

# THE INFLUENCE OF STAKEHOLDERS MANAGEMENT ON THE SUCCESS OF CONSTRUCTION PROJECTS: THE CASE STUDY ASMELASH AND SON'S CONSTRUCTION COMPANY

BY

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# THESIS SUBMITTED TO THE SCHOOL OF BUSINESS, ST. MARY'S UNIVERSITY POST GRADUATE STUDIES, ETHIOPIA IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR DEGREE OF MASTER IN PROJECT MANAGEMENT

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# ST. MARY'S UNIVERSITY POST GRADUATE STUDIES SCHOOL OF BUSINESS

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#### DECLARATION

I Gezahagn Gugssa, hereby this thesis entitled The Influence Of Stakeholders Management On The Success Of Construction Projects in the case study of Asmelash and Son's Construction Company is the outcome/ composed by my own effort with the guidance and support of advisor Temesgen B. (PhD). All source of material used for this study had been fully acknowledged. This study is my original work that had not been presented by any academic purpose with regard to any qualification requirement. It is offering for the partial fulfillment of the requirement for degree of masters in project management.

Gezahagn Gugssa

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## TABLE OF CONTENTS

DECLARATIONii			
AKNOWLEDGEMENTiii			
TABLE OF CONTENTS iv			
LIST OF TABLES viii			
LIST OF FIGURES ix			
ABSTRACT x			
CHAPTER ONE 1			
1 INTRODUCTION			
1.1 Background of the Study 1			
1.2 Statement of the Problem			
1.3 Basic research questions			
1.4 Research objectives			
1.4.1 General objectives			
1.4.2 Specific objective			
1.5 Significance of the study			
1.6 Scope of the study 5			
1.7 Limitations of the study			
1.8 Operational definations			
1.9 Organizations of the study			

CHAP	CHAPTER TWO7			
2 L	ITER	ATURE REVIEW		
2.1	The	eoretical riview7		
2.	.1.1	Project stakeholder theory7		
2.	.1.2	Resource dependency theory		
2.2	Em	perical Studies		
2.	.2.1	Types of stakeholder's		
2.	.2.2	Stakeholders classification		
2.	.2.3	Construction project stakeholders		
2.	.2.4	Project stakeholder management		
2.	.2.5	Stakeholders management critical success factors		
2.3	Stal	keholders management and project success		
2.4	Stal	keholder engagement and communication		
2.5	Cor	nceptual framework		
CHAP	TER	THREE		
3 R	ESEA	ARCH METHODOLOGY		
3.1	Bac	ckground of the organization		
3.2	Res	search design		
3.3	Res	search approach		
3.4	Sou	arce of data		
3.5	Pop	pulations of the study		

3.6	Da	ta collection methods	25
3.7	Va	lidity and Reliability of the instrument	26
3	8.7.1	Validity of the instrument	26
3	8.7.2	Reliability of the instrument	26
3.8	Me	ethods of data analysis	27
3.9	Re	search ethics	28
CHAF	PTER	FOUR	29
4 E	DATA	PRESENTATION ,ANALYSIS, AND INTERPRETATION	29
4.1	Int	roduction	29
4.2	Re	sponse rate	29
4.3	Ge	neral information of the respondent	29
4	.3.1	Gender	29
4	.3.2	Age and Educational background of the respondent	30
4.4	Sta	keholders engagement on the success of construction projects	32
4.5	Cri	tical success factors of stakeholder management	35
4.6	Sta	keholders management practices	38
4.7	Th	e impacts of typical stakeholders	40
4.8	Sta	keholders communication approaches	42
4.9	Sta	keholders' management on the success of ASCC	43
4	.9.1	Regression Analysis	43
4	.9.2	Model summary	43

4.9.3 ANOVA results
4.9.4 Coefficient of correlation
CHAPTER FIVE
5 SUMMARY OF THE MAJOR FINDINGS, CONCLUSION, AND RECOMMENDATION
5.1 Introduction
5.2 Summary of the major findings
5.2.1 Determining the influence of project stakeholders engagement on the success projects
5.2.2 Identifying the critical success factors of stakeholder management in the success of projects
5.2.3 Evaluate the stakeholder management practice the company
5.2.4 Identifying the typical stakeholders in Asmelash and Son's company 48
5.2.5 Identify stakeholder's communication systems in the company
5.3 Conclusion
5.4 Recommendation
6 REFERENCE
Appendix A: Research QuestionariesI

## LIST OF TABLES

Table 3-1 Reliability statistics of the variable	27
Table 4-1 General information of the respondent	31
Table 4-2 Stakeholders Engagement on the Success of Construction Projects	32
Table 4-3 Critical success factors of stakeholder management in the company	35
Table 4-4 Stakeholder management practices in the company	39
Table 4-5 Impacts of typical stakeholders found in the company	40
Table 4-6 Stakeholder's communication approaches in the company	42
Table 4-7 Model summary	43
Table 4-8 ANOVA results	44
Table 4-9 Correlation coefficient output	44

## LIST OF FIGURES

Figure 2-1 Classification of stakeholders according to their attributes (Mitchell et a	al.,
1997)	11
Figure 4-1 Gender of the respondents	30
Figure 4-2 Feedback mechanism engaged appropriately	33
Figure 4-3 Categorization stakeholders based on claims, roles, rights, and interest	36
Figure 4-4 Analyzing satisfaction of the stakeholders	38
Figure 4-5 The impact of consultant on the success of the projects	41

#### ABSTRACT

The study aims to assess the influence of stakeholder management on the success of construction projects in Asmelash and son's construction projects. More specifically the purpose of this study is directly related to determining the influence of project stakeholder's engagement; identifying the critical success factors of stakeholder management, evaluating the stakeholder management practice, identify the typical stakeholders, and stakeholder's communication systems towards the success of construction projects in Asmelash and Son's Construction Company. The research approaches applied on this specific study are a combination of qualitative and quantitative approaches appropriately. Descriptive research design was conducted towards describing phenomena and summarizing information on this study. The Primary data were collected from twenty respondents and the data was analyzed by using Statistical Package for the Social Science (SPSS) version 26 whereby descriptive statistical outputs were generated, whereas as the sample size of this study is census approaches. The finding of this study's presents that all the selected independent variables with regard to stakeholder's managements are critical for the success of projects in the company. Based on the finding this study strongly recommended that the projects management should manage and engage stakeholder throughout the project lifecycle in order to ensure the success of the project in construction projects. It is essential to know that throughout these stages several types of stakeholders are involved at different stages of the project by undertaking different responsibilities and duties in order to ensure their entire goals from the project.

*Key words*: stakeholder, stakeholder management, Project success, and construction projects

#### **CHAPTER ONE**

#### **1** INTRODUCTION

#### **1.1 Background of the Study**

A project is a temporary endeavor performed to create a unique product, service, and results that have initial and ending timeline as a result of accomplishing the objectives of the organization within the a specific period of time. Either the projects become terminated or achieved at the end stage due to various reasons to proceed or to meet its goals (PMBOK, 2013).

Construction projects are a huge industry which consists of the planning, organizing, implementing, and controlling from the beginning up to the completion stage. Construction projects contains many uncertainty due to consuming long period of time towards generating the outcomes of the projects. All construction projects are complex, unique, and composed of multi internal and external stakeholders those who have influence or influenced by the success of the project (KÖKSAL et al, 2023).

Stakeholders are individuals, group of individuals, and organizations who are involved in a project that have influence or influenced by while achieving the objectives. Stakeholders can be categorized in to key stakeholders and mider stakeholders. The key stakeholders are parties that crucial for the success of the project. Moreover, the project can't be successfully accomplished unless the key stakeholders are involved appropriately. The various stakeholders involved in construction projects are owners, consultants, contractors, material suppliers, government and social community. However, owners, consultants and contractors are involved during the monitoring and evaluation period of the construction projects (Et al Toriq A, 2023).

Stakeholders' management is a systematic approach of identifying, analyzing, and communicating with the influence of individual, groups, and organizations towards the successful achievement of projects. Moreover, the involvements of stakeholders are directly affected or affected by either positively or negatively the project outcomes due to their perception, interest, and expectation. So that, in order to ensure the success of the project the

organization must identify and engage the various types of stakeholders appropriately (Kipyego Aloket Samwel, 2023). According to (PMBOK, 2013), stakeholder management is a process of identifying individual, group of people, and organizations that could influence or influenced by the project. It helps to analyze their expectation and to develop appropriate strategies as well managing stakeholder during each stage of the project cycle.

Project success is the capability of organizations to deliver products/ service with the right time and estimated budget. It can be vary from stakeholders to stakeholders, so that the project manager he/ she should conduct a detailed analysis and manage them appropriately towards their interest, perception, power, and the level of satisfaction in order to ensure the sustainability of the project (Hussian et al., 2023).

#### **1.2** Statement of the Problem

According to (PMBOK, 2013) the successful achievement of projects can be ensured by meeting the interest and expectations of the various stakeholders in the company. Moreover, stakeholders have influenced positively or negatively on the success of the project. The project manager he/ she should manage various stakeholders based on their interest, expectation, power, and level of satisfaction towards achieving the objectives of the organizations. In the meanwhile, in order to ensure the success of the project as per the time schedule, with budget, with standard quality, and scope stakeholder management should be engage in the projects.

According to Hammad (2013) as cited by Siyoni Jacisa the importance of stakeholder management is not yet realized, even if they have an affect or affected by the completion of the projects. Construction industry is diversified and various stakeholders are involved during each stage of the project life cycle. Here, the disagreement or conflicts among the project stakeholders might be occurred with regard to causes of project cost overrun, delays, low productivity, low quality and even damage the relationships among them. Those causes directly affect the completion of the construction projects successfully (Innocent Chigozie Osuizugbo & Tope Femi Okuntade, 2020).

There are internal and external stakeholders who are involved throughout the project life cycle in Asmelash and Sons Construction Company. The internal stakeholders are those who directly involved in an organization's decision-making process such as contractors, owners, and consultant; whereas the external stakeholders are those affected by the project activities in a significant way like neighbors, local community, and general public, local authorities. However, Asmelash and Sons Construction Company is faced various challenges related to limited collaboration and coordination among stakeholders, lack of proper stakeholders engagement, limited resource for stakeholder management, lack of awareness and power imbalance among stakeholders. This leads problem for the success of the projects in ASCC associated with below schedule, cost overrun, quality below standard and limited stakeholders' satisfaction on the deliverables of the project (Gurmu et al, 2017).

In the context of the country Ethiopia, construction projects can be successful when it is completed as per the schedule, within the agreed budget, agreed quality specification, and fulfilling the required needs of stakeholder's satisfaction. Moreover, the reasons behind failure of the projects are inconsistency in monitoring and external stakeholders. There is problem associated with in adequate communication between stakeholders and project teams this can lead to misunderstandings, conflicts, and delay, language barriers, cultural differences, and varying levels of technical expertise. Therefore, by addressing the interests, expectation, power, and engagement of stakeholder the successful achievement of the project in the company can be ensured (Melkamu et al, 2021).

Therefore, this research fills the gap of Asmelash and Sons Construction Company with respected to the influence of stakeholders' management on the success of projects. Moreover, this study fills the gap with regard to project success on the bases of achieving constraints with time schedule, with budget, with quality standard and stakeholders' satisfaction towards achieving the project objectives.

#### **1.3** Basic research questions

- 1. What are the influences of stakeholders' engagement that affect the success of ASCC?
- 2. What are the influences of stakeholders' critical factors that affect the success of projects?
- 3. What are the stakeholders' management practice approaches in ASCC?

