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ASSESMENT ON STAKHOLDER MANAGEMENT PRACTICES AND CHALLENGES:

THE CASE OF HEINKEN ETHIOPIA PHASE THREE EXPANSION PROJECT

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Declaration

I declare that this thesis is my original work and has not been presented for degree or other purposes in any university or places. I further confirm that all the sources of materials used for this thesis are dully acknowledged.

Name: Siyade Dima

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June, 2021

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Abstract

The purpose of the study was to assess the practices and challenges of stakeholder management in the case of Heineken Ethiopia phase three expansion project in Kilinto. The research used descriptive research design and a mixed method of qualitative and quantitative approaches. Data gathered through structured questionnaires distributed to 55 respondents who are project staff andhave a direct involvement during the project. The data obtained through questionnaire has been analyzed quantitatively using descriptive statistics: frequency and percentage through SPSS version 26 software. The finding of the study reveals that there is institutionalized stakeholder management system within the organization. And the project stakeholder identification, planning, and communication practices was good. However, there was a gap in analyzing, engaging all stakeholder, and managing their expectation. The findings present that key stakeholder were not identified at the initial stage of the project and their interests were not analyzed at the required level. Conflict of interest among stakeholder, lack of proper conflict resolution plan strategy is also identified as the major challenge faced project. The study also revealed challenges like different characteristic stakeholder, different expectation, limited understanding of stakeholder and ineffective communication, had their own effect on the performance of the projects in the organization. Finally, it is recommended that all stakeholders should be understand project goals and objectives and the project needs to have strong engagement & analysis practices and must have built effective conflict resolution plan for the further projects.

Keywords -:HBSC, stakeholders, stakeholder management, Stakeholder's identification, Stakeholder's engagement, stakeholder communication, stakeholder management practices, stakeholder challenge.

Chapter one

Introduction

This chapter is introductory part of the entire study. It provides some insights about the ground and assumptions where the study is conducted. It states background, statement of the problem, objectives, significance, scope, limitation, definition of key terms, and organization of the study. Accordingly, it begins with background of the study.

1.1 Background of study

"A stakeholder can be a person or organization (e.g., customer, sponsor or the public) that is actively involved in the project, or whose interests may be positively or negatively affected by execution or completion of the project" (Bemelmans 2017). Management of stakeholders involves identifying and prioritizing stakeholders and assessing their interests and preferencesthat provides a strong basis from which to build your stakeholder management strategy and can help you to develop and maintain relationships with those affected, mitigate risks, align business goals and eliminate project failure and delays (Larrangeira, 2013).

Stakeholder management is the practice of establishing positive relationships with those that have the influence on your work. Maintaining effective communication with each individual might be critical to keeping them "on board." Stakeholder management is the process of developing programs, actions, or behaviors that will affect the product's stakeholders (Vogwell, D. 2003).

Proper stakeholder management would also result in better decision-making and overall better outcomes for all parties. Stakeholder management is an important project knowledge area that should be managed properly like any other part of the project. Stakeholder management is the process of identifying, planning analyzing and understanding all the people, businesses, governments, internal and external stakeholders, and other groups of people that are involved in, or affected by, your organization or project(Allison, 2019).

It important to understand our stakeholder interest and prioritizing what their concerns are and how they might impact the project. In general, keeping shareholders interest and meeting their expectations will certainly reduce the risk of negative impacts on our project. The influence of stakeholders on your project can be huge, and if not managed appropriately, it could lead to project

delays, resource drain, political intervention or project termination (Bemelmans, 2017). Project managers should work with stakeholder groups to make sure they are aware of project developments and participate in the decision-making process.

Any project requires an effective stakeholder management approach that can help to achieve the project objective. Since every project has various internal and external stakeholders, and In order to achieve their aim of desire, the project managers must work with them by focusing about how different stakeholder interests should be handled, who should be interested in the project and the way they deal with them (Smith,2000).

The advantage of stakeholder management include eradicating conflicting interests among stakeholders, reducing the pressure of management to produce short term results, dropping the cost associated with a high turn-over among stakeholders and providing the firm with committed stakeholders in an environment characterized by increasing competition. Among the reasons that affect project outcomes, many scholars have cited "the ignorance or poor stakeholder management" as one of the key reasons responsible for project failure. Therefore, systematic improvement in project stakeholder management is required to improve the performance of project outcome (Neil, 2011).

1.1.2 Background of the organization

Heineken brewery Share Company is a Dutch brewing company, founded in 1864 by Gerard Adriaan Heineken in Amsterdam. Heineken owns over 165 breweries in more than 70 countries. It produces 250 international, regional, local and specialist beers and ciders and employs approximately 73,000 people.

Heineken Ethiopia is also one of the largest company in Ethiopia. It's located in the outskirts of Addis Ababa, in Kilinto. It started operations in July 2014 and has an annual technical production of 3 million hecto litres with more than 200 employees. It is state of the art and technologically advanced brewery. The brewery is home to the Walia brand and produces our other brands like Heineken, Walia, Walia Radler, Harar, Bedele, Bedele Special and Sofi.

Heineken Ethiopia has rolled out an expansion project for its Kilinto brewery at the cost of $112 million as it seeks to boost production and efficiency. Upon this expansion project, many

stakeholders were involved, and the study will assess stakeholder management practice and challenges during this expiation project.

1.2 Statement of the problem

According to Eskerod and Jepsen (2013) "Carrying out a project as planned is not a guarantee for success. Projects may fail because project management does not take the requirements, wishes and concerns of stakeholders sufficiently into account". Stakeholder management in a project must also involve an understanding of the behavior of the stakeholders during the life cycle of the project, with the aim of performing actions that meet their expectations (Beringer et al, 2013) "Stakeholder management is often characterized by spontaneity and causal actions, which in some situations are not coordinated and discussed within the project team. The result of this practice is often an unpredictable outcome" (Karlsen, 2002)

The stakeholder can be described as a group or individual that can influence the project company or be influenced by it. The project's progress or failure will be highly dependent on those stakeholders. Effective stakeholder management ensures the successful completion of any project. This is a fact but sometimes ignored by project managers, and many projects suffer from low engagement from executives, users, and key stakeholders. All stakeholders' needs and requirements must be identified and properly managed to facilitate the project's development better.

Of course, stakeholder management practice topic has been disused widely in many projects' management studies and A lot of research has been also done to incorporate and bring knowledge of stakeholder management into the real practice of stakeholder management in contemporary organizations.

However, there are still significant gaps in relevant stakeholder management practice and challenges and very few researches are conducted in the importance of stakeholder management and practice in relation with especially in manufacturing company. In addition, not enough research has been done on the stakeholder management challenge, which is the most critical segment for a project's progress. Furthermore, most project studies were concerned with cost, schedule, and efficiency; they did not pay enough attention to stakeholder management practice,

challenge, and how managers manage stakeholder expectations and their role in a specific project.

Heineken Kilinto Phase three expansion project is one of the big projects held by Heineken Ethiopia. During this project various stakeholders were involved, and project face many different challenges. Since the effect of stakeholders on project progress was significant, managing stakeholders were one of the project challenges. The study tries to identify challenges faced during project in related to stakeholder management practice such as conflict of interests, communication breakdowns, a lack of understanding of the different problems, gap in managing stakeholder expectations, lack of a clear definition of project missions that have been identified as having an impact on the success within most project and entire project expansion.

As a result of this and other factors, the researcher is inspired to study stakeholder management practices and the challenges that faced by Heineken Kilinto phase three project expansion. And will try to fill the gap on how stakeholder's management practices related with regrading to improving project performance that are not fully addressed in many previous studies.

