 100% of them replied yes. Finally they were asked to tell who takes the charge and all of them replied the steering committee. However, the response of the local community who are external stakeholder's response negates the answer of the key informants. This indicates that although they organized the units, they failed to address the external stake holders which are the community (e.g. the school, water reservoirs, and milling house are not working at all) it implies that the unit was not willing or interested to communicate with them on their problems which was mentioned. And also the organization were not engage with the community leaders.

According to Peter (2007), whilst traditional Project managers focus on tools and templates that allow us to complete the creation of the products or services being delivered, the discipline of Stakeholder management focuses on human dynamics; managing relationships and communications.

## 4.7: Stakeholder Management Challenges

It is usual that managing the activity of stakeholders is indeed faced with several challenges as presented in table 4.14 below.

#### 4.7.1: Challenges of Stakeholder Management

All of the respondents agreed that in effective engagement and communication public, Low commitment, Deviation from agreement, Conflict of interest and Beliefs, Low understanding of different issues, and Environmental Peace are the common challenges they face every day. In addition they also believes that public authority, traditional authority, donors and project community are the source of the challenges.

Table 4.12. Common and Popular Challenges on SH management in OKSFP 1

	Challenges	Challen	ge sources	Frequency	Percent
1	In effective engagement and communication	Public authority and Project community		7	38.88
2	Low commitment	Donors and Public authority		2	11.11
3	Deviation from agreement	Public authority		3	16.66
4	Conflict of interest and Beliefs	Traditional authority and Public authority		1	5.55
5	Low understanding of different issues	Traditional authority and Public authority		1	5.55
6	Environmental Peace and missing trust on project	Traditional authority and Public authority		4	22.22
	1		Total	18	100

Source: own survey data, 2020

#### **CHAPTER FIVE**

## 5. SUMMERY, CONCLUSION AND RECOMENDATION

#### 5.1. SUMMERY

It was found out that there are about 11 groups and institutions recognized as Stakeholders; however, not all the groups and institutions are stakeholders to all the respondent projects. It was also revealed that Stakeholders come with some form of interests or stakes and responsibilities.

From the findings, the stakeholders of OKSF 1Project are totally 11, namely; Donors, Traditional Authorities, Public Authorities, and Beneficiaries, Project Community, Project team, line projects, Contractors/Consultants, Financial institutions, Media and Insurance companies.

To mention some of the stakeholders interests specified by the respondents are; enhance development in all aspects, achieve project goals, efficient use of funds, achieve project deliverables, support the project ideas, flourish the image of their organization, experience sharing, community development, maximize profit, etc. are some of the stakeholders interests indicated by the respondents. Responsibilities of stakeholders mentioned by respondents are; funding of projects, monitoring & evaluation, mobilize the local community, mentoring the local community, policy and information support, insure legality of the projects, implementation of the project plan, planning of the project activities, provide information, support in monitoring and evaluation process, expertise support, financial services, technical services.

## 5.2. Findings on Stakeholder Management Processes

#### 1. Stakeholder Identification Processes

In the project stakeholder identification process, some projects either go through one or more of the following processes: majority of the projects are use the combination of (project team brainstorming, stakeholder forums and snow balling) the rest use Project team brainstorming, Stakeholder forums and Snow balling. Alongside these processes, the finding implies that in the process of stakeholder identification most of the respondents preferred to use a combination of all of the identification processes so as to add reliability to the process.

The identification Stakeholders is the process of identifying project stakeholders regularly and analyzing and documenting relevant information regarding their interests, involvement, interdependencies, influence, and potential impact on project success.

However the finding show that majority (55.55%) of the respondents stated that the use one-stop activity of pre-feasibility stage.

The respondents give more concern to mission, vision and interest and less for groups and institutions power or influence in other word the assigned unit give more focus on objective, mission and vision of the project rather than human dynamics and legitimacy. This is one gap what we found.

#### 2. Stakeholder Categorizations

There are various forms of categorizations were found to be used by some of the projects at the same time as some do not have any structured form of categorizations. For the first group, it came out that two broad forms of categorizations are used namely the two-way and three-way categorizations; under the two-way categorization, there are two sub categories: category one-Internal and external Stakeholders. Under the three-way type, the categories are Primary, Secondary and Key Stakeholders. The project stakeholders commonly categorized or grouped under the two way categorization mechanism. The determinants of a stakeholder's category or status were found to include; stakeholders on project deliverables, and influence over project resources.

#### 3. Stakeholder Analysis

What we found on the analysis process according to operational definition (72%) of the respondents look it is for the sake of identification and decision making rather than systematic analyze and mobilize all actors to achieve the project goal which indicate there is knowledge gap and need of expert judgment (consultation) on it because majority of the respondents sate analysis timing in organization was one-stop activity on initiation stage of the project. So it leads difficulty to know stakeholders power, interest, and legitimacy and there will be difficult to engage with them.