- 4. What are the impacts of typical stakeholders' found in ASCC?
- 5. How stakeholders and project team communicate each other in the company?

#### 1.4 Research objectives

#### **1.4.1** General objectives

The general objective of this study is to determine the influence of stakeholders' management on the success of Asmelash and Sons construction projects with the case study of Asmelash and son's Construction Company.

#### 1.4.2 Specific objective

- To determine the influence of project stakeholders engagement on the success of projects
- To identify the critical success factors of stakeholder management in the success of projects
- To evaluate the stakeholder management practice in the company
- To identify the impacts of typical stakeholders in Asmelash and Son's construction projects
- To identify stakeholders communication systems through the projects in the company

#### **1.5** Significance of the study

This study was providing insight into assessing the influence of stakeholder's management on the success of construction projects in (ASCC). In construction projects, various stakeholders were engaged during each project cycle for those who have a direct influence on the outcomes of the project. This study was outlining the success of the projects through stakeholder management by identifying, analyzing, prioritizing, expectations, interest, engagement, and communicating stakeholders. Moreover, the findings and recommendations of this study would be of a great importance to different project stakeholders, project managers and project teams while involving in different kinds of projects. Although, this study was informed how stakeholder's management is really being practiced in construction project while meeting their goals. In general, this study will provides a valuable insights in to enhancing outcomes, achieving objectives, stakeholder satisfaction , risk mitigation, meeting constraints(quality , scheduled time, estimated budget) through stakeholder engagement, stakeholder identification and analysis, stakeholder empowerment, and stakeholder monitoring and control. Finally yet importantly, this study will serve as a starting point and as a reference for further studies.

#### **1.6** Scope of the study

The geographical scope of this study is limited to only Asmelash and sons construction company projects, which is located in the capital city of Ethiopia, Addis Ababa. The company undertakes different projects in Ethiopian regional estate; this study restricted only in Addis Ababa at the head quarter of around Sarbet.

The general scope of this study is delimited to the influence of stakeholders' management on the success of construction projects. Even if project success cannot be only ensured by stakeholder management but also it can be ensured by among ten knowledge areas, where as this study is focused on the influence of stakeholders management on the success of construction projects in Asmelash and sons construction company. The other nine-knowledge project management area will not be investigated in this research paper, due to not having in adequate resource.

The methodological scope of this study was being depending on the bases of objectives, resource availability, depth, and breadth of the study. Due to the above reason, the methodology applied for The Influence of Stakeholders' Management on the Success of Construction Projects in Asmelash and Son's Construction Company was combination of qualitative and quantitative approach accordingly.

#### **1.7** Limitations of the study

This study focused on the influence of stakeholder's management in construction projects in Asmelash and Sons Construction Company at Addis Ababa, Ethiopia. Stakeholder's management involves multiple perspectives, interests, and subjective evaluations. As a result, it is difficult to measure objectively in order to ensure the accuracy and reliability of the study. On the other hand, regarding limitation of the study is the availability of data on the stakeholders' management in construction sector as well as related to context is limited. In addition to this regarding limitation of the study, the company representatives are not easily willing to give the required data. Moreover, the limitation of this study is that availability of time and resource constraints is not adequate; however, stakeholder management requires detailed analysis in construction projects.

#### **1.8** Operational definations

**Stakeholders**: Refers to individuals, groups, or organizations that have special interest in a particular projects.they can be internal stakeholder such as employees, managers, and shareholders or external stakeholders such as, customers, suppliers, governmen agencies, local communities involved in the project or the company.

**Stakeholder Management:** Refers to asystematic process of identifying, analysing, managing, and communicating individuals or groups who affect or affected by the outcomes of the project.

**Project Success:** Refers to the achievement of predetermined objectives and a way of ensuring the satisfaction of the stakeholders towards completion of the project with scheduled timeline, estimated buuget, qualified standard and generating benefits within the project life time.

Asmelash and Sons Construction Company (ASCC): Refers to grade I building contractors company in ethiopia, which is intended to undertake various construction projects in ethiopia with different kinds of stakeholders.

#### **1.9** Organizations of the study

This study will be organized in to three chapters. Among those chapters, the first chapter is consists of introduction, background of the study and the organization, problem statement, general and specific objectives of the study, basic research questions, significance of the study, scope of the study, limitation of the study, and operation definitions. The second chapter is concentrated on review of literature on the bases of theoretical in terms of books, empirical review in terms of articles and related journals in order to synthesis the stud with the previous studies and conceptual framework in terms of correlating dependent variable independent variable. Chapter three of this study is will be outlined the appropriate methodology of the study, sampling techniques and procedure, sample size determination, data collections methods, validity and reliability of the instrument, method of data analysis and research ethics.

#### **CHAPTER TWO**

#### **2** LITERATURE REVIEW

#### 2.1 Theoretical riview

#### 2.1.1 **Project stakeholder theory**

The concept of the stakeholders was firstly developed in the management field by Stanford research institutes in 1963, where stakeholder were defined as any groups or individuals who have great importance on the survival of the organization as well as the achievement of the outcomes. According to the theory, there are various stakeholders' in terms of shareholders, customers, suppliers, customers, employees, and society. (R. Edward Freeman, 2010)

A stakeholder is an individual, group, or organization that may affected or affected by project decisions. Therefore, the organization should manage the stakeholders who are involved in different position and have a power to influence the success of the project. Stakeholder management involves identification of persons or organizations that could be influence by the project, understanding their needs and putting in place measures to meet these needs to ensure project success (PMBOK, 2013). The book clarifies that stakeholders must be identified as soon as possible during the startup process of projects group, engage them for plan their management, and execute the plan in the execution stage of the project. Moreover, there has to be a control of the stakeholders, to verify the expectations and interests of the stakeholders have being fulfilled or not in order to make necessary change towards their requests.

Managing stakeholder engagement helps to ensure that stakeholders clearly understand the project goals, objectives, benefits, and risks for the project, as well as how their contribution will enhance project success (PMI, 2017). During the managing stakeholder engagement process, the stakeholder engagement plan should update to reflect new or changed management strategies required to effectively engage stakeholders accordingly (Sanghera, 2019).

#### 2.1.2 **Resource dependency theory**

Resource dependency theory stated that an organization doesn't operate independently unless they rely on other related factors in the business environment (Pfeffer and Salancik, 1978). This reliance gives the external factors an edge in controlling how the organization carries out its operations. In the resource dependence theory, stakeholders that own resources required by the firm are considered as a valuable and the capacity does not solely reflect the importance of stakeholders.

The success of organization can be ensured the effectiveness and efficiency through the capability of the organizations to manage their transactions efficiently and effectively in the project lifecycle. The Transactions are directly related to the exchanges of goods or services between the economic actors among the external and internal organization, which is the existence to mediate the economic transaction between the member of outside and inside the company (Ulrich and Barney, 1984).

#### 2.2 Emperical Studies

#### 2.2.1 Types of stakeholder's

Stakeholders can be categorized in to internal and external groups. The internal stakeholders are owners, customers, suppliers, and employees who are involved in an organization decision process. The external stakeholders are neighborhoods, the local community, the wider public and local authorities those who are significantly affected by an organizations activities (Skitmore et al, 2008). As a result of this, internal stakeholders are split into those who are concentrated around the customer on the supply side and customer on the demand side, whereas, the external stakeholders are categorized into private and public participants.

Based on the involvement stakeholder can be categorized in to primary and secondary stakeholders (Carroll and Buchholtz, 2006) The Primary stakeholders are those whose participation is necessary as well as involved in decision-making process. Those of them are Top management, project team members, the project manager, peers, the resource manager, and internal customers, while secondary stakeholders are those that influence or are impacted by the company. In addition, stakeholders can be divided into those who have formal contracted

responsibility but are only connected to an organization in a secondary or indirect way as opposed to those who have no official contract but are connected in a primary or direct way. (e.g., contractors, subcontractors, consultants)

According to (D. I. Cleland, 1986) stakeholders can be dividing into internal and external stakeholders. Internal stakeholders (aka primary stakeholders) are formal members of the project coalition and they control resources. External stakeholders (aka secondary stakeholders) can be considered informal members of the project and have no direct control over a resource. However, they have the potential to influence the project positively or negatively.

(FLittau et al 2010) categorized construction stakeholder into three main groups namely: (1) "interest-in", (2) "can affect and affected by", and (3) "mixed" group. While "stakeholder" was introduced "...who have a vested interest in the outcome of the project"

(McElroy and Mills, 2000) concluded that there are two main types of stakeholder: internal/ external or primary/ secondary stakeholder respectively. From the scope of this research, internal stakeholder would be defined as individuals/ groups, who are participating directly in construction project, possibly impact on or be impacted by the project outcomes. According to (McElroy and Mills, 2000), stakeholder's can be divided into six main groups

**Owner:** These groups are comprises individual or organization that commissions the project and has the final authority to approve or reject changes. This group comprises owners/ owner's representatives/ members of project management unit.

**Consultants**: play a crucial role in providing expert advice and guidance to ensure the project's success. The responsibilities of Consultant's responsibilities are more technical, specialized and coordinate with other firms such as designers, contractors, to consult from the beginning of project, monitor work on site, and make sure four important criteria scope, time, cost, and quality for the Owner throughout the projects.

**Designer**: Are an individual/ organization whose main roles are to prepare and produce drawings, develop and modifying designs for construction projects, instruct and control on people who construct on their drawings.

**Main contractor:** are the people who directly operate their works on sites to make sure a project would be completed according to contract documents and the designed drawings. They are delegated to construct and complete the work towards meeting objectives.

**Subcontractors**: are specialized contractors that work under the main contractor or general contractor to perform specific tasks or services. Conduct their works according to main contractor's assignment.

**Suppliers:** are materials, equipment suppliers, and manufacturers who provide and install the hardware that constitutes for a project.

Internal St	akeholders	External Stakeholders		
Demand side	Supply Side	Private	Public	
• Client	• Architects	• Local residents'	• Regulatory	
• Financiers	• Engineers	• Local landowners	agencies	
Clients Employee	Principal	• Environmentalists	• Local	
Clients Customer	contractors	Conservationists	governmental	
Clients Tenants	Trade Contractors	Archaeologists	Nationals	
Clients Suppliers	• Materials	• Non-governmental	• Governments	
	suppliers	organizations(NG		
		Os)		

 Table 2.1 Categorizations Project Stakeholders

Source: (Winch & John Wiley, 2010)

#### 2.2.2 Stakeholders classification

Stakeholder assessment, often referred to as stakeholder analysis, is a procedure that has recently arisen for assessing the anticipated interests and actions of stakeholders (Harri Haapasalo, 2014). The following section examines how different stakeholders are grouped in accordance with their characteristics or attributes, interest, attitude, their contractual connections towards the project.

#### Classification and analysis according to stakeholder attributes

Stakeholders can be identified and categorized based on their attributes, which are the characteristics that define their power, legitimacy, and level of urgency in a particular project (Harri Haapasalo, 2014). Here are some common attributes of stakeholders:

**Power**: is the capability of a stakeholder positively or negatively influence the decisions made by other stakeholders. There is potential for both gain and loss with this. The power of stakeholders may arise from their ability to mobilize social and political forces or to withdraw resources from the project.

**Legitimacy:** refers to the degree to which stakeholders interests, concerns, and rights are recognized and respected by others. Legitimacy is the perception or assumption that the actions of an entity are desirable, proper, or appropriate within a socially constructed system of norms, values, beliefs, and definitions. Here, Claims from stakeholders are assessed based on their apparent validity. It can also be described as project stakeholders who assume some risks that could benefit or hurt the project.