1.3 Basic Research question

To examine the above stated problems, the researcher attempted to answer the following basic research questions:

- How did the basic stakeholder management practice (identifying prioritizing analyzing and planning) were practiced in expansion of the project?
- What were the main challenges of stakeholder's management practices?
- What was the effect of these practices and challenges on entire project performance?
- How do the entire project mange different competing stakeholder interest?

1.4 Objective

1.4.1 General `Objective

- The study's general objective is to assess stakeholder's management practices and challenges in Heineken brewery Kilinto phase three project expansion.

1.4.2 Specific Objective of the Project

- To understand the stakeholder management practice process used in the project

- To assess the challenges that Heineken Kilinto plant phase three expansion project faces in handling their stakeholders.

- To assess the expectation of stakeholders and project manager with the project

- To assess the effect of successful Stakeholder management on the success of project performance

1.5.Significant of the study

This study will provide insights into stakeholder management's practices and challenge in the Heineken Kilinto plant phase three expansion project. Those different stakeholders may want very different outcomes from the project. The research paper will be assessed on the company stakeholder management and challenge and how do they manage competing for the expectation of those stakeholders from the initial phase through to the final implementation, what are the primary stakeholder management practice that the company use, how do they identify, prioritize and manage their stakeholders, how they communicate with their stakeholder how do they handle their influence and interest in their project. In general, the study will examine the challenges in stakeholder management and their impact on project management in HBSC phase three project expansions by focusing on four major topics such as stakeholder interests and influences, stakeholder management practices process, stakeholder analysis methods and stakeholder engagement.

1.6. Scope of the study

The scope of this study is limited only to Heineken Ethiopia expansion project in Kilinto plant, which is done in phase by the organization. While several projects are undertaken in Heineken Ethiopia, this study does not study other projects. Its results should not be used to generalize project management activities for all the company's projects. The study is also limited only on one project management knowledge area which is stakeholder management. This study does not cover other knowledge areas of project; therefore, the findings of the study talk about the stakeholder management practice and cannot be generalizable to the overall project management practice of the organization.

1.7. Limitation of the study

The lack of time is one of the biggest limitations and challenging of this study. In additional study did not include all external stakeholder which may have big influence in the project. This study was also conducted based on the responses of project personnel and these respondents might be biased towards their projects.

1.8 Organization of the study

The project work will be organized, in five chapters; Chapter One deals with the Introduction of research which consists of Background of the Project Work, Statement of the Problem, Objective of the Research (which also consists of General and Specific Objective), Significance of the Project, Scope of the Project and Organization of the Project Work. Chapter two will discuss the literature review of related studies. The research methodology of the study will be analyzed in chapter three. Chapter four will focus on data presentation. Finally, in Chapter 5, there will be conclusion and recommendations.

Chapter Two: Literature Review

This chapter is divided into four main parts namely conceptual literature review, theoretical literature review, empirical review and conceptual framework are the main sections of the chapter. Conceptual and theoretical review explains different theories written by different scholars on the study variables. Definition and discussion on key terms, on the other hand, empirical review attempts to explain the gaps identified from different studies done on similar subject and hence main gaps to be filled.

2.1 Conceptual review

2.1.1. Stakeholder management

APM Book (2012) define Stakeholder Management as "systematic identification, analysis, planning and implementation of actions designed to engage with stakeholder" The mechanism by which you coordinate, monitor and strengthen your relationships with your stakeholders is stakeholder management. It includes the systematic identification of stakeholders; the study of their needs and expectations; and the preparation and execution of different tasks for their participation. You have to identify which stakeholders are critical, gauge support or resistance to change (Eskerod, Huemann, & Savage, 2016). Stakeholder management should include identifying, gathering information and analyzing stakeholders influence through a systematic approach (Holloway & bryde, 2016)

Individuals and entities directly participating in the project, or whose interests might be harmed as a consequence of the project's implementation or completion, are referred to as stakeholders. Stakeholders can have an impact on the project's goal and results due to their interest in the project. The project team must define and involve all stakeholders, decide their requirements and expectations, and manage their impact in relation to their requirements to ensure a successful project. Stakeholder satisfaction should be prioritized as a project goal (A Guide to the Project Management Body of Knowledge, 2013).

The origin of the stakeholder concept lies in the business science literature (Freeman, 1984), and may be traced back even as far as Adam Smith and his The Theory of Moral Sentiments. It modern utilization in management literature was brought about by the Stanford Research Institute, which

introduced the term in 1963 to generalize and expand the notion of the shareholders as the only group that management needed to be sensitive towards (Jongbloedet al.,2008). Within this perspective, Freeman (1984) argued that business organizations should be concerned about the interests of other stakeholders when taking strategic decisions (Mainardeset al., 2011, p. 227).

Several stakeholder management concepts tend to concentrate on the assumption that you can manage your stakeholders appropriately to get them to do what the project requires.Stakeholder management practice should have a plan that can manage and put maps of the level of interest and influence of stakeholders and list various levels of engagement for the different groups. A plan that is normally developed at the start of the project and then tucked away to avoid scratching. "Processes required to identify all people or organizations impacted by the project, analyzing stakeholder expectations, and impact on the project, and developing appropriate management strategies for effectively engaging stakeholders in project decisions and execution" (PMI, 2013).

2.1.2.Who are stakeholders?

"Stakeholders are those who have a stake or an interest in a project or strategy undertaken by a company or an organization; they will be affected in some way by the project and so have an interest in influencing it. They may have benefit from the project and so will be supportive and positive about it; conversely, the project may damage their interests, or they may perceive it will have a negative outcome for them so they will seek to stop it or, at the very least, project it in a bad light"(Vogwell, D. 2003).Project stakeholders usually include the project manager, the customer, team members within the performing organization, and the project sponsor. However, there are more than just these few (Smith, 2000). users, facility managers, designers, contractors, subcontractors, employees, service providers, banks, insurance companies, media, general public, community representatives, customers, pressure groups can also be defined as a stakeholder of one project (Chinyio and Olomolaiye, 2010)

Customers or consumers, the project manager and staff, the project's sponsor, program and portfolio managers, PMO functional managers within the enterprise, and external sellers who offer services or resources for the project are also stakeholders. 'Project stakeholders can include clients, end users, contractors, consultants, labor unions, line organization, public authorities,

financial institutions, insurance companies, controlling organizations, media, third parties, and competitors' (Karlsen, 2002).

Stretton (2010), See stakeholder from two perspective, either a beneficiary or adversarial. In his review, the beneficiary perception focuses on all stakeholders that are expected to benefit from the initiative in a particular way. Such stakeholders are generally open and amenable to dialogue and negotiation and have a positive interest in the program's outcomes. On the other hand,most adversarial stakeholders are perceived to be theoretically or actually adversarial to the initiative and may not be willing to address and negotiate problems, according to the adversarial view and converting those adversarial stakeholders to beneficiary stakeholders is a major challenge.

In general, the project sponsor, generally an executive in the organization with the authority to assign resources and enforce decisions regarding the project, is a stakeholder. The customer, subcontractors, suppliers, and some-times even the government are stakeholders. The project manager, project team members, and the managers from other departments in the organization are stakeholders as well (Tarhanis, 2019).

2.1.3 Stakeholder management practice

Stakeholder management practice usually refers to the variety of approaches or methods inside and outside the project context to define and appreciate the needs and desires of major interests. Proper understanding of stakeholder interrelationship, interfaces, and attributes within the project allows us to strategically prepare our project (Smith, 2000).

According to P.Eng. (2018) since many project issues have arisen because of stakeholders that were ignored and were considered minor, the project manager must know who the stakeholders are and actively manage their expectations. Because those minor stakeholders can trip up a project just like a major one can. In order to achieve cost and time delivery while also optimizing value for the client and our stakeholders, project managers must strike the right balance between stakeholder participation and project isolation from external influence. However, if project stakeholders' concerns are not answered, and stakeholders are not involved in the project's progress, the project may face failure (Vogwell. D, 2003).