#### 4. Stakeholder Engagement

The operational terms of Stakeholder Engagement in respondents is that, there is a different form from one project to the other; but majority of (50%) of them seem to be applying the term

it as a process of working with stakeholders, this implies that most of them believes it means working with stakeholders which is mainly person focused approach.

In understanding of time perspective taking SH engagement, from the total majority(66.66 %) of the respondents undertake it periodically throughout project life cycle. still there was some gap in engagement activity because (33.33%) of the respondents state that engagement timing was on prefeasibility stage at one time.

However, the community members' replay during the interview contradicts the views of the questionnaire respondents. This tells us that the presence of implementation gap.

This tells us that the presence of implementation gap. Which the engagement practice was ignoring the community.

#### 5. Communication

The last but not the list stakeholder management process is communication. In this context, it came out that all respondent reflect it as important and the communication is carried out both (Meeting and Reporting) (55.55%). It implies they use limited communication method.

What found from the interviews response there was no two way communication between community and organization. But two way communication include sharing information with stakeholders allowing sufficient opportunities to appeal and building trust with stakeholders to give managers know how respond to change appropriately with agility and minimize dissatisfaction, comprise overcome conflict, reasonable compensation for private loss and active participation, operating communication system and operating governance.

What we found in related to grievance and response mechanism in the organization. There was access and a unit who is responsible to grievance and response and there was a ground to bring. if it is good but there is no response mechanism which is insure transparency, accountability and responsiveness on real collaborations with the local community and work nearby on the things what incidents will happens.

#### **Institutionalizing Stakeholder Management**

On the institutionalizing of stakeholder management (organize a distinct functional unit) in OKSF 1 organization as per this study seem to be all the respondents reflect that they have units managing Stakeholders and responsible for it, who is the steering committee is the responsible body.

But they failed to address the external stake holders which are the community and the unit was not willing or interested to communicate with them on their problems and engage with community leaders (traditional authority).

#### **Stakeholder Management Challenges**

Indeed Omo Kuraz Sugar Factory 1 (OKSF1) projects are faced with various Stakeholder management challenges it is clear that this challenge have negative influence on the performance of the projects and community beneficiary.

The categorization of Stakeholder Management challenges there are identified challenges by the respondents this are; external challenges and internal challenges. When we see them separately, External challenges are challenges that are those that come from outside of the organization,

Some external challenges are actually beyond the control of the project management. The reason behind this fact is that, because of poor stakeholder identification, analysis and more of engagement and communication. Whereas, internal challenges are those challenges that come from the entire organization itself, the main reasons are the types of stakeholder management processes they apply and in what ways they carried out. Unlike to external challenges, internal challenges have greater chance to control over the problems.

To mention some problems that are raised from the two different stakeholder management challenges;

#### i. External Challenges

- Poor commitment so donors are demotivated to support projects (delay in funds).
- Limited capacity in human skills and resources.
- Unrealistic expectations.
- Interest conflict between stakeholders so unproductive criticism between the stakeholder members.
- Lack of understanding of the true value of project objectives so there will be primacy shortage.
- Environmental peace and Missing trust on project.

#### ii. Internal Challenges

- Lack of now how and skills of the stakeholder management process.
- Problem in stakeholder management planning.
- Poor know how of different stakeholder matters and at the same time narrow consideration of stakes and

- Ineffective communication and engagement problems.
- Deviation from agreement.
- Building trust on a project by stakeholders.

#### 5.3: CONCLUSION

This study has been focus on the Assessment of Project Stakeholder Management practice the case of Omo Kuraz Sugar Factory 1 (OKSF1) projects, it is amid that to figure out the practices of stakeholder management in the organizational level of OKSF 1 project and also the necessary processes required to somehow manage the challenges. The following conclusions are drawn from the above findings.

The task was therefore begun with the identification of general profile of the respondents. In this context, all of the respondents are male, majority of the respondents are in the age group of (31-40), majority of the respondents has BA/BSc educational status and also majority of the respondents have (11-15) years of working experience in the organization.

There are 11 stakeholder groups identified by respondents they include; Donors/project stakeholders, Traditional Authorities, Public Authorities, Beneficiaries/clients end users, Project community, Project team, Sister/line projects, Contractors/Consultants, Financial institutions, Media and Insurance Companies.

Following this was a listing of the interests, corresponding responsibilities and the level of relevance of the various Stakeholders which bond the complex relationship between the sector members and their various actors. The findings presents that, there are common interests, responsibilities and level of relevance shared by the various stakeholders, there are many and conflicting interests indeed. On the institutionalizing of stakeholder management (organize a distinct functional unit) in OKSF 1 organization as per this study seem to be all the respondents reflect that they did have units managing Stakeholders, which it is the duty of steering committee. Lastly, the study find out some the challenges mentioned by the respondents to mention basic challenges that are faced by the projects; low commitment, ineffective communication and engagement with local community, environmental peace, low understanding of different issues, conflicting interests, opinions, beliefs & orientation and unrealistic expectations are the main challenges indicated by the respondents by descending order from the top to bottom.