**Urgency:** Urgency is the degree to which stakeholder claims call for immediate attention based on time sensitivity towards attending to the claims and critically towards the importance of the claims of stakeholders.

According to their capacity to influence decisions and developments, their standing among other stakeholders, and the urgency of their claim to the project, Mitchell et al. (1997) divided stakeholders into groups in Figure 2.1.



#### Figure 2-1 Classification of stakeholders according to their attributes (Mitchell et al., 1997)

According to Mitchell et al., 1997 stakeholders can be divided into eight classes, depending on the attributes of power, legitimacy, and urgency:

**Dormant stakeholders** despite having the ability to impose their will, but they do not have any legitimate relationship to establish a claim on the specific projects, the power of these kinds of stakeholders is wasted or remain unused.

**Discretionary stakeholders** possess the attribute of legitimacy, but they have lack of urgency and power to pressure the project management team to engage an active relationship. However, if they team together with other interests, they might be able to exert some pressure on the initiative.

**Demanding stakeholders** have a quality of urgent claim, but have lack of power or authority relationship. Due to the demanding nature of their stakes, management should give attention, because if they are successful in forging relationships with other stakeholders, they may become more harmful.

**Dominant stakeholders** are both powerful and legitimate. Their influence is assured, and it is clear that the expectations of any dominant stakeholders will matter. These stakeholders can contribute significantly to management's evaluation of stakeholders' needs.

**Dangerous stakeholders** do not have legality, but they possess power and urgency. They can have potentially harm the organization or its goals, either intentionally or unintentionally

**Dependent stakeholders** possess urgent and legitimate claims, but no power. They therefore rely on other stakeholders to grant them the power they require so that they can impose their will on the project.

**Definitive stakeholders** possess all three attributes of urgency, legitimacy, and power. They will already be members of an organization's dominant coalition. When their claims are urgent, managers have a clear and immediate mandate to consider and give priority to that claim.

**Non-stakeholders** does not possess any of the three attributes, they cannot be counted as a project stakeholder. In fact, identifying and assessing based on attributes is no sufficiently enough (S. Olander, 2007).

#### Classification and analysis according to vested interest-impact index (VIII)

According to (Bourne and Walker, 2005) there is claim to have developed the vested interestimpact index (VIII) as a stakeholder classification method. Because of this, the fact that stakeholders can be thought of as project risks in some cases. The authors stated that stakeholder vested interest (v) can be measured on a scale of 1very low, 2 low, 3 neutral, 4 high, and 5 extremely high.

#### Classification and analysis according to contractual relationship

The contractual relationship between stakeholders and the client to classifying construction project stakeholders into internal and external stakeholders. Internal stakeholders are those who have legal contractual relationship with the project owner and are grouped into demand and supply sides stakeholders. External stakeholders do not have any contractual relationship with the project owner, but have some rights and interests in the project and are grouped into private and public sides' stakeholders (Winch & John Wiley, 2010).

#### Classification and analysis according to stakeholder attitudes towards the project

(S. Olander, 2007) divides stakeholders between those who favor and those who oppose the project. On the other hand, (Aaltonen, K., 2011) divide them into pro, neutral, and anti-project groups. These are essential for decision-making and resource allocation in project management.

#### 2.2.3 Construction project stakeholders

A Construction projects are involves a multitude of stakeholders who have a stake in the project's outcome. Construction industries have many stakeholders who are involved in various stages. Those stakeholders are the owners, project managers, project architects and engineers, designers, shareholders, local authorities, legal authorities, employees, subcontractors, suppliers, process and service providers, competitors, banks, insurance companies, media, community representatives, neighbors, general public, government establishments, visitors, customers, regional development agencies, the natural environment, the press, pressure groups, civic institutions, and the list is almost endless (Newcombe, 2003). In addition to this (Al-Khafaji etal., 2009) identified a variety of stakeholders in construction projects like,owners, sponsors,

clients, local communities, subcontractors, project managers, superintendents, project team members, and end users.

#### 2.2.4 Project stakeholder management

According to (PMBOK, 2013) Project Stakeholder Management is defined as the processes to identify the people, groups, or organizations that could affect or be impacted by the project. Project stakeholder management includes the processes required to identify the people, groups, or organizations that could influence or influenced 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 (PMI, 2017).

An effective stakeholder management will improve the quality of the project, which is directly related to effective stakeholder management is essential for project success towards the influence in project outcomes (N.P. Srinivasan, 2019) journal homepage: www.elsevier.com/locate/matpr. Moreover, Proper stakeholder management enables an organization to achieve its strategic objectives through support from stakeholders and understanding the external environment (Omari, 2018). The processes of Project stakeholder management are;

According to Aaltonen, Kujala and Oijala (2008) cited in (Harri Haapasalo, 2014), the main purpose of project stakeholder management managing the relationship between the project and its stakeholders. The engagement is done by getting stakeholders involved in project decisionmaking and project execution at the appropriate level and time accordingly. Stakeholder management also pays particular attention to the communication with stakeholders in order to understand their needs and expectations, to address issues as they arise, to manage conflicting interests, and to promote a commitment of the stakeholders in the decisions and activities of the project. The key for project success is to know how and when to connect to the organizational grid and to identify who the key connectors (stakeholders) are. Without attention to the needs and expectations of a diverse range of project stakeholders, a project will probably not be regarded as successful (Bourne & Walker, 2004). Project stakeholder management involves,

#### **2.2.4.1 Identify stakeholders**

The process of identifying the people, groups, or organizations that could affect or be affected by a decision, activity, or outcome of the project; and documenting relevant information regarding their interests, involvement, interdependencies, the level influence, and potential impact on project success. (Álvaro Delgado Zapero, 2020). It is critical for the success of the project that stakeholders are identified early on in the project, understand and analyze their varying and conflicting expectations, and inorder to manage those expectations throughout the project. Stakeholders can influence various aspects of the project, like definition, changes, execution, deliverables, and ultimately the success. To identify the stakeholders, gather, analyze, and then present data or information about the stakeholders so as to produce the stakeholder register which identifies the project stakeholders and relevant information about them (Sanghera, Paul, 2019). Types of stakeholders are generally classified as internal stakeholders which generally include groups such as management, employees, shareholders of the company. External stakeholders include customers, suppliers, competitors, governments, international and national organizations (Riahi, Youssra, 2017).

Stakeholder mapping and representation is a method of categorizing stakeholders using various methods; common methods are power/interest grid, power/influence grid, or impact/influence grid, stakeholder cube, salience model, directions of influence and prioritization (PMI, 2017).

#### 2.2.4.2 Plan stakeholder management

The process of developing appropriate management plan for the identified stakeholders throughout the project life cycle; based on the analysis of their needs, interests, and potential influence on project success. (Álvaro Delgado Zapero, 2020). Planning stakeholder engagement involves developing approaches to involve project stakeholders based on their needs, expectations, interests, and potential impact towards the project. The key importance is that it provides an actionable plan to interact effectively with stakeholders. This process is performed periodically throughout the project accordingly (PMI, 2017). Planning stakeholder engagement process is about developing a management strategy to keep stakeholders engaged in an effective way. Inputs, tools and techniques are used in the process to generate the stakeholder engagement plan which contains strategies to implement the actions to perform to facilitate stakeholder's

creative involvement in the project; making project decisions and project execution. The stakeholder management plan is implemented in the process of managing stakeholder engagement. In project execution, communication means with the project stakeholders. Communication requirement analysis is performed to determine the communication needs of the project stakeholders and to optimize the use of the communication resources for project success. Communication planning, which generates the communication management plan, is the process of determining the information needs of the project stakeholders, which will be different for different stakeholders, how the information will be delivered, who will deliver it, who can access it, what information is needed. Communication management plan describes the communication expectations and needs and the plans for how these needs will be met (Sanghera, 2019). The stakeholder management plan provides the engagement level of stakeholders, identifies interrelationships between stakeholders, and requirements for stakeholder communication during the project (Riahi, Youssra, 2017).

#### 2.2.4.3 Manage stakeholder engagement

The process of communicating and working with stakeholders to meet their needs/expectations, address issues as they occur towards the defined planning process, and foster appropriate stakeholder participation in project activities. Moreover, actively manage their expectations and interest to increase the possibility of acceptance of the project and anticipate future problems throughout the project life cycle. (Álvaro Delgado Zapero, 2020). Manage stakeholder engagement is the process of communicating and working with stakeholders to meet their needs and expectations, address issues, and foster appropriate stakeholder involvement. The key benefit of this process is that it allows the project manager to increase support and minimize resistance from stakeholders This process is performed throughout the project.

#### 2.2.4.4 Monitor stakeholder engagement

According to PMI (2017), it is the process of monitoring project stakeholder relationships and tailoring strategies for engaging stakeholders through the 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. This process is performed throughout the project. Monitoring stakeholder engagement process oversees stakeholder engagement using inputs, tools, techniques. The process ensures that the information needs of the project stakeholders are met throughout the entire project lifecycle as planned in the communication management plan and the stakeholder engagement plan and evaluating the project. This process aims to monitor the relationships between the project stakeholders in general, adjusting strategies and plans to maintain engagement.

Here controlling stakeholder engagement is part of monitoring communicating and controlling of the project stakeholders to identify the status meets their expectation or not, in order to adjust strategic plans to take the necessary actions to solve the problems and to accept the change requests. (Álvaro Delgado Zapero, 2020)

#### 2.2.5 Stakeholders management critical success factors

Factors contributing to the success of stakeholder management in construction projects are first identified by previous studies with regard to the aim of finding about critical success factors of stakeholder management in construction projects. CSFs can also be identified from studies (Wong, K.Y. and Aspinwall, E, 2005) on stakeholder management in general or "the works of those who have addressed a particular factor in detail". An in depth literature review indicated that numerous factors had been identified as important for stakeholder management. Based on the literature review by researchers (Jefferies, 2002; Yu, 2007; Yang *et al.*, 2009b), state that the factors (CSFs) have been used as a means of improving the performance of the, 15 factors contributing to the success of stakeholder management in construction projects are hypothesized and proposed. These are as follows:

#### 1. Managing stakeholders with social responsibilities

Managing Stakeholders with social responsibility is one of the Critical Success Factors (CSFs) and it is precondition, stakeholder management must have social responsibilities towards supporting effective management of the stakeholder in the construction project. According to (Yang.J et al, 2009), clarified that "managing with Social responsibilities" is not the same as corporate social responsibility. As the stakeholder concept personalizes social responsibilities by delineating specific groups or persons that business should consider in its corporate social responsibility orientations and activities. Although, organizations should acknowledge the

validity of diverse stakeholder's interest and should attempt to respond to them within a mutually supportive framework.

#### 2. Formulating a clear statement of project missions;

The identification of a clear mission for the projects at different stages is widely considered important for the effective management of stakeholders (Winch 2000). Before every activity of stakeholder management, the project manager he/she should have a better understanding of the tasks and objectives at a particular stage of the project lifecycle. The complexity of client organizations and the social, economic, and regulatory environment in which the projects operate means "the strategic definition of the project mission is inevitably politicized".

#### 3. Identifying stakeholders properly

This factor has been considered as important by several researchers who have pointed out the necessity of identifying project stakeholders (Karlsen 2002; Olander 2006; Walker, *et al.* 2008). Identifying stakeholders should answer the question "who are stakeholders" and their classification in order to manage them accordingly.