According to Neil (2011), The advantage of stakeholder management includes eradicating conflicting interests among stakeholders, reducing the pressure of management to produce short term results, dropping the cost associated with a high turn-over among stakeholders and providing the firm with committed stakeholders in an environment characterized by increasing competition. Among the reasons that affect project outcomes, many scholars have cited "the ignorance or poor stakeholder management" as one of the key reasons responsible for project failure. Therefore, systematic improvement in project stakeholder management is required to improve the performance of project outcome

2.1.2. Stakeholder analysis

Stakeholder Analysis is a technique used to identify and assess the influence and importance of key people, groups of people, or organizations that may significantly impact the success of your activity or project (Friedman and Miles 2006). Achieving a project's objectives takes a focused, well-organized project manager who can engage with a committed team and gain the support of all stakeholders. Building strong, trusting relationships with interested parties from the start can make the difference between project success and failure. Merrie Barron and Andrew Barron states take the time to identify all stakeholders before starting a new project. Include those who are impacted by the project, as well as groups with the ability to impact the project. Then, begin the process of building strong relationships with each one using the following method.

Stakeholder analysis is a more in-depth look at stakeholder group interests, how they will be affected and to what degree, and what influence they could have on your project (IFC, 2007). It is a critical process that feeds into stakeholder engagement and organizational change process in general; according to the International Finance Corporation, It is not practical, and usually not necessary, to engage with all stakeholder groups with the same level of intensity all of the time. Being strategic and clear as to whom you are engaging with and why, before jumping in, can help save both time and money. This requires prioritizing your stakeholders and, depending on who they are and what interests they might have, figuring out the most appropriate ways to engage. 11 Stakeholder analysis should assist in this prioritization by

assessing the significance of the project to each stakeholder group from their perspective, and vice versa. The IFC (2007) added that whilst doing this, it is important to keep in mind that the situation is dynamic and that both stakeholders and their interests might change over time, in terms of level of relevance to the project and the need to actively engage at various stages. It is frequently used during the preparation phase of a project to assess the attitudes of the stakeholders regarding the potential changes.

In project management, stakeholder analysis is used to increase the chances of project success through informing their design, preparation and implementation; or as part of an evaluation, during or after project completion. Organizational wellbeing is of less importance than in health management, in that project personnel come together in a temporary alliance which focuses on, and is time-bound by, the life of the project. As in health management, the perspective is prospective and pragmatic. The results of the analyses can be used to develop project logical frames, and are useful in identifying assumptions on which the success or failure of project out-comes depend (Nancholas 1998). A stakeholder analysis to facilitate project implementation is frequently a less complex and time-consuming endeavor than when used to analyze policies.

2.2 Theoretical review of stakeholder Management

2.2.1 Theory of Stakeholder management

"Stakeholder theory is a useful framework for analyzing the behavioral aspects of the project management process" J.Scott, Friday, & Shivers (2006). The main idea of project stakeholder management practices is that the project team can increase the possibility of project success by influencing stakeholders to define an appropriate strategy and the stakeholder management practice is also used to understand stakeholder communication requirements and the level of stakeholder engagement to assess and adapt to the level of stakeholder participation in requirements activities (Joao, 2013).

According to Career Guide / Career Development / (2020) Shareholders can be external parties, like customers and people in the community who have shares in the company's stock. Building a

strong relationship with all shareholders will improve their willingness to invest in a sector by providing input on opportunities to create goods and services suited to everyone's needs.

Freeman(1984) the Stakeholder Management Theory states that any community or person that may influence or is influenced by the accomplishments of the goal of the organization can be defined as a stakeholder for an organization. Stakeholder management in a project must also involve an understanding of the behavior of the stakeholders during the life cycle of the project, with the aim of performing actions that meet their expectations (Beringer, 2013).

According to Ramachandran (2019) Stakeholder theory explains the interactions between the project's various parties and proposes a new goal for the project. Stakeholder management aims to develop strategies for managing various groups and relationships that are involved in the project and have a direct or indirect impact on it. Organizations must learn more about their stakeholders and how to deal with them. Based on his study "Stakeholder theory is about creating more value at its core. But who should share the value that is created varies from manager's view? There are narrow models that focus on a small set of stakeholders like shareholders or customers, while much larger group of relevant stakeholders are covered in the broader models. Many times, people forget that stakeholders are not generic and are not homogeneous within groups. Stakeholder theorizing is valuable as a basis of revising and improving concepts of business and management".

Stakeholders approach includes associated organizations, prospective employees, prospective clients and the public in general and their views and interests should be considered (Olander, 2007). This serves the role of making it easier for the organization's management to understand the stakeholders and their interests so as to manage them effectively

The basic assumption of stakeholder theory is that a firm, as represented by its management, has relationships with many constituent groups of individuals within the firm and in its external environment, and that those groups play a vital role in the firm's success, and the interests of all (legitimate) stake holders are of intrinsic value (Clarkson, 1995; Donaldson and Preston, 1995; Freeman, 1984).

2.2.2 Stakeholder Management process

A proper understanding of the stakeholders, backed by a strong strategic, consistent and prioritized communication plan, allows us to establish and maintain relationships with those affected, reduce risks, align business priorities and minimize delays. Investing time in identifying and prioritizing stakeholders and assessing their interests provides a strong basis from which to build your stakeholder engagement strategy (Dagli, 2018).

Based on journal of technology management and innovation (2015) study, Poor stakeholder's management can easily lead to misunderstandings and conflicts between project owner and stakeholder that can affect success of one project. According to PMI 2013 book stakeholder management process relays on the following four step; -

- ☐ Identifying stakeholder - identifying all persons, groups or organizations that may impact on or be impacted by a decision, activity or result of the project, and analyzing and documenting all relevant information regarding their interests, level of engagement, interdependencies, influence, and potential impact on the success of the project
- ☐ plan stakeholder's management -, by developing appropriate management strategies to engage with them effectively throughout the life cycle of the project, based on a need's analysis, their interests, and their potential impact on the success of the project.
- ☐ Stakeholder engagement- this is related to communication and requires work to meet the stakeholders' needs and expectations, addressing issues as they occur and encouraging proper engagement.
- ☐ Monitor stakeholder engagement, which aims to monitor the relationships between the project stakeholders in general, adjusting strategies and plans to maintain engagement.

2.2.3 Stakeholder Identifications

Identification and classification of stakeholders is one of the most important issues that should be considered by project managers to allow them and to understand the factors that motivate stakeholders and the various types of demand they may produce. (orlander & Landin, 2005). Clarkson also points out the following seven the principle that the project managers need follow in stakeholder management process

- Managers should consider and regularly track the needs of all legitimate stakeholders and, in decision-making and operations, should take their interests into account appropriately.

- Managers should listen to stakeholders and talk freely about their respective concerns and expectations, and about the risks they face because of their engagement in the business.

- Managers should follow processes and behavioral modes that are responsive to each stakeholder constituency's concerns and capabilities.

- Managers should understand the interdependence of stakeholder efforts and incentives, and should aim to achieve a fair distribution, taking into account their respective threats and vulnerabilities, of the advantages and burdens of corporate operation amongst them.

- Managers should work cooperatively with both public and private entities, to avoid and minimized the risks and harms arising from corporate activities.

- Managers should avoid practices that may violate inalienable human rights (e.g. the right to life) entirely, or give rise to threats that would be patently intolerable to relevant stakeholders, if clearly understood.

- Managers should acknowledge the potential conflicts between their own role as corporate stakeholders, and interests of all stakeholders, and should address such conflicts through open communication, appropriate reporting and incentive systems and, where necessary, third party review.