#### **5.4: RECOMMENDATIONS**

Effective project stakeholder management plays a key role in the implementation of stakeholder engagement. Leaders recognize the importance of addressing stakeholders needs yet surprisingly luck effective strategies for managing stakeholders (Mir & pinning ton, 2014). Recommended actions that could lead to effective stakeholder management strategies include:

- Project organizers should integrate a list of key project stakeholder engagement mechanisms into organizational strategy.
- Public authorities and traditional authorities should communicate the rationale behind every project and demonstrate their alignment with the organizations value system.
- During the project initiation phase an executive steering committee should be convened
  to agree on the projects objectives, resources, budget, performance metrics, and to
  communicate the expected behavior.
- The steering committee should ensure that the continuity is maintained during the transition from the project to the operations team.
- Public authorities should provide the necessary training so as to avoid rent seeking tendency.
- Project leaders must develop and implement proper community engagement platforms.
- Project manager make sure that there must be active all stakeholder involvement and
  management at project life cycle management (PLCM) (project initiation, planning,
  implementation, monitoring & evaluation and close-out) to achieve effective result of
  project performance and to settle environmental peace.
- Setting appropriate communication strategy to enhance participation, coordination and cooperation among stake holders.

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#### **Appendix**



#### DEPARTMENT OF PROJECT MANAGEMENT

Research Questioner On An Assessment On Project Stakeholder Management

Practice: The case of Omo Kuraz Sugar Factory I in South Omo Ethiopia.

#### Dear sir/Madam

My name is Temesgen Abera. I am currently doing my MA Degree in Project Management at St.marry's University School of graduate studies. Now I am doing my MA Project work entitled: An assessment on Project Stakeholder Management Practice: The case of Omo Kuraz sugar factory I (OKSF 1) in South Omo Ethiopia. I believe that your work experience will greatly contribute to the success of my project work. So it's with great respect that I ask you to fill this questionnaire. I guarantee that your identity will be kept confidential and the information you provide only be used for academic purposes. I will be happy to share the findings of this research when it's completed.

If you have any questions or comments, please don't threat to contact me. You can reach me by;-

❖ Mobile: +251-916035029

❖ E-mail:temesgen.abera248@gmail.com

With best Regards, **Temesgen Abera** 

#### Introduction

Stakeholder management is very key to the work of project management particularly to megaprojects because their work affects and is in turn affected by many stakeholders whose interests and needs are potentially conflicting thus posing some challenges to successful project management. This tool is therefore designed and used to collect data that conveyed the real practice and challenges of stakeholder under (OKSF 1) project.

#### **Instructions**

- ➤ Please just make circle the later of each options for the question
- > Write your opinion on space provided for those questions

#### **SECATION 1:** General profile of the respondent

1. Age of respondents	1.20	0-30 years	2.31 - 40	) years	3.41 - 50 years
2. Sex: 1. Male		2. Fem	ale		
3. Organization:					
4. Position:					
5. Field of studies:					
6. Educational status:	•				
1. Diploma 2. B.	A/BSc	3. MA/MSc	4. Ph.D.	5. Othe	ers; please specify
7. How long have you worked in this organization?					

#### 3.11 - 15 years 4. More than 15 years

1. 0 - 5 years 2. 6 - 10 years

#### SECTION 2: Stakeholder Identification, Classification and Relevance

1. Which of the following would you consider or otherwise as stakeholders of an empowerment project of your organization and why?

No	Range of likely stakeholders			Why a given group is not or your stake-holder
		Yes	No	
Α	Donors/project sponsors			
В	Traditional authorities			
С	Public authorities			
D	Beneficiaries or line			
	organizations			
E	Project community			
F	Project team			
G	Line projects			
Н	Contractors/Consultants			
I	Financial institutes			

J	Media		
k	Insurance Companies		

2. What are the stakes and corresponding responsibilities/contributions of these stakeholders of an empowerment project of your organization, and how critical are the contributions to your project success? Fill the table below with responses in the order given.