#### 4. Understanding area of stakeholders' interests

There are various stakeholders' interests due to the complex nature of construction projects (Cleland 1999). Freeman et al. (2007) believe that identifying stakeholder interests is an important task to assess stakeholders, and they listed stakeholders' interests including product safety, integrity of financial reporting new product services, and financial returns.

#### 5. Exploring stakeholders' needs and constraints to projects

Exploring stakeholders' needs and constraints is related to sensing the areas of stakeholders' concern as well as the detailed list of their issues appropriately (Freeman, et al. (2007). This mean that during the project process, all stakeholders needs should be assessed in order to obtain realistic solutions of the issues. Stakeholder's needs should provide an indication of the stakeholder groups' concerns, the problems the project team faces, and stakeholder's requirements of the projects.

#### 6. Assessing stakeholders' behavior

This relates to the capacity and willingness of stakeholders to threaten or cooperate with project teams. Stakeholders' behavior can be sorted into 3 categories: observed behavior, cooperative potential, and competitive threat (Freeman 1984). Although the project managers should be

clearly, understand the range of stakeholder reactions and behaviors in order to ensure the success of projects.

#### 7. Predicting the influence of stakeholders accurately

According to Olander and Landing (2005), recognizing the stakeholders' influence is important for planning and executing a sufficiently rigorous stakeholder management process (Olander, S and Landin, A., 2005). According to (S. Olander, 2007) further developed the stakeholder impact index and considered that analyzing the potential impact determines the nature and impact of stakeholder influence in relations to the project.

#### 8. Assessing attributes of stakeholders

The power, urgency, legitimacy and proximity of stakeholders need to be assessed in order to enhance the understanding of their needs. It is important to know the ability of stakeholders to control resources, create dependencies and support the interest of project or oppose it is. Thus, a successful project manager needs to understand the "invisible" stakeholders' powers. Moreover, it is important to know how urgent stakeholders' claims call for attention. The assumptions by stakeholders that the actions of a project are desirable, proper or appropriate within their own norms, values and beliefs need to be known, and the proximity of stakeholders which can be rated as directly working in the project or should be known (Mitchell, *et al* 1997; Bourne and Walker 2005; Schuman, 1995).

#### 9. Analyzing conflicts and coalitions among stakeholders

Analyzing the conflicts and coalitions among stakeholders is an important step for stakeholder management (Freeman 1984). Project managers should know the potential conflicts stemming from divergent. Analyzing conflicts and coalition among stakeholders is an important step for managing stakeholders and project managers should search for possible coalition. Freeman (1984) states that the groups who share objectives about the project can more likely form coalitions.

#### 10. Compromising conflicts among stakeholders effectively

Since there are various conflicts among stakeholders, compromising these conflicts become important for project managers to make decisions (Freeman 1984). (Leung et al., 2005) have confirmed a positive relationship between conflict resolution and satisfaction of stakeholders

with a questionnaire survey. How to make a "multi-win" compromise solution is a problem faced by project teams (Carlos A et al., 2001).

#### 11. Keeping and promoting good relationships;

Successful relationships between the project and its stakeholders are vital for successful delivery of projects and meeting stakeholder expectations (Cleland 1986; Savage et al. 1991; Jergeas et al. 2000; Hartmann 2002). In order to deliver a project successfully and meet stakeholders' expectations, it is important to promote good relationship between stakeholders and the project.

#### 12. Formulating appropriate strategies to manage stakeholders

The important question is what kind of strategies a project has for stakeholder management. According to (Karlsen, J.T., 2002), stakeholder management strategy is the attitude of project management team and how they treat different stakeholders. Having strategies for responses to the demands presented by the stakeholders are important for successful management of stakeholders.

#### 13. Predicting stakeholders' reactions for implementing the strategies

When project managers make decisions about strategies to deal with stakeholders it is important to consider their reactions to the strategies. Paying attention to stakeholder's response helps to predict their behavior and this is important in implementing strategy (Cleland, D.I and Ireland, R.L., 2002).

# 14. Analyzing change of stakeholders' influence and relationships during the project process

According to Freeman (1984), stakeholders and their influence change over time depending on strategic issue under consideration. The uncertainty caused by stakeholders may include who are they and related to, their influence, their needs and the implications of relationships among them (Ward and Chapman, 2008).

#### 15. Communicating with and engaging stakeholders properly and frequently

Communication is essential for maintaining the support and commitment of all stakeholders (Briner et al, 1996). Regular, planned, and effective communication with all members of the project team is necessary for project success. In addition, (Weaver, D. H., 2007) believes that the project managers he/ she should be highly skilled negotiators and communicators capable of

managing individual stakeholder's expectation and creating a positive culture change within the overall organization.

#### 2.3 Stakeholders management and project success

Stakeholder management is a critical factor in determining the success of construction projects. Effective stakeholder management involves identifying, understanding, and engaging with various stakeholders to address their interests, concerns, and needs throughout the project lifecycle. By proactively managing stakeholders' relationships, construction project teams can enhance communication, build trust, and mitigate risks, ultimately contributing to project success. The successful management of stakeholders in construction projects linked to positive project outcomes including, on time, on budget, standard quality, risk mitigation, and enhanced reputation by engaging relevant stakeholders', such as owner, contractors, and consultant (Kipyego Aloket Samwel, 2023).

#### 2.4 Stakeholder engagement and communication

Construction projects can be ensured by involving and improving effectively engagement and communicating stakeholders as well as managing the relationship between various stakeholders in every project cycle. The researcher pointed out that identifying a formal and clear communication channels are very important to transfer the information to increase the degree of communication among the stakeholder in order to ensure the decision making process (Chinyio, E., & Akintoye, 2008).

#### 2.5 Conceptual framework

The conceptual framework is diagrammatic representations among dependent and independent variables that gives a view of the interaction and relationship between the independent and the dependent variables. The independent variable in this study is stakeholder management operationalized into stakeholders' identification and analysis, stakeholder engagement, stakeholder critical success factors and types of stakeholders. The dependent variable for the study is project success measured in terms of time, quality, objective, and cost and stakeholder satisfaction.

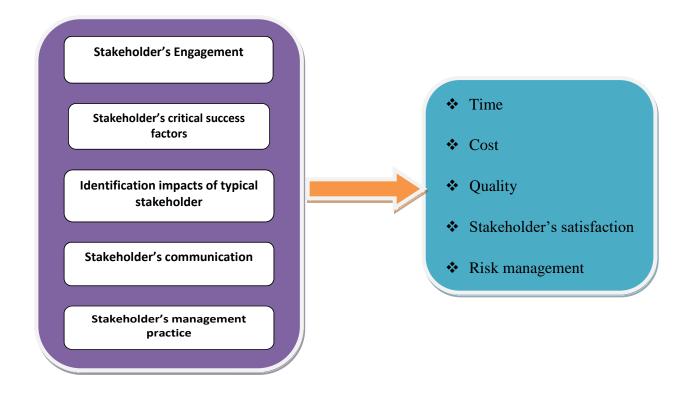


Figure 2.1 Conceptual frameworks for stakeholder management and project success (Majed & Mayhew, 2015)

#### **CHAPTER THREE**

#### **3 RESEARCH METHODOLOGY**

This section of the research was providing full information towards the achievement of the objectives of the study. This chapter specifically outlines the background of the organization, research design, research approach, source of data, population of the study, sampling techniques, data gathering, population, sample size, method of data collection, validity, and reliability of the data, and ethical consideration of the work.

#### **3.1** Background of the organization

Asmelash and Sons Construction Company was established since, 1965 E.C in the capital city of Ethiopia, Addis Ababa. The companies have been stood Grade I Building Contractors in Ethiopia with an impressive five decades of experience. The company has solidified its reputation as a trusted and distinguished name within the construction company. The company core business encompasses an extensive spectrum of projects, ranging from the construction of private and public housing to the development of factories, offices, retail units, schools, hospitals, and public buildings. Additionally, undertake ambitious civil engineering and infrastructure projects, both in the bustling capital of Addis Ababa and the dynamic regional towns. (Asmelash and Sons Construction Company, 2023)

The vision of Asmelash and Sons Construction Company is to cultivate a team of exceptionally skilled construction experts dedicated to serving their clients with unwavering honesty and integrity. Ultimately, the company goal is to distinguish stakeholders as the preferred choice for those who value quality, personalized service, and exceptional value. (ASCC, 2023)

The mission of ASCC is to exceed the stakeholders' expectations through the meticulous selection of reliable subcontractors, the recruitment and retention of top-tier employees, and the unwavering practice of honesty and integrity throughout the construction process. The company is dedicated to the success of various stakeholders' like Clients, business partners, consultant, and team members (ASCC, 2023).

#### 3.2 Research design

Research design refers to the overall plan that allows gathering information, responding the questions and analyzing the information with aligning the objectives of the study. Based on the purpose of the study, research methodology can be categorized in to three major research designs. The purposes of the researches are to describe, to explain, and to explore; the research design should be descriptive research design, explanatory research design, and exploratory research design respectively (Jones & Bartlett, 2014). The research design applied entitled with "the influence of stakeholders' management on the success of construction projects" was descriptive design. Descriptive research design was aimed at describing phenomena and summarizing information about the characteristics of peoples, groups, organizations, and environment of the study. It does not involve changing or modifying the situation under investigation, it does not intend to detect cause-and-effect relationships. Moreover, descriptive research design is incorporated with five important elements pertaining to, who, what, why, when, how, and where questions (ZIKMUND et al., 2009).

#### **3.3 Research approach**

The research approach allows collecting data on this study towards combination of quantitative and qualitative data approaches accordingly, which can be analyzed quantitatively and qualitatively using descriptive statistics. Quantitative approach is used to get the objective data that can be clearly communicated through statistics and numbers as well as it generates numerical quantifications of data. On the other hand, qualitative approach is the subjective evaluation of respondent, which consists of a set of interpretive such as interviews, focus group discussion which relies on inductive process (from the specific to general) while getting from the respondent (Thornhill et al, 2009). Therefore, this study followed by mixed approaches that were quantitative and qualitative approach to evaluate the influence of stakeholders' management on the success of construction projects.

#### 3.4 Source of data

The source of data was gathered for the subject matter of the influence of stakeholders' management on the success of construction projects towards solving the statement problem and

achieving the objective of the study. Both primary and secondary data sources were conducted in this study. The primary data were obtained from questionnaires that are administered and semi structure interview to a sample of project team members that have a key role on the construction projects such as site engineer, office engineers, supervisors, and project manager in Asmelash and sons Construction Company. Whereas, the secondary data source were obtained and reanalyzing data by documentary regarding books, articles, journals, magazines and newspaper that have been collected for some other purpose.

#### **3.5 Populations of the study**

At the most general level, census is account of all members of a specific population, whether individual or other entities by gathering information about location and other relevant characteristics of the population (Berry et al, 2014). According to (Berry et al, 2014) defines that census is counting of individual units, all of them within defined boundaries, at the same point in time at predetermined intervals. However, in this study census approach was applied among the total number of 20 respondents was selected in order to collect the required data to achieve the objectives of this study.

#### **3.6 Data collection methods**

For the purposes of this research, in semi structured interview and questionaries' was applied accordingly in order to identify the emotion, feelings, and opinions regarding the variables. stakeholder engagement, the critical success factors of stakeholders, the management practice of stakeholders ,typical stakeholders found and communication approaches towards the success of Asmelash and sons Construction Company (Campbell et al, 2023). The survey strategy is a popular and common strategy in business and management research and is most frequently was applied to address who, what, where, how much, when and how many questions. Since this study tends to be conducted for descriptive research by selecting a census sample to represent a known population. The sample will allow generalizing a study's result to a census population. Data could be collected directly from respondents in a natural setting using a systematic technique. Questionnaires are used data collection techniques within the survey strategy (Thornhill et al, 2009).