2.2.4 Stakeholder Management plan

According to Everitt (2020) "a defined stakeholder management plan of action ensures your stakeholders' interests and expectations are understood so that you can properly manage them. A plan enables you to articulate to a project team how communication will work including who will be told what and when." And put primary components of a stakeholder management plan as follow:

- Prioritization of stakeholders. Rank stakeholders based on their ability to influence your project and how much they care about its outcome.

- Stakeholder expectations -You cannot manage expectations if you don't know what they are. You must document everything, including how they prefer to communicate and what they want to be involved with.

- Communication rules- The plan should outline the level, frequency, and type of communication with each stakeholder as well as who on the team is their point of contact.

- Action plans -This is the meat of your plan — It's where you outline how you will manage s

2.2.5 Stakeholder Engagement plan

According to world bank stakeholder engagement plan study (2018), the aim of this stakeholder engagement is to enhance and promote decision-making by creating an atmosphere of understanding in which project-affected people and other stakeholders are actively involved in a timely manner, and these groups are given enough opportunity to express their views and concerns that can influence Project decisions.

This procedure involves identifying, tracking, and prioritizing stakeholders in order to evaluate the most efficient communication strategies while maximizing available resources. Stakeholder engagement enables organizations to anticipate the needs and wishes of all stakeholders, fostering relationships, trust, confidence, and buy-in for their company (Sedmak, 2011)

2.2.6 Monitor Stakeholder Engagement

According to Monitor Stakeholder Engagement Process PMBOK's published Roseke (2019)

"Monitor Stakeholder Engagement is the process of monitoring project stakeholder relationships and tailoring strategies for engaging stakeholders through modification of engagement strategies and plans. The key benefit of this process is that it maintains or increases the efficiency and effectiveness of stakeholder engagement activities as the project evolves and its environment changes." We can sustain and improve the quality and efficacy of our engagement activities by monitoring and controlling stakeholder engagement.

In general, if the project stakeholders' views are not discussed, and if the stakeholders are not interested in creating the project, it is unlikely that the project will offer maximum value to all stakeholders. To achieve cost delivery and time management, it is important for project management to strike the right balance between stakeholders' involvement and the isolation of the project from external influence (Vogwell, D, 2003).

2.3 Empirical literature review

2.3.1 Important of Stakeholder Management

According to Beringer (2013) study, stakeholder is extremely important for one project successful achievement. All project stakeholders have different needs, objectives, responsibilities and priorities but there is a dual relationship between stakeholders and project success. Since their decisions will impact the project, and, on the other hand, their interests can be influenced by the outcome of the project. Effective and formal stakeholder management process is critical in achieving stakeholder needs and satisfaction, an important project success factor" (Botwe, Aigbavboa, Ohis &Wellington, 2016).

Karlsen (2002) states that almost every project today takes place in a setting where stakeholders play a significant role in executing the tasks. The project is also responsive to stakeholder's actions and decisions. He also points out that the clients and the end-users are the stakeholders that are the most important to the project and that project managers should be more externally oriented. More attention should be given to stakeholders.

Roba, Christinck, Kaufmann (2013) study pinot out the core principle of project stakeholder management is that by influencing stakeholders to identify an effective plan strategy, the project team will increase the likelihood of project success. Identification is the first step in a stakeholder study. Stakeholder analysis, on the other hand, must be performed iteratively, in part because the joint problem description and stakeholder recognition are inextricably related

2.3.2 Challenge of Stakeholder Management

Stakeholder Management is a process and control that must be planned and guided by underlying Principles. Stakeholder Management, within business or projects, prepares a strategy utilizing information (or intelligence) gathered during the following common processes: Stakeholder Identification, Stakeholder Analysis, Stakeholder Engagement, Stakeholder Matrix, and Stakeholder Communication. Project stakeholder management is a key stakeholder skill –as your stakeholders can either make or break your project (Wikipedia, 2010).

In his study, Karlsen (1998) points out. Stakeholders can build both challenges and confusion about project execution. Unanticipated changes in Stakeholder needs, user concentrated much

more on information, the stakeholder and end-user may know his or her role and needs in the project are the challenges that may happen in project stakeholder management practice. The author also identified issues and uncertainties that lead to project failure caused by stakeholders: weak coordination, insufficient resources allocated to the project, and change in the project scope. Negative understanding of the stakeholder's entire project is also the major reason for effective stakeholder management practice.

Rowssouw & Pilkington (2015) finding shows that,any project may also face difficulties and challenges in their stakeholder engagement practice. Like limited resources, lack of commitment from internal stakeholders, political factors, different stakeholder interest, misunderstand stakeholder needs, inadequate representation, an unwillingness to engage, changing stakeholders and project team at any time, and wrong communication methods are the main obstacles of working with stakeholders in projects.

Ntaganda, Mulyungi, on their study titled "role of stakeholder management on the performance of saving group project" conclude that an improvement in stakeholder performance causes an improvement in performance of the project. The researcher also recommended that project managers of savings group's projects should ensure that all stakeholders fully participate in various project activities specifically in financial literacy, networking and leadership. This can be done through carrying out financial trainings, motivational talks, technological improvement and delegation of authority

The study concludes that a project success or failure is strongly influenced by how well it meets its stakeholder's expectations and their perceptions of its value. Investing time in identifying and prioritizing stakeholders and assessing their interests provides a strong basis from which to build your stakeholder engagement strategy. The study also states that, an in-depth understanding of your stakeholders supported by a sound engagement plan that is strategic, clear and prioritized help you develop and maintain relationships with those affected, mitigate risks, align business goals and eliminate delays.

Stakeholder Management is a process and control that must be planned and guided by underlying Principles. Stakeholder Management, within business or projects, prepares a strategy utilizing information (or intelligence) gathered during the following common processes: Stakeholder

Identification, Stakeholder Analysis, Stakeholder Engagement, and Stakeholder Communication. Challenges in managing theses stakeholders' management process can come up with different reasons. And the sources could be either from the project manager side or from one or more stakeholder that are directly or indirectly involved in the projects of different stages. When we see from the project manager side, traditional Project managers focuses on tools and templates that allow us to complete the creation of the products or services being delivered, the discipline of Stakeholder management focus on human dynamics; managing relationships and communications (Peter, 2007) whereas uncertainty caused by stakeholders that contribute to project failure include poor communication, inadequate resources assigned to the project, changes in the scope of work, unfavorable news about the project in the press, and negative community reactions to the project (Kalsern, 2002). Additional problems and uncertainty caused by stakeholders that contribute to project failure include poor communication, inadequate resources assigned to the project, changes in the scope of work, unfavorable news about the project in the press, and negative community reactions to the project (Kalsern, 2002)

Chapter Three: Research Methodology

3.1 Research Design and Approach

The research design method used in the study is mainly a descriptive research design, while explanatory design also applicable. Descriptive research describes the characteristics of the population or the phenomenon which is being studied. It is useful to address the "what" questions, so it gives better understanding about the topic. The study used qualitative and quantitative research by combining both quantitative and qualitative data collection procedures. Qualitative research approach investigates the given phenomena based on the opinion, attitude, belief and intention of the researcher. It does not generalize rather it is open for further improvements. It is used to understand why project behave in a certain way or how they respond to a given activities, by analyzing data gathered by interviews. Quantitative research is a research method that is used to generate numerical data and hard facts, by employing statistical, logical and mathematical technique.

3.2 Research Methods

3.2.1 Sampling Techniques and Sample Size

The research Sampling techniques and sample size ultimately determines the validity of the research. It is believed that all employees of Heineken involved in this project and external stakeholder are well conscious about the phase three expansion project. The selections of the respondents are from all department staff and key stakeholders directly involved in the project, carried out by using Purposive Sampling technique. The target population of the study was including 55 respondents basically staff directly involved in the project and from other departments who are concerned about the subject.