Stakeholder group	Stakeholders-needs or	Responsibility or	Level of relevance of
	demands	contribution	contribution to project
			success. Rate:(1-very
			critical,2-critical,3-not
			critical
Donors/project			
sponsors			
Traditional authorities			
Public authorities			
Beneficiaries or line			
organizations			
Project community			
Project team			
Line projects			
Contractors/Consultants			
Financial institutes			
Media			
Insurance Companies			

Contractors/Consultants				
Financial institutes				
Media				
Insurance Companies				
3. How do you identify y	your Stakeholders?			
A. Project team brainsto	orming	B. Stakeholder forums		
C. snowballing (through	n peers)	D. Combination of all		
E. Other				
4. What is/are the bases	for your stakeholder ide	entification?		
A. Influence (Power)		B. Mission and	vision based	
C. Interest based		D. Geographic re	easons	

E. Combination of all	
5. At which stage of your project life do	you identify stakeholders?
A. Prefeasibility stage	B. Initiation stage
C. Implementation stage	D. Throughout project life
6. Into how many categories do you cate	gorize your stakeholders? Name them
•	key Stakeholders? Name the category(s)
8. What determinates is their status as ke	ey stakeholder? (More response is possible)
A. Influence over project resources	B. Stake on project deliverables
C. Political influence	D. Information access and control
E. other	
SECTION 3: Stakeholder Analysis	
9. What is the operational definition of s	takeholder analysis in your organization?
10. Is stakeholder analysis an activity yo processes?	ou undertake as part of your project management
A. Yes	B. No
11. Do you find stakeholder analysis ned B. No	essary in project management? A. Yes
12. If yes, which stage of project implementation	nentation is stakeholder analysis to be undertaken?
A. Initiation stage	B. Implementation stage
C. Completion stake	D. on-going activity
13. If no, why? Explain	

## **SECTION 4: Stakeholder Engagement and Communication**

14. What is the operational meaning of the term stakeholder engagement in the context of

stakeholder management in your o	organization?
A. process of working with stakel	holders
B. A two-way dialogue process be	etween project management and stakeholders
C. An event to let Stakeholders ki	now what is/should be expected from and by them.
D. Other (specify)	
15. What does stakeholder engage	ement contribute to your project?
	fe cycle do you carry out Stakeholder engagement?
A. Prefeasibility stage	B. Initiation stage
C. Implementation stage	D. Completion stage
E. Throughout the project life	
17. Is there a unit in your organiza	ation in response to grievance?
A, Yes	B, No
18. Stakeholders have access to a	grievance mechanism in your organization?
A, Yes	B, No
19. If yes write what Stakeholder	response mechanism (SRM) was experienced (practiced)
In your organization?	
20. Is communication part of your	Stakeholder management process?
A. Yes	B. No
21. If yes, how do you ensure it?	
A. Meetings	B. Reporting
C. Both	D. Other (specify)
22. If no why?	
	management tool not included in this

## **SECTION 5: Stakeholder Management, Its Practice and Challenges;** 24. Is there a unit in your organization that is responsible for stakeholder management? A. Yes B. No 25. If yes what specific functions does it perform? Name 26. If no, who performs the stakeholder management function in your organization? A.CEO B. Program Manager C. Project Manager D. All team members 27. What challenges do the stakes and stakeholders present to project management? List ..... 28. From your experience, what would you recommend to better enhance stakeholder management and successful project management for that matter? Mention ..... 29. What measures are in place so that the workplace is safe from violence for its employees? 30. How reliable and up to date are the information and communication Systems in your organization? ..... 31. How do the organizations system of communication support or prohibit communities from acceptance of the project? 32. What societal norms of the community May be affected by project which is implemented?

THANK YO

## **Interview for communities**

1. How do you gain agreement with organization?
2. Did the organization manager ever challenge your decisions?
3. How do you look organization politics?
4. What the advantages that you gain from the project? Mention
5. What the impact that you face with organization which is negative or positive? Mention
6. How do you look the project works are participatory?
7. How would you describe the acceptance of the organization dealing with your ideas on?
8. How would you look the grievance mechanism that you have with organization?
9. How do you describe the organizations engagement and communication system?

THANK YOU.

## How respondent categorize their stakeholders

In to	how money respondent categorize their stakeholders	Frequency	Percent
1	Two-way	14	77.77
2	Three-way	4	22.22
3	No categorization	-	0
	Total	18	100

## Three-way stakeholder categorization

The key stakeholders out of the category			
Key Stakeholders		Frequency	Percent
Donors		5	27.77
Public authority		5	27.77
Traditional authority		5	27.77
Project community		3	16.66
	Total	18	100

## Critical determinants of Stakeholders Status

Wha	t determines SHs status as a key?(	MRP)	Frequency	Percent
1	Influence over project resource	S	7	38.88
2	Stake on project deliverables		8	44.44
3	Political influence		2	11.11
4	. Information access and control		1	5.55
		Total	18	100

## When and how often Stakeholder analysis is undertaken by

## Organization respondents

Timing Stakeholder Analysis undertaken		Frequency	Percent	
1	Initiation stage		10	55.55
2	Implementation stage		3	16.66
3	Completion stage		-	0
4	On-going activity		5	27.77
		Total	18	100