#### 3.7 Validity and Reliability of the instrument

#### **3.7.1** Validity of the instrument

Validity refers to the degree to which an instrument measures what it is intend to measure or the extent to which the findings and conclusions are accurate and trustworthy in the study. Moreover, it helps to ensure either the results obtained from the study are meaningful or it ensures the applicability in the real world (Jones & Bartlett, 2014). There are more than five types of validity among them I am supposed to correlate the internal validity and content validity. Criterion-related validity, sometimes known as predictive validity, is concerned with the ability of the measures / questions to make accurate predictions. This is achieved by providing a range of different sets of questions that cover main stakeholder management issues at the same time giving a rich and in depth information. Content validity is the extent by which the questions on the instrument represent the entire content domain being measured, which is the measurement questions in the questionnaire, provides adequate coverage of the investigative study on the bases of the influence of stakeholder's management on the success of construction projects (Thornhill et al, 2009).

For this study, inorder to ensure the validity of the instrument by selecting a small number of respondent among the target group randmly towards distributing for them by focusing questionnaries in advance in order to remove ambiguity among the respondents. The other tool to ensure the validity in this study is distributing the questionnaries for collecting relevant data from various experts who are involved in construction projects.

#### **3.7.2** Reliability of the instrument

Reliability refers to an indicator of measure of the internal consistence that is, the consistency and stability of the measurement towards data collection, methods applied in the study. A measure is reliable when different attempts at measuring something converge on the same result with a specific period. Reliability estimates show the amount of measurement error in a test. Put simply, this interpretation of reliability is the correlation of test with itself. Squaring this correlation and subtracting from 1.00 produces the index of measurement error ( Dennick et al, 2011).

According to the suggestions of (George & Mallery, 2003) coefficient can be evaluated using the guidelines, where the Cronbach's Alpha 0.9 values or higher indicates excellent reliability, values in between 0.8 to 0.89 indicates good reliability, and 0.7 to 0.79 indicate acceptable reliability. Whereas, values ranging from 0.6 to 0.69 shows questionable, values from 0.5to 0.59 indicate poor reliability and the Cronbach's Alpha values less than 0.5 indicates unacceptable and avoid using scales reliability.

Variables	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
Stakeholder Engagement	.978	.982	7
Critical Success factors	.980	.986	15
Stakeholder management practice	.943	.969	3
Typical Stakeholder	.964	.977	9
Stakeholders Communication	.955	.978	7

 Table 3-1 Reliability statistics of the variable

#### Source: SPSS Output, 2024

As illustrated in table 3.1, the variables Stakeholder Engagement, Critical Success factors, stakeholder management practice, typical stakeholder, and stakeholders communication Cronbach's alpha values, 0.978, 0.980, 0.943, 0.964, and 0.955 respectively. This shows that the Cronbach's Alpha values are above 0.943 is higher and the response generated by this study the reliability is excellent.

#### 3.8 Methods of data analysis

The studies were gathered by a combination of qualitative and quantitative data through questionnaires and interview. The partial objectives were analyzed using descriptive statistics towards frequencies, percentage, and, tables, charts, and mean with the help of IBM SPSS 26 appropriately. In this study, multiple linear regressions were applied to analyze the data, which is used to determine the influence of independent variables on the dependent variable for stakeholder management over project success.

Based on the conceptual framework the model applied on this study with regard to independent variables and dependent variables are described below;

$$(\mathbf{Y} = \boldsymbol{\beta}_0 + \boldsymbol{\beta}_1 \mathbf{X}_1 + \boldsymbol{\beta}_2 \mathbf{X}_2 + \boldsymbol{\beta}_3 \mathbf{X}_3 + \boldsymbol{\beta}_4 \mathbf{X}_4 + \boldsymbol{\beta}_5 \mathbf{X}_5 + \boldsymbol{\epsilon})$$

Where:

 $Y = Project \ success \ (dependent \ variables)$  $\beta_0 = Intercept \ (value \ of \ Y \ when \ X=0)$  $\beta_1 = Slope$  $X_1 = Stakeholder \ engagement \ (SE)$  $X_2 = Critical \ success \ factors \ (CSFs)$  $X_3 = Stakeholder \ management \ practice \ (SMP)$  $X_4 = Stakeholders \ communication \ (SC)$  $X_5 = Impact \ of \ typical \ stakeholders \ (ITS)$  $\epsilon = the \ error$ 

#### 3.9 Research ethics

Ethics refers to the appropriateness of the researcher's behavior in relation to the rights of those who become the subject of the research work. Research ethics therefore relates to questions about how we formulate and clarify the research topic, design of research, collect data, process and store data, analyze data and write up the research findings in a moral and responsible way (Thornhill et al, 2009).

While conducting this study, the privacy of participants has been kept, and it is made known to every participant that the nature of participation was voluntary. The confidentiality of data and the participants' anonymity is maintained. The researcher takes in to account the issues of feasibility and sufficiency in relation to gaining access to data and the impact of these on the nature and content of the research questions and objectives.

#### **CHAPTER FOUR**

#### **4** DATA PRESENTATION , ANALYSIS, AND INTERPRETATION

#### 4.1 Introduction

This chapter deals with the presentation, analysis and interpretation of sample data that has been collected from the respondents in order to evaluate the importance of stakeholder management towards the success of construction projects. The data was analyzed using quantitative descriptive statistics with the help of IBM Statistical Package for Social Scientists (SPSS) version 26 statistical computer software and was presented using frequency, tables, graph, percentages, and charts accordingly. Questionnaires are distributed to project managers and core project team members among the construction projects.

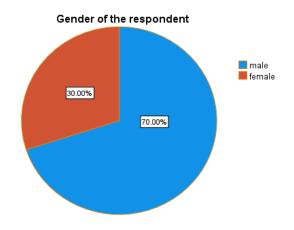
#### 4.2 Response rate

To collect the primary data questionnaires were administered to sample respondents. The questionnaire consists of forty-seven (49) close-ended items and three (1) open-ended question to enable the respondents express their statements and comments about their projects towards the stakeholder management in company. Twenty questionnaires were distributed for two groups of respondents in the company. Among the 20 questionnaires, all of them were collected from the head office and the project site staffs and were returned, it represents that 100% of response rate.

#### 4.3 General information of the respondent

#### 4.3.1 Gender

The construction industry is one of the affiliates of the construction industry, which is predominantly composed of a male population. The following figures illustrates that out of 20 questionnaires fourteen of them are males representing 70% whereas, six of them are females representing 30% of the respondents who are completed and returned the questionnaires.



#### **Figure 4-1 Gender of the respondents**

Source: SPSS Descriptive Statistics Output, 2024

#### **4.3.2** Age and Educational background of the respondent

As indicated from table 4.1, 10% of the respondents are youngsters below 25 of age; the respondents come from a diverse age group most 45% of them are being in between 26-35 years of age, 30 % of the respondents are in between the 36-45 of age and the rest 15 % of the respondents are above 46 years of age. The majority of the respondents have higher educational level with 70% having a bachelor's degree, 15% of the respondents are post graduate degree holder, 10% of the respondents are diploma holder and the rest 5% of the respondent have a doctorate degree.

#### **4.3.2.1** Position and Experience of respondents

As illustrated from table 4.1, 10% of the position of respondents are project managers, 5% of them are team leader , the majority of the position of the respondents are site engineer and project engineer representing 50% this indicate that mostly the projects were conducted at site. In addition to this, 15% are office engineer and the rest of the positions of the respondents involving in the projects are Forman and site supervisor representing 20%. The table also indicates work experience of each respondent possess in terms of percentage; 40% of them have experience of less than 5 years and have experience of more than 15 years , whereas the majority of them are well experienced between 5 and 10 years of experience representing 50% ,

10 % of the respondents are having 10 -15 years of experience. This result indicates for us most of the respondents are experienced in construction projects.

Variables	Indicators	Frequency	Percent	Valid	Cumulative
v ar lables	mulcators	rrequency	rercent	Percent	Percent
	Male	14	70.0	70.0	70.0
Gender	Female	6	30.0	30.0	100.0
	Total	20	100.0	100.0	
	below 25	2	10.0	10.0	10.0
	between 26-35	9	45.0	45.0	55.0
Age	between 36-45	6	30.0	30.0	85.0
	above 46	3	15.0	15.0	100.0
	Total	20	100.0	100.0	
	Diploma	2	10.0	10.0	10.0
nal	Bachelor's Degree	14	70.0	70.0	80.0
catio	Post Graduate Degree	3	15.0	15.0	95.0
Educational background	Doctorate Degree	1	5.0	5.0	100.0
	Total	20	100.0	100.0	
	Project manager	2	10.0	10.0	10.0
	Team leader	1	5.0	5.0	15.0
	Site Engineer	5	25.0	25.0	40.0
ion	Office engineer	3	15.0	15.0	55.0
Position	project engineer	5	25.0	25.0	80.0
	Forman	2	10.0	10.0	90.0
	Site supervisor	2	10.0	10.0	100.0
	Total	20	100.0	100.0	
	less than 5 years	4	20.0	20.0	20.0
ICe	Between 5 and 10	10	50.0	50.0	70.0
Experience	Between 10 and 15	2	10.0	10.0	80.0
Exp	More than 15 years	4	20.0	20.0	100.0
	Total	20	100.0	100.0	

Table 4-1 General information of the respondent

Source: SPSS Descriptive Statistics Output, 2024

#### 4.4 Stakeholders engagement on the success of construction projects

In the second part of the questionnaires, the respondents are requested to answer the questions that are directly related to the research's theme and objective. As the purpose of the study is to determine the influence of project stakeholder's engagement on the success of construction projects, the introductory questions are designed to provide general information and insight to the engagement of stakeholders in the Asmelash and son's construction projects. Respondents were asked to indicate their choice of answer on a five point Likert scale in which Strongly Disagree (1), Disagree (2), Neutral (3), Agree (4), and Strongly Agree (5).