3.2.2 Data collection Techniques and Procedure

The study used both primary and secondary data including various reports of the project is used. The major sources of data in this study is the primary data collected through questionnaire from targeted project staffs found in plant. This data also supplemented by the secondary data we get from various sources like policies, project data book, published& unpublished documents, articles and various relevant reports of the projects. With a combination of these two data

sources, the researcher was able to obtain the required information that was essential to reach sound conclusion about the study and answer the research questions.

3.2.3 Variable description and measurement

There are different types of variables and having their influence differently in a study namely. Such as Independent & dependent variables, Active and attribute variables, Continuous, discrete, and categorical variable, extraneous variables, and Demographic variables (Jrrms 2013). The study used dependent and independent variables to assess if there is significant degree of association between the stakeholder management challenges in each of the five stakeholder management practices. Furthermore, the linear regression was employed to assess whether there is causal relationship between the stakeholder management challenge with stakeholder planning, identification, analysis, engagement, and communication project performance. In this regression analysis, Project identification and planning, engagement and analysis and Commination practices were considered as independent variables and stakeholder management challenge was considered as dependent variable.

Using multiple linear regressions, the explanatory variables were checked whether they are significantly explaining the dependent variable (stakeholder management) or not. The model is expressed as below.

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \varepsilon$$

Where

Y= challenge of stakeholder management (dependent variable)

X1= Project identification and planning practices

X2 = Engagement and analysis practices

X3 = Commination practices

3.3 Data analysis Techniques

Both qualitative and quantitative data extracted from the relevant source will be analyzed and presented. Qualitative data will be analyzed by Explanatory method of data analysis. to generate explanations for relationship among variables and to explain the challenges and practices of stakeholder management of the entire project. Statistical methods were used to analyze

quantitative data. We applied descriptive designs. Descriptive analysis involves summarizing the data using measures of central tendencies such as mean and measures of variation or dispersion (e.g., standard deviation) and presents the data with the help of frequency tables, and figures or diagrams. Likert scaling was used for ranking questions that have an agreed level. Then, the Relative Importance Index was computed using the following equation. The data obtained fromstructured questionnaires were analyzed using SPSS version 26 software. Likert scaling was used for ranking the level of agreement to questions as following:

1 = number of respondents for strongly disagree

2 = number of respondents for Disagree

3 = number of respondents for Neutral

4 = number of respondents for Agree

5 = number of respondents for strongly agree).

Chapter four

4.1.Result and discussion

The research aimed with assessing overall stakeholder management practices and challenge in Heineken brewer phase three expansion project. The chapter present result of the data obtained from the respondent. The questionnaire was distributed to 55 respondents who are participated in the project and were developed using five-point Likert-scale (strongly disagree, disagree, agree strongly agree and Neutral). The result are represented by using descriptive statistics. The analysis of the data from the questioners is carried out by SPSS (Statistical Package for Social Sciences) get reliable result.

4.2.General characteristic of respondent

This section provides general information about demographic characteristics of respondent the respondent in terms sex, age, education qualification and position in the project.

Table 1 Demographic characteristics of respondents

sex	Frequency	Percent	Valid percent	Cumulative percent
Male	41	74.5	74.5	74.5
Female	14	14	25.5	100
Total	55	55	100.00	
Age				
<25	3	5.5	5.5	5.5
26-35	23	41.8	41.8	47.3
36-45	17	30.9	30.9	78.2
>45	12	21.8	21.8	100
Total	100	100	100	
Educational background				
Degree	26	47.3	47.3	47.3
Masters	29	52.7	52.7	100.0
PHD	-	-	-	
Total	55	100.00	100	
Position				
project management level	7	12.7	12.7	12.7
project team leader	18	32.7	32.7	45.5
project coordinator	10	18.2	18.2	63.6
Project team number	20	36.4	36.4	100.00
Total	55	100.00	100.00	

As can be seen from the above table 4.1, in the respondent cases, 74.5% of the respondents are male and the remaining 25.5% are females. The gender distribution is not proportional. However, it has no effect on the result desired.

When we see the age of the respondents the largest proportion of respondents (41.8%) were with the age group of 26 to 35, 30.9 % of them age was 36-45 the 21.8 of the respondents were above 45% and the lowest proportion age group is below 25 which is 5.5 % of total respondent. According to the data, the majority of the respondents in this study were mature enough to understand what was going on in the Expansion project and thus were able to provide relevant and detailed information about the study.

Table 4.1 also summarizes the data regarding educational qualification of respondents 'characteristics in terms of educational qualification, 52.7% has obtained master's degree, 47.3% has got their first degree. from such result we can conclude that all respondents of the company are well educated, and majorities holds master's degree

Based on the above tableresult,12.7% of the respondents were on manager position, 32.7% of the respondents were on project team leader, 18.2 % of the respondents are project coordinator member, the remaining 36.4 % of them are project team number. The table above shows that all respondents are involved in the project at various levels, and they can clearly understand the process of the study area and respond to the questionnaire.

4.3 General stakeholder management practices

Table 2 general stakeholder management practices

Question	Indicator	Frequency	Percentage	Mean	ST.D
There was a standardized stakeholder management Practice in your project	Strongly agree	37	67.27	4.4909	0.90006
	Agree	13	23.63 %		
	Neutral	-	-		
	Disagree	13	9.09 %		
	Strongly disagree				
Project implemented as its planed	Strongly agree	-		3.5636	1.11826
	Agree	14	25.45%		
	Neutral	9	16.36%		
	Disagree	19	34.54%		
	Strongly disagree	13	23.63%		
Do you think a project stakeholder management can Make a difference in the performance of a project	Strongly agree	27	49.1%	4.4000;	0.65546
	Agree	23	41.8&		
	Neutral	5	9.1%		
	Disagree	-	-		
	Strongly disagree	-	-		
Project Stakeholder Management were an important and priority activity for your project	Strongly agree	27	49.1	4.4000	0.65546
	Agree	23	41.8		
	Neutral	5	9.1		
	Disagree	-	-		
	Strongly disagree	-	-		
Formal Stakeholders 'management (the interaction among each stakeholders) is sufficient enough to achieve the objectives	Strongly agree	-	-	3.89	0.68755
	Agree	-	-		
	Neutral	6	10.9 %		
	Disagree	12	21.8%		
	Strongly disagree	37	67.3%		

One of research objective was to examine how stakeholders' management practices in project looks like. Based on table 4.5 result, 23.63 % of the respondents are agreed, 9.09 % of respondents were disagreed and 67.27% of the respondents strongly agreed about availability of standardized stakeholder management practice in your organization. Most of the respondents believe that there were standardized stakeholder management practices is in place which

attention was given to stakeholder management. The result also indicates stakeholder management practice of project are coordinated at institutional level. The findings conclude that the project set standard stakeholder management practices by mean 4.4909 and standard deviation 0.90006.

Project Planning is an important phase in project management. Given that most of the respondents has agreed that the project is implemented as it is planed the above table also shows that 14% disagree, 9% neutral 19% agree and 13% strongly disagree in the participation of project the project is implemented based on the plane Therefore, by the mean 3.5635 we can conclude the project was implemented as its planned.

Most of the project team members believe that conducting a stakeholder management can make a difference in project performance they also believe that its priority activity that can ensure the quality of project performance. When we see 49.9% of respondents have indicated strongly agree 41.8. % Agree, 5% of respondents are neutral and there was no respondent indicate negative response. In general, by mean 4.4000 they have agreed that stakeholder management is useful and priority activity for one project success full performance.

The respondents were asked to give their view about if formal stakeholder management is sufficient to achieve the objectives and they sought formal stakeholder management is not only enough to archive one project objective. 67.3% of the respondents strongly disagree, 21.8% disagree and 10.9% have neural response in this content the mean of with 3.89.