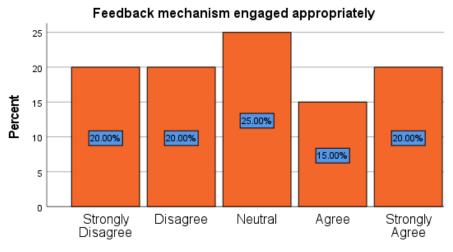
Table 4-2 Stakeholders Engagement on the Success of Construction Projects

Variables	<b>SD</b> (1)	DA (2)	NU (3)	AG (4)	SA (5)	Mean	SD
Internal and external stakeholders of the project are engaged properly	25.0	25.0	20.0	15.0	15.0	2.70	1.418
Stakeholders meeting are held frequently	20.0	35.0	15.0	15.0	15.0	2.70	1.380
Stakeholders are aware of in every stage of the project cycle	10.0	25.0	15.0	25.0	25.0	3.3	1.380
Feedback mechanism engaged appropriately	20.0	20.0	25.0	15.0	20.0	2.95	1.432
Effective communication leads to be ensure the success of projects	0.00	0.00	5.0	25.0	70.0	4.65	0.587
Stakeholders needs and expectation are being addressed properly	15.0	15.0	20.0	25.0	25.0	3.30	1.418
Change requests are well documented and handled accordingly	20.0	15.0	20.0	20.0	25.0	3.15	1.496
Active engagement of stakeholder in every project cycle would have been contribute for the success of project	15.0	10.0	20.0	25.0	30.0	3.45	1.432

Source: SPSS Descriptive Statistics Output, 2024

Table 4.2 shows that stakeholders engagement on the success of construction projects in Asmelash and son's company. The first variable with the (Mean=2.70 and SD=1.418) as strongly disagreed and disagreed by 50%, 20% of the respondents are neutral; the remaining

30 % of them are agreed and strongly agreed. This indicates that properly engagements of internal and external stakeholders are not applicable appropriately. However, properly engagement of internal and external stakeholders helps to ensure the success of construction projects with regard to increase buy in, improving communication, to get better project outcomes, to reduce risk and enhanced reputation in the projects. As strongly disagreed and disagrees by 20% and 35% respectively of the respondents with (Mean=2.70 and SD=1.380) the stakeholders meeting are not held frequently to enhance the engagement of stakeholders towards the success of construction projects. however, by conducting regular stakeholder meetings effectively, the project can be ensure stays on track, stakeholders are informed and engaged, project outcomes are improved, and the projects can be succeed. Here the remaining 45% of the respondents are neutral, agree, and strongly agree. The third critical variables (Mean=3.30 and SD=1.38) with the majority 50 % of the respondents are strongly agree and agreed that stakeholders should aware of in every stage of the project cycle. This shows that stakeholders should aware from initiation up to closure of the project for trust and transparency, for effective communication, and for better decision making. Here the remaining 15% neutral, 25% disagree and 10% of the respondents are strongly disagree.



Feedback mechanism engaged appropriately

Figure 4-2 Feedback mechanism engaged appropriately

Source: SPSS Descriptive Statistics Output, 2024

As shown from table 4.2 and figure 4.2 (Mean=2.95 and SD=1.432) with the most 40% of the respondents are strongly disagree and disagree that feedback mechanism is not engaged appropriately and the rest 25% neutral, 15% agree and 20% strongly agree. However, appropriate feedback mechanism should be engaged with regard to engagement among stakeholders, improved communication, and for enhancing collaboration among stakeholders towards the success of construction projects.

As 70% and 25% of the respondents are strongly agree and agree respectively with the (Mean=4.65 and SD=0.587) with regard to effective communications can leads to be ensure the success of construction projects. The rest 5% of the respondents are neutral. Whereas, the variables related to stakeholders needs and expectation are being addressed properly as majority 50% with (Mean=3.30 and SD=1.418) of the respondents are strongly agree and agree, the remaining 20% are neutral and 30% of the respondents are disagreed and strongly disagree. This shows that properly addressing stakeholder's needs and expectation organizations can build strong relationships, achieve their goals, and drive long-term success.

From the table shown above with the (Mean=3.15 and SD=1.496) was identified the most important variables for the stakeholder engagement for the success of construction projects. The 45 % of majority of the respondents are strongly agreed and agreed that change requests are well documented and handled accordingly in the company. The remaining highest 35% of them are strongly disagree and agreed, and 20% of them are neutral. This indicates that documentation and handling of change requests are crucial for maintaining project integrity, ensuring successful project outcomes, leading to improved efficiency, effectiveness, stakeholder satisfaction, and meeting both organizational and regulatory requirements. The last variable of stakeholder engagement towards the success of projects is actively engagement of stakeholder in every project cycle. Most respondents are strongly agree and agree by 30% and 25% respectively with (Mean=3.45 and SD=1.496) that active engagement of stakeholder in every project cycle is very crucial by actively engaging stakeholders throughout the project cycle, project managers can enhance project success, foster a collaborative environment, and ensure that the final outcomes meet stakeholder expectations and organizational goals. Therefore, effective stakeholder engagement can lead to smoother project execution, higher quality outcomes, and enhanced satisfaction for all parties involved.

## 4.5 Critical success factors of stakeholder management

## Table 4-3 Critical success factors of stakeholder management in the company

¥7. • • • • •	SD	DA	NU	AG	SA	M	CD
Variables	(1)	(2)	(3)	(4)	(5)	Mean	SD
Formulating a clear mission statement of the project	0.0	0.0	5.0	15.0	80.0	4.75	.550
Identifying relevant stakeholders properly	0.0	5.0	5.0	25.0	65.0	4.50	0.827
assessment and prioritization of attributes and Analyzing the satisfaction of stakeholders	5.0	5.0	10.0	30.0	50.0	4.15	1.137
Properly categorizing stakeholders and Ensuring effective communication with stakeholders	5.0	5.0	5.0	30.0	55.0	4.25	1.118
Appropriate prioritization of stakeholders in the project are essential to ensure success	10.0	10.0	15.0	30.0	35.0	3.70	1.342
Managing stakeholders with social responsibilities	15.0	15.0	20.0	25.0	25.0	3.30	1.418
Effectively resolution of conflicts between stakeholders	0.0	.0	15.0	45.0	40.0	4.25	0.716
Analyzing stakeholders conflicts coalition	0.0	10.0	10.0	35.0	45.0	4.15	0.988
Ability to formulate appropriate strategies for the management of stakeholders	5.0	5.0	15.0	40.0	35.0	3.95	1.099
Analyzing the change of stakeholders	5.0	5.0	10.0	40.0	40.0	4.05	1.099
Promoting a good relationship among stakeholders	0.0	0.0	5.0	40.0	55.0	4.5	0.607
Understanding stakeholders' interests	0.0	5.0	20.0	35.0	40.0	4.12	0.781

Source: SPSS Descriptive Statistics Output, 2024

Table 4.3 illustrates that the critical factors of stakeholder management in construction projects. As a result, of this the (Mean=4.75 and SD=0.550) was identified the most important variables for the critical success factors of stakeholders management. The 80 % of majority of the respondents are strongly agreed that formulating a clear mission statement in the project is critical for the success of a construction projects. So that, formulating clear mission statement in the project is important in order to clarify project goals and objectives, to provide a common understanding, enhance stakeholder engagement, guide a decision making, and improve communication towards the successful achievement of the projects. On the other hand, 15% of the respondents are agreed and the remaining 5% are neutral.

The second critical variables (Mean=4.50 and SD=0.827) with high 65 % of the respondents are strongly agree that relevant stakeholders should be identified early stage of the project properly. This helps to ensure communication and stakeholder engagement, identifying the potential risks, improving project outcomes, enhance the satisfaction of stakeholders, prioritize and managing stakeholders expectation towards the successful achievement of the construction projects.

The third parameter (Mean=4.15 and SD=1.137) with the most 50% and 30% strongly agree and agree respectively that assessment and prioritizing of stakeholders based on their attributes related to their power, urgency, impact, interest, expectation and proximity, influence, and knowledge is very crucial for the success of project. The rest 10% of the respondents are neutral and the remaining 5% for each disagree and strongly disagree.

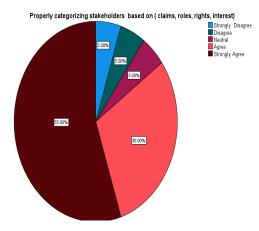


Figure 4-3 Categorization stakeholders based on claims, roles, rights, and interest

Source: SPSS Descriptive Statistics Output, 2024

Table 4.3 shows that, the fourth variables (Mean=4.25 and SD=1.118) with the majority 55% of the respondents are strongly agreed that properly categorizing stakeholders ensure the success of the projects. By categorizing stakeholders, the project can be ensured by understanding the stakeholder's needs, expectations, and levels of interest, and by engaging with them effectively throughout the project lifecycle; 30% of them are agreed and 5% of each are neutral, disagree, and strongly disagreed.

The study sought to find the appropriate prioritizations of stakeholders in the project are essential to ensure success project. The indicator of stakeholder management would have positive relationship with success of construction projects. The findings shows that majority (35%) of the respondent agreed strongly, 30% of the respondents are agree and 15% of the respondents neutral the remaining 20% strongly disagreed and disagreed that stakeholder indicator significantly improve the success of construction project and does have a positive relationship.

The table show with (Mean=3.30 and SD=1.418) the most 50% of respondents are strongly agree and agree managing stakeholders with social responsibility is important in order to enhance the success of construction projects in the company. Table 4.3 indicates that (Mean=4.25 and SD=1.118) by 55% and 30% of the majority of the respondents are strongly agree and agree respectively that effective communication with stakeholders can help to ensure for the success of projects in the company. Whereas, Predicting the future behavior of stakeholders in the project (Mean=3.35 and SD=1.424) by 25% of the respondents are strongly agree and 30% of the respondents are agreed that ensures the success of projects. The finding shows with (Mean=4.25 and SD=0.716) the majority of the respondents 40% are strongly agree, 45% of them are agreed, and the remaining 15% are neutral with regard to effective resolution of conflicts between stakeholders is very critical for the success of the projects in the company. the most respondents 45% are strongly agree and 35% of the are agree that analyzing stakeholders conflicts and coalition are important for the success of the projects. The ability to formulate appropriate strategies for the management of stakeholders with (Mean=3.95 and SD=1.099); the majority of the respondents 40% are agreed and 35% of them are strongly agreed, 15% neutral, and 10% of them are disagree and strongly disagree.

As illustrated from table 4.3 and figure 4.4 illustrates with (Mean=4.15 and SD=1.137) with the majority of respondents 50% are strongly agree and 30% of them are agreed that analyzing the satisfaction of the stakeholders have a significant relationship on the success of the projects in the company. Whereas, the most of respondents 80% are strongly agree and agree that analyzing change of stakeholders is critical towards ensuring the project achievement.



#### Figure 4-4 Analyzing satisfaction of the stakeholders

#### Source: SPSS Descriptive Statistics Output, 2024

The last variable, was identified for the critical success factors of stakeholders management is associated with promoting a good relationships among the stakeholders. The 55 % of majority of the respondents are strongly agreed and 40% promoting good relationship among stakeholders have a significant effect on the success of projects. communication towards the successful achievement of the projects. On the other hand, 15% of the respondents are agreed and the remaining 5% are neutral.

#### 4.6 Stakeholders management practices

Table 4.4 below shows that the having a clear understanding of the stakeholders' interests, needs, and expectations with (Mean=2.95 and SD= 1.468) was identified as the most important stakeholder management practice. The most 45% of respondents strongly disagreed and disagree on they do not have a clear understanding of the stakeholders' interests, needs, and expectations. Here, 40 % of the respondents are agreed and strongly agree the rest 15% of the respondents are

neutral. This shows that there is lack of understanding stakeholder's needs, expectation, and interest. However, project team or the project manager can enhance collaboration, reduce risks, and improve the likelihood of project success towards delivers value to all stakeholders and meets its intended goals and objectives. The second variable related to management practice is the availability of stakeholder management functional unit in the organization with (Mean=1.00 and SD= 0.000). Overall respondents are strongly disagreed that there is not any stakeholder functional unit in the organization.

As indicated on the above table 4.4 (Mean=3.50 and SD=1.357) that 30% of the respondents are strongly agreed and 25% of them are agreed by involving stakeholders throughout the project lifecycle, from the initiation to delivery of the success of construction projects. The other 20% of them are neutral, 15% of them are disagreed and the rest 5% of them are disagree. The final variables related to management practices of Asmelash and son's construction company is the importance of following stakeholder's management approaches on the success of projects. The (Mean=3.95 and SD= 1.146) with majority of the respondents 40% and 30% are strongly agree and respectively. The remaining 20% are neutral, 10% of them are strongly disagree and disagree. **Table 4-4 Stakeholder management practices in the company** 

Variables	<b>SD</b> (1)	DA (2)	NU (3)	AG (4)	SA (5)	Mean	SD
We have a clear understanding of the stakeholders' interests and needs	20.0	15.0	15.0	20.0	20.0	2.95	1.468
There is stakeholder management functional unit in your organization	100.0	0.0	0.0	0.0	0.0	1.00	0.000
We involve stakeholders in all aspects of the project lifecycle, from planning to delivery	10.0	15.0	20.0	25.0	30.0	3.50	1.357
Stakeholders' management approach is important towards the success of projects	5.0	5.0	20.0	30.0	40.0	3.95	1.146

Source: SPSS Descriptive Statistics Output, 2024

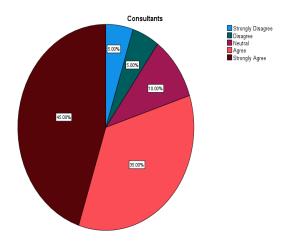
#### 4.7 The impacts of typical stakeholders

Variables	SD	DA	NU	AG	SA	Mean	SD
	(1)	(2)	(3)	(4)	(5)	1,10011	02
Clients	100.0	0.0	0.0	0.0	0.0	1.00	0.00
Contractors	0.0	0.0	10.0	30.0	90.0	4.50	0.688
Consultants	5.0	5.0	10.0	35.0	45.0	4.10	1.119
Suppliers	5.0	5.0	20.0	35.0	35.0	3.90	1.119
Beneficiaries	5.0	10.0	10.0	40.0	35.0	3.90	1.165
Sub-contractors	15.0	15.0	20.0	25.0	25.0	3.30	1.418
Regulatory authority	0.0	0.0	15.0	25.0	60.0	4.45	0.759
Community	0.0	0.0	5.0	35.0	60.0	4.55	0.605
Project Manager	5.0	5.0	15.0	35.0	40.0	4.00	1.124

#### Table 4-5 Impacts of typical stakeholders found in the company

Source: SPSS Descriptive Statistics Output, 2024

As illustrated from table 4.5, 100% of the respondents are strongly agreed that clients have a huge impact on the success of the projects. This shows that clients are the most critical stakeholders in Asmelash and son's company. Their impact can be profound, influencing various aspects of the projects from revenue generations to strategic direction. The second variables with (Mean=4.50 and SD=0.688) majority of the respondents with 60% strongly agree and 30% are agreed that the involvement of contractors have impact on the success of the project, the rest 10% of the respondents are neutral. Their impact is associated with construction methods, materials, and labor can affect the project's schedule, budget, and quality. The third variables with (Mean=4.10 and SD=1.119) as 45% and 35% are strongly agree and agree respectively that consultants have impact on the success of the project in the company. Consultants can have a significant impact on construction projects, and their role can be crucial in ensuring the project's success. The remaining 10% neutral, 5% disagree and 5% of the respondents are strongly disagreed.



#### Figure 4-5 The impact of consultant on the success of the projects

#### Source: SPSS Descriptive Statistics Output, 2024

As shown from table 4.5, the other variables that have impact on the success of projects in the company with regard to will be stated in the following sentence. Supplier with (Mean=3.90 and SD=1.119), beneficiary with (Mean=3.90 and SD=1.165), sub-contractors with (Mean=3.30 and SD=1.418), regulatory authorities (Mean=4.45 and SD=0.759), community with (Mean=4.55 and SD=0.605) and project manager (Mean=4.00 and SD=1.124). Moreover, majority of the respondents are strongly agreed and agree, that the typical stakeholders have impact on the success of projects. Suppliers provide specialized services and materials necessary for the construction project. Whereas, sub-contractors have specialized skills and expertise can have impact associated with the project's quality and efficiency. Regulatory authorities influence with respect to zoning regulations, building codes, and permits can affect the project's success related to feasibility and compliance. Regarding community towards construction activities can affect the success of projects with regard to local residents' daily lives, noise levels, and traffic congestion. The impact of project manager on construction projects is extensive and multifaceted. Their role is central to ensuring projects are completed successfully, balancing the needs and expectations of various stakeholders while maintaining quality, budget, and timeline commitments. Therefore, Successful project management involves balancing and addressing the needs and influences of all stakeholders to ensure project goals are meeting efficiently and effectively.

#### 4.8 Stakeholders communication approaches

Variables	SD	DA	NU	AG	SA	Mean	SD
v ar fables	(1)	(2)	(3)	(4)	(5)	witaii	50
Meetings	0.0	0.0	0.0	20.0	80.0	4.80	0.410
Emails	10.0	10.0	20.0	25.0	35.0	3.65	1.348
Site Visits	0.0	0.0	0.0	35.0	65.0	4.65	0.489
Phone Calls	0.0	0.0	15.0	35.0	5.0	4.35	0.745
Video Conferencing	15.0	15.0	25.0	15.0	30.0	3.30	1.455
News Letter	0.0	20.0	15.0	20.0	45.0	3.90	1.210
Social media	0.0	20.0	15.0	20.0	45.0	3.90	1.210

 Table 4-6 Stakeholder's communication approaches in the company

Source: SPSS Descriptive Statistics Output, 2024

Table 4.6 illustrates that the approaches of stakeholder communication in construction projects. As a result, of this the 80% of the respondents are strongly agree and the rest 20% are agrees that meeting is the most critical communication approaches for the stakeholders. The 35 % of majority of the respondents are strongly agree and 25% agree, 20 neutral and the remaining 20% are disagree and strongly disagree with regard to the email approaches of communication. The majority of the respondents with 65% of the respondents strongly agree and the remaining 30% are agreed by site visits are the critical approaches in construction projects. As 50% of the respondents are strongly agree and 35% of them are agreed with respect to phone calls, and the remaining 15% of the respondents are neutral.

As indicated from table 4.6 with (Mean=3.30 and SD=1.455) 30% and 15% of the respondents are strongly agree and agree respectively that video conferencing approaches in Asmelash and son's company. The second most 25% of the respondents are neutral, 15% of the respondents are disagreed, and the rest 5% of them are strongly disagree. As 45% of the respondents are strongly agree and 20% of them are agreed that social media like telegram, face book and related social media are applicable in the company. The remaining 20% of the respondents are neutral, 15% of them are neutral, 15% of them are disagree with respondents are neutral, 15% of the last

variables related to stakeholder communication approaches is the applicability of newsletter in the company. The table illustrate with (Mean=3.90 and SD=1.210) the majority of the respondents 45% are strongly agree and 20% of them are agree that newsletter communication approaches is applicable accordingly in the company. Unlikely, the other variable 20% of the respondents are disagreed and the rest 15% of the respondents are neutral.

#### 4.9 Stakeholders' management on the success of ASCC

#### 4.9.1 Regression Analysis

The study sought to determine the goodness of fit of the regression equation using the coefficient of determination between the overall independent variables and success of the Asmelash and son's company projects. Coefficient of determination established the strength of the relationship and explains the extent to which changes in the dependent variable with regard to stakeholder's engagement, stakeholder management practice, stakeholder's critical success factors, typical stakeholders and stakeholder's communication can be describe by the change in the independent variables with regard to project success.

#### 4.9.2 Model summary

Model summary' table, provides information about the regression line's ability to account for the total variation in the dependent variable

#### Table 4-7Model summary

Model	D	P Squara	Adjusted R	Std. Error of the
Model	R R Square	Square	Estimate	
1	.813 <sup>a</sup>	.661	.570	.929

Source: SPSS Regression Output, 2024

a. Dependent Variable: Success of the ASCC project

b. Predictors: (Constant), stakeholder's engagement, critical success factor, stakeholder's management practice, impact of typical stakeholder, and stakeholder's communication in the company As indicated from table 4.7 that the significant relationship between dependent variables in terms of the success of Asmelash and son's construction projects and independent variables related to stakeholders. Moreover, there is a strong relationship between the dependent and independent variables for the  $R^2$  value of 0.813 and adjusted  $R^2$  to the value 0.661. This shows that the independent variables related to stakeholders accounts 66.1% of the variation in the dependent variables associated with the success of projects in the company

#### 4.9.3 ANOVA results

#### Table 4-8 ANOVA results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	22.241	4	6.310	7.304	.002 <sup>b</sup>
	Residual	12.959	15	.864		
	Total	33.200	19			

a. Dependent Variable: project success

b. Predictors: (Constant), SE, CSFs, SMP, ITS, and SC

ANOVA (analysis of variance) is measured by F test shows that the significance of the factors in explaining the dependent variable. As indicated from the above table F for the model equals 7.304, with significance value of 0.001. This shows that p-value (sig-value) less than 0.05 and F stats greater than zero is rejected.

#### 4.9.4 Coefficient of correlation

**Table 4-9 Correlation coefficient output** 

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	4.013	2.225		1.804	.091
	CSFs	.075	.077	.787	.968	.348
	SE	.926	.484	2.199	1.915	.075
	SC	532	.216	-3.158	-2.466	.026
	SMP	.177	.183	.896	.969	.348

- a. Dependent Variable: project success
- b. Independent Variables: CSFs, SE, SC, ITS, and SMP
- Source: SPSS Coefficients Output, 2024

Based on the above table, the hypothesized multiple regression models become to determine the relationship between stakeholder management and the success of projects in Asmelash and son's company projects. The equation is followed by,

#### $(Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \epsilon)$

As per the SPSS generated the established regression equation yield with regard to the success of ASCC projects:

 $Y = 4.013 + 0.075X1 + 0.0926X2 - 0.532X3 + 0.177X4 + \epsilon$ 

From the finding in Table 4.19, the study found that holding stakeholders engagement, stakeholder management practice, critical success factors, and communication approaches, at zero success of the ASCC project would be constant with regard to the impacts of stakeholder 4.013. It was established that a unit increase in CSFs, while holding other factors (stakeholders engagement, stakeholders management practice, and stakeholders communication approaches) constant, will lead to an increase in success of the ASCC project by 0.075 (p = 0.348). Further, unit increase in stakeholders engagement, while holding other factors (CSFs, stakeholders management practice, and stakeholders communication approaches) constant, will lead to a stakeholders communication approaches) constant, will lead to decrease in success of the ASCC project by 0.926 (p = 0.075). A unit decrease in stakeholders communication, while holding other factors (stakeholders engagement practice, and CSFs constant, will lead to an increase in success of the ASCC project by -0.532 (p =.026). Moreover, unit increase in stakeholders management practice, while holding other factors (stakeholders engagement, CSFs, and stakeholders communication approaches) constant, will lead to an increase in success of the ASCC project by 0.177 (p = 0.348).

This shows that stakeholders communication contribute most to the success of the ASCC project followed by stakeholder management practice. At 5%, level of significance and 95% level of confidence, stakeholder's engagement, CSFs, stakeholder's management practice, and stakeholder's communication approaches are significant in success of the project.

#### **CHAPTER FIVE**

# 5 SUMMARY OF THE MAJOR FINDINGS, CONCLUSION, AND RECOMMENDATION

#### 5.1 Introduction

This is the last chapter of this thesis work it will present the summary of the major findings of the research, discusses the results, draw conclusion, and makes recommendations for this specific study.

#### 5.2 Summary of the major findings

Summary of the major findings of this study based on the gathering qualitative data for the interviews and quantitative data for questionnaires by the help of SPSS statistics 26, for analyzing the collected data. This study is focuses on the influence of stakeholder management towards the success of construction projects in Asmelash and son's company. The general profiles of the respondent with regard to gender majority of them are male and in terms of age majority of them are in between 26-35 years old. Although the educational background the majority of them are degree holder, with respect to position majority of them are site engineer and office engineer, and with regard to experience majority of the respondents in the company have 5-10 years of experience.