According to Peter (2008), Proper stakeholder planning and identification is critical for project success. Identifying stakeholders early in the project or phase and analyzing their levels of interest, individual expectations, and importance and influence is vital for effective project success. Following questions have been raised for the respondents in order to understand stakeholder identifications and planning of HBSC phase three expansion project looks like.

4.4 Stakeholder planning and identification
Table 3 stakeholder planning and identification

Question	Indicator	Frequency	Percentage	Mean	ST.D
Project team members have participated in identifying stakeholders	Strongly agree	11	20.0	3.8	.91084
	Agree	29	52.7		
	Neutral	8	14.5		
	Disagree	7	12.7		
	Strongly disagree	0			
All key stakeholders identified properly at the planning stage of the project	Strongly agree	6	10.9	2.7818	1.34290
	Agree	17	30.9		
	Neutral	0			
	Disagree	23	41.8		
	Strongly disagree	9	16.4		
Stakeholder power and influence have been well defined	Strongly agree	0		2.4182	1.18151
	Agree	18	32.7		
	Neutral	0			
	Disagree	24	43.6		
	Strongly disagree	13	23.6		
Key stakeholders are integrated well in the project	Strongly agree	14	25.5	4.2545	.43962
	Agree	41	74.5		
	Neutral	0			
	Disagree	0			
	Strongly disagree	0			
Key stakeholder share common understanding project	Strongly agree	13	23.6	3.4364	1.33005
	Agree	22	40.0		
	Neutral	0			
	Disagree	16	29.1		
	Strongly disagree	4	7.3		
Do you there is a conflict resolution plan to manage different computing stakeholder interest	Strongly agree	4	7.3	3.0545	1.11252
	Agree	23	41.8		
	Neutral	0			
	Disagree	28	50.9		
	Strongly disagree	0			
Do you think there are any key stakeholders who are being missed in stakeholder identification	Strongly agree	0		2.4545	.99663
	Agree	11	20.0		
	Neutral	12	21.8		
	Disagree	23	41.8		
	Strongly disagree	9	16.4		

To avoid missing relevant stakeholder that might have significant impact on the project, Participation of project teams in stakeholder identification is very important. table 4.3result shows that, 12.7% respondent disagree about their participation in identifying stakeholders, 14,5 % neutral and whereas 52.7%8 of respondent agree and 20 % of respondent strongly agree in the participation project team members in stakeholder identification. Therefore, with mean of 3.8 and standard deviation of .91084, participation of project teams in stakeholder identification has got enough attention.

Table 4.3 table also indicates the respondents' responses about the question if all key relevant stakeholders are identified and at the project planning stage of the project. 16.4 % of respondents were strongly disagreed and 41.8 % of them disagree, 30 % of them are agree and 10.9% of respondent were strongly agree on identification of key stakeholders at planning stage of the project Thus, the result shows that there was a gap in identification of key stakeholders at the planning stage of the project that have influence the overall stakeholder management practice of the project.

Since there are different stakeholder involved in one project, there power, interest, responsibility and relevance level will be different; the above table result show that, 23.6% of respondent strongly disagree, 43.6% disagree and 18% of respondent were agree about this indicate that the stakeholder power and influence have not been well defined in the project. Regarding stakeholder integration, 25.5% pf respondent were strongly agreed 74.5% of the respondents agree that key stakeholders are well integrated throughout the project. This result implies that there no gap in integrating the stakeholders throughout the life of the project.

 Since stakeholder involvement have definitely affected the project performance, Key stakeholders who have a direct impact on the project deliverables should identified at planning stage. Table 4.3 result 20% of respondents have agreed that there are missing stakeholders that are not identified at the planning stage. 21.8% of them were neutral, whereas 41.8% disagree and 16.4 % have strongly disagreed. This implies that to some extent there are missing stakeholders which will affect the project's success.

Having conflicts is a natural phenomenon and it may result numerous harmful effects to the project success by wasting time, money and energy of the stakeholders, resulting. The table above 4.3 indicate that, 50.9% number of respondents disagreed about have conflict resolution

plan whereas 41.8 are agreed and 7.3% of respondent strongly agree with the existence of stakeholder conflict resolution plan. From this result the project have conflict resolution plan but it difficult to say it was sufficient. And the question raised about common understanding among stakeholder result indicate that 7.7% of the respondents strongly disagree about shared understanding between key stakeholders. 29.1% of the respondents disagree, 40.0 % are agree and 23.6% of the have strongly agreed. From this result we can conclude that project organization create common understanding at least with its key stakeholders.

4.5 Stakeholder Engagement and analysis

Table 4 stakeholder Engagement and analysis

Question	Indicator	Frequency	Percentage	Mean	ST D
Stakeholder engagement is considered vital for project success and sustainability	Strongly agree	17	30.9	4.0909	1.15907
	Agree	36	65.5		
	Neutral	2	3.6		
	Disagree				
	Strongly disagree				
Engage all people	Strongly agree	0		2.3273	1.15557
internally/externally linked with your project as stakeholders	Agree	16	29.1		
	Neutral	0			
	Disagree	25	45.5		
	Strongly disagree	14	25.5		
Stakeholder engagement helps to manage relationships by aligning mutual interests, which mitigate project risk/uncertainty	Strongly agree	29	52.7	4.2727	.52545
	Agree	12	21.8		
	Neutral	4	7.3		
	Disagree	10	18.2		
	Strongly disagree				
The project reduces the risk of each interaction by successfully involving stakeholders	Strongly agree	8	14.5	2.9273	1.34515
	Agree	14	25.5		
	Neutral	8	14.5		
	Disagree	16	29.1		
	Strongly disagree	9	16.4		
Their expectation is understood, acknowledged and managed	Strongly agree			2.3273	1.17149
	Agree	16	29.1		
	Neutral	1	1.8		
	Disagree	23	41.8		
	Strongly disagree	15	27.3		
Stakeholder analysis is useful to ensure the quality of the decisionmaking processes	Strongly agree	34	61.8	4.5273	.66261
	Agree	16	29.1		
	Neutral	5	9.1		
	Disagree				
	Strongly disagree				

According to Stakeholder engagement is the method by which project operate with and engage about their stakeholders? Organizations can better understand what they really want, when they want it, how engaged they are, and how their plans and actions will affect their goals by getting to know them. It will help to identify key stakeholders of the project and create clarity and shared objectives amongst stakeholders.

As shown in the 4.4 table, the majority of respondent understood stakeholder engagement as vital for project success and sustainability, 30.9 respondents were strongly agreed 65.5% of them agree only two of them are neutral therefore, understanding of the respondents regarding stakeholder engagement importance is positive with mean of 4.0909 and standard deviation 1.15907.in addition , respondent 52.7% strongly agree 21.8 % of them agree 7.3% neutral and 18.2 % of respondent were disagree on stakeholder   manage can   mitigate project risk/uncertainty this implies that the majority of respondents were agreed in this point with mean 4.2727 and standard deviation of 0.52545. we have also asked respondent opinion on Stakeholder analysis is useful to ensure the quality of the decision-making processes, majority of respondent were agreed which is 61.8% of them strongly agreed, 29.1% of respondent agreed and the remaining 9.1 % of respondent were neutral.

The above table result indicates that, the majority of respondents agreed that stakeholder analysis is useful that can ensure quality on decision making process with a mean of 4.5273 and standard deviation 0.66261. However, the based on the above table result there was a gap in engage all people internally/externally linked with your project as stakeholders. Only 29.1 % of respondent were agreed and 45.5% of them disagree and 25.5 of respondent were strongly disagree.

With regard to the level of agreement in stakeholder expectation is understood, acknowledged and managed, from the total respondent   29.1 % agree, 1.8% neutral, 41.8 % disagree and strongly disagree 27.3% therefore, from the result we can conclude that there was a gap in managing stakeholder expectation and acknowledgment with the entire project

4.6 Stakeholder communication
Table 5 stakeholder communication

	Indicator	Frequency	Percentage	Mean	ST D
Communicating with stakeholders early at the project initiation stages.	Strongly agree	14	25.5	3.9273	.95945
	Agree	32	58.2		
	Neutral	0			
	Disagree	9	16.4		
	Strongly disagree				
Keep stakeholders informed as the project progresses by sending updated information is an important approach of engaging with them	Strongly agree	0		2.3455	1.05792
	Agree	13	23.6		
	Neutral	4	7.3		
	Disagree	27	49.1		
	Strongly disagree	11	20.0		
communicate with stakeholders through formal meeting	Strongly agree	14	25.45	3.9273	.95945
	Agree	32	58.18		
	Neutral	0			
	Disagree	9	16.36		
	Strongly disagree	0			
Stakeholders are updated on the project's progress on a regular basis	Strongly agree	12	21.818	3.6182	1.22461
	Agree	27	49.09		
	Neutral	4	7.272		
	Disagree	7	12.727		
	Strongly disagree	5	9.09		
All stakeholders aware of project goal	Strongly agree	8	14.5	3.3818	1.11373
	Agree	24	43.6		
	Neutral	4	7.3		
	Disagree	19	34.5		
	Strongly disagree	0			

According to Bourne, 2006, Effective communication is critical for maintaining the support and commitment of all stakeholders in the process of building and maintaining relationships. Effective, regular, planned, and ad-hoc communication with all members of the project's stakeholder community is essential to the project's success. The above table result shows that the project was good in Communicating with stakeholders early at the project initiation stages. 25.5 % of respondent strongly agreed, 58.2 %of them agreed, while 16,4 % of them disagreed with a mean and standard deviation of 3.9273 and .95945 respectively.   Updating the stakeholders about the progress of project is also essential and determine variances from the plan for early rectification of deviation (Ben Aston2017). In this base, 23.6 % of respondent agreed, 49.1% of them disagreed and 20% of them strongly disagreed while 7.3 of them had a neutral ground on the stakeholders were updated about the project with a mean and standard deviation of 2.3455 and 1.05792 respectively. Question regarding if stakeholders are aware of the project goal, 14.5% of them strongly agreed and 43.6 % of them agreed 34.5 of them disagreed while 7.3% of them stood had a neutral ground and this question had a mean of 3.3818 with a standard deviation of 1.11373.

According to PMI book establishing ground rules for effective stakeholder's communication will save time, remove obstacles and ultimately, finish the project on time and within budget. There are several communication methods you should implement when communicating with stakeholders in your company. The findings clearly show that the company uses different communication method to communicate with their different stakeholders.

What challenges are there in managing Stakeholders in Heineken brewery Ethiopia   Kilinto plant phase three expansion project?

Project managers can run into a number of issues in interacting with and managing stakeholders. An increase in the number of stakeholders, for example, adds stress to the project and affects its complexity level (Lodhia , 2019). The below questionnaire has been raised to assesses which type of challenges the organization face during the project.

4.7. Challenge of Stakeholder management

Table 6: challenge of stakeholder management

	Indicator	Frequency	Percentage	Mean	ST D
Effectively managing expectations of stakeholders is a challenge	Strongly agree	13	23.6	3.2727	1.47139
	Agree	20	36.2		
	Neutral	0			
	Disagree	13	23.6		
	Strongly disagree	9	16.4		
Building trust on a project by stakeholders is a challenge	Strongly agree	0		2.0727	1.06900
	Agree	11	20.0		
	Neutral	0			
	Disagree	26	47.3		
	Strongly disagree	18	32.7		
Creating empathy among stakeholders is a challenge in Stakeholders management	Strongly agree	10	18.2	3.0727	1.43829
	Agree	19	34.5		
	Neutral	0			
	Disagree	17	30.9		
	Strongly disagree	9	16.4		
Identifying Stakeholders properly is challenge at the planning stage of the project.	Strongly agree	0		2.3273	1.13944
	Agree	14	25.5		
	Neutral	5	9.1		
	Disagree	21	38.2		
	Strongly disagree	15	27.3		
Lack of good communication is a challenge in stakeholders 'management.	Strongly agree	8	14.5	3.6182	.97165
	Agree	29	52.7		
	Neutral	7	12.7		
	Disagree	11	20.0		
	Strongly disagree	0			
project stakeholders have conflicting interests	Strongly agree	26	47.3	4.0727	1.13618
	Agree	18	32.7		
	Neutral	-	-		
	Disagree	11	20.0		
	Strongly disagree	-	-		
Understanding the unique characteristics of each stakeholder group	Strongly agree	3	5.5	3.00000	1.05409
	Agree	21	38.2		
	Neutral	4	7.3		
	Disagree	27	49.1		
	Strongly disagree	0			

The above table result shows 47.3%of respondent strongly agree, 32.7% agree and the reaming 20% respondent were indicated neutral in Managing conflict of interest among stakeholder and it was the major challenge with mean 4.0727. communication and managing different expectation of stakeholder was also big challenge 14.5% strongly agree, 52.7 % agree 12.7 neutral and 20% disagreewith mean of 3.6182 and. according to respondent managing expectation of stakeholder were also challenge 23.6% of respondent strongly agreed on this point 36.2% agree, 23.6% and disagree and 16.4 % of respondent indicate strongly disagree with mean of 3.2727. Understanding the unique characteristics stakeholder were also another problem with of mean 3.00000.

Chapter five

The study's findings will be summarized and presented in this chapter, as well as the conclusions made by the researcher and the recommendations drawn will be suggested for the organization under the study.

5.1 Summary of major finding

In summarizing the major findings of the study, the study's data gathering tools are mainly questioner and interviews to collect primary data. The study has been focusing on the assessment of practices and challenge of stakeholder management in the case of Heineken Ethiopia phase three expansion project and how the respondents perceive the general stakeholder management practice in their organization.

The general profile of the respondents was analyzed and with regard to gender majority of the respondents are male, in terms of the age group of respondent's majorities of them are within 26-35 ranges, with regard to educational status and experience in working under project environment majority of the respondents has MA/Msc. And all of respondent are participated in different level of the project.

When we summarize organization general stakeholder management practices, more than 90% of the respondents believe that there was standard stakeholder management practice in the project and stakeholder management can make a difference in project performance. In addition, 90.9% of respondents were also agreed that stakeholder management was their prior activity in their project. Whereas 89.1% of respondent indicate that have stakeholder management practice by itself is not enough for the success of project.

Regarding to stakeholder's identification and planning the majorities (72%) of the respondents are agreed on project team numbers are participated in the identification process of stakeholders whereas 14.5% of them were neutral and 12.7% are neutral .in addition 41.8 % of respondent have agreed on all key stakeholders identified properly at the planning stage. However, 58% of respondents disagree on the point. Defining their power and influence is also not agreeable by 67% Respondents. While the remaining 37% was agreed. All respondents agreed on stakeholder integration on the project and more than half of them believe Key stakeholder share common

understanding project. On stakeholder conflict resolution plan half of respondent which is 50.9% are disagree whereas almost 49.1% are agreed and result was contradictory that there was conflict resolution plan that can manage different computing stakeholder interest. The other question was about missing stakeholders which have a significant impact and more than 58. % of them agree and strongly agree that there are missing stakeholders.

In general. regarding to stakeholder identification and planning, project team numbers have good participation in identification process and key stakeholders are integrated well in the project however there was a gap in identifying all key of stakeholder at planning stage and conflict resolution plan. And from respondent result there is no significant stakeholder being missed in the project.

More than 96% of respondents were also agreed on the point Stakeholder engagement is considered vital for project success and sustainability. But 71 % of them disagree on engage all people internally/externally linked with your project as stakeholder with the entry project. the question raised about Weather expectation is understood, acknowledged, and managed result show that more than half of them disagree on it.

The above result indicate that all the project team take stakeholder engagement as vital factor for the project success, and which mitigate project risk/uncertainty. But there is still huge gap with engaging all stakeholder who are linked with the project. There was also gap in managing stakeholder expectation. in general stakeholder analysis part has a gap in understanding and identifying interests, expectations, powers of stakeholders.

Question regarding to Communication were also raised in the question. as per the result more that 75% of respondent are agreed about communicating with stakeholders early at the project initiation stages, communicate with stakeholders through formal meeting and updated the stakeholder about project progress on a regular basis. And 58%of respondent were indicate that stakeholders are aware of the project goal. Generally, regarding to project stakeholder communication result shows the project give good attention to Communicating with as shows in table 4.8. But there is still gap in informing the whole project progress to stakeholder and stakeholder has also limitation in understanding the project goal

Finally, the study finds out the challenges mentioned by the respondents to indicate basic challenges that are faced by the projects; 80 % of respondent indicated conflict of interest interests among stakeholder was big challenge. Managing different characteristics of stakeholder, managing their different expectation and communication gap was also main challenges.

Overall rating of the project team members about the performance of their project in proper managing of the stakeholders, majority of the respondents rated as satisfactory which tells existence of a lot to do by the organization with this regard.

5.2 Conclusion

The study focuses on assessing the practice and challenges of stakeholder management in Heineken Ethiopia phase three expansion project. According to finding the general stakeholder management practices of project were good. In terms of stakeholder identification and planning, the project team has a good level of participation in the process. The project's communication practices were also satisfactory. However, there was a gap in identifying all key of stakeholder at planning stage. Managing different computing stakeholder interest and expectation, engaging all stakeholders who are linked with the project, the gap in conflict resolution plan was the major challenge faced by the project.

5.3 Recommendation

Based on the findings discussed above the researcher recommended the following points.

- Projects must be well planned, key stakeholders must be identified based on their interest, cost, and attitude, and stakeholder profiling may be carried out by project managers in order to formulate an effective stakeholder management strategy, and stakeholders must be communicated about the project and their responsibilities on time and integrated.

- Effective stakeholder engagement should be given significant attention in order to create sense of owner ship among stakeholder by clearly defining project goals and benefits and in addition, to manage stakeholders successfully through the project life cycle, project managers must design successful tactics involving stakeholder impact and relationships.

- The project should have well organized and set of risk mitigation policy. The management should also build a tracking method for stakeholder participation so that they can quickly monitor the process and take remedial action.

- For projects with multiple stakeholders and diverse interests, good communication is crucial. To achieve a shared understanding and closure, the project should provide strong communication throughout the project's life cycle.

- All stakeholders must have a better knowledge of the project's overall goal and objectives, and effective communication must be maintained with all stakeholders from the start of the project to the end.

Reference

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Appendix

Dear Respondents,

This is an academic research for the completion of MA in project management at St.Mary's University, the research is titled as "ASSRSMENT ON STAKHOLDER MANAGEMENT PRACTICES AND CHALLENGES: THA CASE OF HEINKEN ETHIOPIA PHASE THREE EXPANSION PROJECT". The purpose of this study is to assess the stakeholder management practice and to identify the challenges faced throughout the process.

I kindly request you to participate in this project work by completing the attached questionnaire. To keep the confidentiality of the paper don't mention any identifier of the respondent including your name. I also sincerely request you to respond to the questions as honestly as possible and return the completed questionnaires.

I would like to express my gratitude for your willingness and time, the information you provide will be used for academic purpose and will be kept strictly confidential. If you have any questions or comment regarding this research study, you may contact me at

E-mail: siya31dima@gmail.com.

Mobile:0901205712

Thank you again!

Siyade Dima

General instructions

⚜ Please tick '√' for your answers in the given box

⚜ You can use a space provided, for answers that are not fully covered
by the choices and to add additional information

Part 1: Demographic information

1. Sex   male   [ ]   Female   [ ]

2. Age <25   26-35   36- [ ]   45 [ ]   >45 [ ]
[ ]

Educational background:

☐ Degree   [ ]

☐ Masters   [ ]

☐ PH   [ ]

3. Position in the project?

☐ Project manager_____

☐ Project Team leader _____

☐ Project Team member_____

☐ Other, please specify _____

Part two: Stakeholder management practice

☐ General stakeholder management Practice

No		Strongly disagree	Disagree	neutral	Agree	Strongly agree
1	There was a standardized stakeholder management Practice in your project.					
2	The project is implemented as it is planned.					
3	Do you think a project stakeholder management can Make a difference in the performance of a project?					
4	Does Project Stakeholder Management were an important and priority activity for your project					
5	Formal stakeholders 'management (the interaction among each stakeholder) is sufficient enough to achieve the objectives?					

Stakeholder Identification and planning

No		Strongly disagree	Disagree	neutral	Agree	Strongly agree
1	All key stakeholders identified properly at the planning stage of the project.					
2	Stakeholder power and influence have been well defined					
3	Project team members have participated in identifying stakeholders					
4	Key stakeholders are integrated well in the project					
5	Key stakeholders share a common understanding in the project.					
6	There is a conflict resolution plan to Manage different competing stakeholder interest in the project					
7	Do you think there are any key stakeholders who are being missed in stakeholder identification?					

☐ Stakeholder engagement and analysis

No		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	Stakeholder engagement is considered vital for project success and sustainability					
2	Engage all people internally/externally linked with your project as stakeholders					
3	Stakeholder engagement helps to manage relationships by aligning mutual interests, which mitigate project risk/uncertainty					
4	The project reduces the risk of each interaction by successfully involving stakeholders.					
5	Their expectation is understood, acknowledged and managed.					
6	Stakeholder analysis is useful to ensure the quality of the decisionmaking processes					

Manage stakeholder Communication

No		Strongly disagree	Disagree	neutral	Agree	Strongly agree
1	Communicating with stakeholders early at the project initiation stages.					
2	Keep stakeholders informed as the project progresses by sending updated information is an important approach of engaging with them					
3	communicate with stakeholders through formal meeting					
4	Stakeholders are updated on the project's progress on a regular basis.					
5	All stakeholders aware of project goal					

Part three: Stakeholder management challenge

☐ What challenges are there in managing
Stakeholders in Heineken brewery Ethiopia
Kilinto plant phase three expansion project?

No		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	Effectively managing expectationsof stakeholders is a challenge					
2	Building trust on a project by stakeholders is a challenge.					
3	Stakeholder power and influence have been well defined					
4	Creating empathy among stakeholders is a challenge in Stakeholders management.					
	Identifying Stakeholders properly is challenge at the planning stage of the project.					
5	Lack of good communication is a challenge in stakeholders 'management.					
6	Project stakeholders have conflicting interests					

7	Understanding the unique characteristics of each stakeholder group					

Interview question

Interview Questions for the Heineken Ethiopia Kilin to phase three expansion project staffs

My name is Siyade Dima, I am a post graduate student in Master's in Project Management at St-Mary University College. As part of my studies, I am conducting a project work entitled "Assessment of project stakeholder management Practice and challenge at Heineken Ethiopia phase three expansion project".

Thus, I kindly request you to answer all the questions assuring you that, all responses will be used only as an input for this study. And that it will be kept confidential.

1. How do you evaluate the importance of stakeholders in the success of project?
2. Do you have a standardized/formal stakeholder management protocol for Projects?
3. What is/are the bases for your stakeholder identification?
4. What challenges have you faced working with different stakeholders
5. Were you able to solve some of the challenges you have Faced?
6. How do you evaluate your stakeholder management process?

7. How have your organization captured these new lessons learned in resolving stakeholder management for future use