# 5.2.1 Determining the influence of project stakeholders engagement on the success projects

From the survey as perceived that the proper engagement of the internal and external stakeholders is not enough, stakeholders meeting are not held frequently, and there is lack of appropriate engagement of feedback mechanism are considered as negative influence or gaps of stakeholders management towards the success of projects in the company. On the other hand, stakeholders are aware of in every stage of the project cycle, feedback mechanism engaged appropriately, change requests are well documented and handled accordingly and stakeholders needs and expectation are being addressed properly are positive impact relatively on the success

of projects in the company. Effective communication and active engagement of stakeholders in every project cycle leads to be ensuring the success of projects.

# 5.2.2 Identifying the critical success factors of stakeholder management in the success of projects

According to the respondents' response conducted on the general questions based on identifying the critical success factors of stakeholder management towards the success of projects. Formulating a clear mission statement, promoting a good relationship among stakeholders, analyzing the change of stakeholders, and analyzing the satisfaction of stakeholders, analyzing stakeholder's conflicts and coalition are critical for ensuring success in the company. Although, the ability to formulate appropriate strategies for the management of stakeholder, effectively resolution of conflicts between stakeholders, predicting the future behavior of stakeholders in the project ,ensuring effective communication with stakeholders helps for the success of the project. In addition to this, managing stakeholders with social responsibilities, appropriate prioritization of stakeholders, properly categorizing stakeholders, assessment and prioritization of stakeholder's attributes and identifying relevant stakeholders properly are essential to ensure the construction projects in the company.

#### 5.2.3 Evaluate the stakeholder management practice the company

The outcome of the analysis with regard to the stakeholder management practice in the company shows that, there is lack of clear understanding of stakeholder's interest, needs, and expectation. On the other hand, there is no stakeholder management functional unit Asmelash and son's organization, this functional units of stakeholder management is undertaken by different project teams appropriately in the company. However, the project teams involve stakeholders in all aspects of the project lifecycle, from initiation to delivery stage of the projects. Stakeholders' management approach is important towards the success of projects in the company. Finally, it was found that there is a poor practice in terms of stakeholder management.

#### 5.2.4 Identifying the typical stakeholders in Asmelash and Son's company

The typical stakeholders involved in the company are clients, contractors, consultants, suppliers, beneficiaries, sub-contractors, regulatory authority, community, and project manager. Clients are the most influenced or influenced by stakeholders from the project outcomes in the company. However, the other stakeholders have their own impact on the success of projects. Therefore, the project manager he/ she should engage and communicate the typical stakeholder involved in the project based on their influence, interest, expectation, power, knowledge and their level of satisfaction accordingly in the company to enhance the success of the projects.

### 5.2.5 Identify stakeholder's communication systems in the company

The outcome of the analysis shows that the stakeholder communication systems, which are listed below meetings, emails, site visits, phone calls, video conferencing, social media, and newsletter are identified. Meeting and site visits are critical for the communication approaches while achieving the success of projects in the company. However, multi-channel communication approaches is better to use appropriately in the company.

#### 5.3 Conclusion

The study aimed to investigate the influence of stakeholder's management on the success of construction projects in Asmelash and Son's Construction Company. The finding of this research demonstrates that stakeholder's management is a crucial factor in determining the success of construction projects in the company.

The findings of this study demonstrate that project stakeholder's engagement has a significant influence on the success the projects. Moreover, the effective engagement of stakeholders leads to improved project outcomes, increased stakeholder satisfaction, and reduced project risks. Similarly, it indicates that effective engagement and communication, collaboration, fostering sense of ownership, commitment among stakeholders, and involvement of stakeholders at every project cycle are essential for achieving project goals and ensuring the success of projects.

The study's results also suggest that the critical success factors of stakeholder management includes Formulating a clear mission statement, Identifying relevant stakeholders, assessment

and prioritization of stakeholders attributes, Properly categorizing stakeholders, Appropriate prioritization of stakeholders in the project are essential to ensure success. Similarly, managing stakeholders with social responsibilities, Ensuring effective communication with stakeholders helps for the success of the project, predicting the future behavior of stakeholders in the project, effectively resolution of conflicts between stakeholders. Beside to this, analyzing stakeholders conflicts and coalition, ability to formulate appropriate strategies for the management of stakeholders, analyzing the satisfaction of stakeholders, analyzing the change of stakeholders, promoting a good relationship among stakeholders are critical factors that contribute the success of projects.

The study's result indicates that there are no practical stakeholder's management practices in the Asmelash and Son's construction company. However, the company should have stakeholder's management units in order to assess analysis, categorize, prioritize stakeholder and implementing appropriate communication planning to ensure that all stakeholders should be informed and involved throughout the project lifecycle.

The study's findings also highlight the importance of identifying and understanding the typical stakeholders involved in the projects. The results suggest that the company's stakeholders include clients, contractors, consultants, suppliers, beneficiaries, sub-contractors, regulatory authority, community, and project manager. According to this, the company should engage the typical stakeholders based on their level of influence, interest, power, and expectation in order to ensure the success of the projects.

The study's provides that meetings, emails, site visits, phone calls, video conferencing, social media, and newsletter communication approaches are essential for managing the typical stakeholders found in the company. Moreover, this study results suggest that the company should adopt a multi-channel communication approaches for the stakeholders accordingly towards the success of the project.

On the other hand, this study suggest that neglecting stakeholders' needs, power, influence and expectations can lead to project delays, cost overruns, quality compromise, dissatisfaction of stakeholders, missing scopes and the success of project can't be ensured or ultimately project failure.

#### 5.4 Recommendation

Based on the findings of this study, the following recommendations should make to improve stakeholder management in the company towards the success of the projects:

- Asmelash and Son's Construction Company should appropriately engage project stakeholders by involving all relevant stakeholders in the project planning and implementation process. This can be achieved through using appropriate regular meetings, and feedback sessions with them.
- The company should adopt stakeholder's management units in order to have effective communication, for decision making, conflict resolution, to reduce risks, and to enhance the success of projects. Since, without the involvement of stakeholders nothing can undertake or achieved in every single projects.
- It is recommended that developing a comprehensive stakeholder management plan that outlines the roles, responsibilities, and expectations of each stakeholder group is essential to ensure that stakeholders are informed and engaged throughout the project lifecycle.
- The company should conduct thorough stakeholder analysis to identify and analyze the needs, interests, and expectations of all stakeholders involved in the project towards identifying the potential conflicts and issues early in the project planning process.
- It is advisable that the company should improve its communication systems appropriately through multi communication channels in the projects.
- Finally, this study recommended that further research on stakeholder management is needed to better understand the complexities of stakeholder relationships in construction projects in Ethiopia specifically Asmelash and son's Construction Company and to develop appropriate strategies for managing these relationship among the typical stakeholders found in the company.
- By implementing these recommendations, Asmelash and Son's construction company can adopt and improve its stakeholder management practice to achieve project success by fulfilling the required specifications towards achieving project with time schedule, estimated budget, required quality, with its scope, by minimizing the risks, and increase stakeholders satisfaction throughout the projects.

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#### **Appendix A: Research Questionaries**

## ST. MARY'S UNIVERSITY SCHOOL OF POST GRADUATE STUDIES

#### Dear sir/Madam

My name is Gezahagn Gugssa. I am attending master's program on Project Management at School of Business, St. Mary's University Post Graduate Studies. I am currently conducting research on the work entitled in The Influence of Stakeholders' Management on the Success of Construction Projects: The Case Study Asmelash and Son's Construction Company; for the partial fulfillment of the requirement of master's degree.

I believe that your work experience will greatly contribute to the success of my project work. Therefore, you are kindly requested to fill up this questionnaire honestly to meet my desired objectives. The information you give will be applying for academic purposes and will be treated with high degree of confidentiality. 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 hesitate to contact me by the following address.

- ✤ Mobile No: -+251-928-315882
- Email :- <u>gezgugssa@gmail.com</u>

#### Gezahagn Gugssa

Thank you in advance for your willingness!

**General Instructions**: - Herein below are open-ended, closed-ended, and mixed questions. Respondent are kindly asked to answer from their expertise, perspective and experience gained on construction projects related to stakeholders management in Asmelash and Son's Construction Company.

- $\Box$  Please, just tick " $\sqrt{}$ " the bracket provided in front of each questions
- □ Write opinion on the space provided for those questions
- $\Box$  There is no need to write your name and your address

#### **PART I:-** General Demographic Information of The Respondent

1.	What is your Gender?	
	Male	Female
2.	What is your Age?	
	Below 25	Between 36-45
	Between 26-35	Above 45
3.	What is your educational backgroun	d?
	Certificate/Diploma/Levels	Bachelor's Degree
	Post Graduate Degree	Doctorate Degree
	If other, please specify	
4.	How many years have you been wor	king in construction projects?
	Less than 5 years	Between 10 and 15
	Between 5 and 10	More than 15 years
5.	What is your position in the constru	ction projects?
	Project manager	Site Engineer
	Team leader	Office engineer
	If other, please specify	

## PART II: - Stakeholders Engagement on the Success of Construction Projects

Here, the item has five-point based on Likert type scales; the scales have the following meaning, Strongly Disagree (1), Disagree (2), Neutral (3), Agree (4), and Strongly Agree (5)

		(5)	(4)	(3)	(2)	(1)
No	Description	Strongly	Agree	Neutral	Disagree	Strongly
		Agree				Disagree
6.	Internal and external stakeholders of the					
	project are engaged properly					
7.	Stakeholders meeting are held frequently					
8.	Stakeholders are aware of in every stage of					
	the project cycle					
9.	Feedback mechanism engaged					
	appropriately					
10.	Effective communication leads to be					
	ensure the success of projects					
11.	Stakeholders needs and expectation are					
	being addressed properly					
12.	Change requests are well documented and					
	handled accordingly					
13.	Active engagement of stakeholder in every					
	project cycle would have been contribute					
	for the success of project					

## PART III: - Critical Success Factors of Stakeholder Management

		(5)	(4)	(3)	(2)	(1)
No	The critical success factors in the	Strongly	Agree	Neutral	Disagree	Strongly
	construction projects	Agree	0		U	Disagree
14.	Formulating a clear mission statement of the					
	project					
15.	Identifying relevant stakeholders properly					
16.	It is important to assessment and					
	prioritization of stakeholders attributes					
	based on (power, urgency, impact, interest,					
	expectation and proximity)					

17.	Understanding area of stakeholders'			
	interests			
18.	Properly categorizing stakeholders based on			
	( claims, roles, rights, interest)			
19.	Appropriate prioritization of stakeholders in			
	the project are essential to ensure success			
20.	Managing stakeholders with social			
	responsibilities (economic, legal,			
	environmental, and ethical consideration)			
21.	Ensuring effective communication with			
	stakeholders helps for the success of the			
	project			
22.	Predicting the future behavior of			
	stakeholders in the project			
23.	Effectively resolution of conflicts between			
	stakeholders			
24.	Analyzing stakeholders conflicts and			
	coalition			
25.	Ability to formulate appropriate strategies			
	for the management of stakeholders			
26.	Analyzing the satisfaction of stakeholders			
27.	Analyzing the change of stakeholders			
28.	Promoting a good relationship among			
	stakeholders			

	Stakeholders management	(5)	(4)	(3)	(2)	(1)
No	practice	Strongly	Agree	Neutral	Disagree	Strongly
		Agree				Disagree
29.	We have a clear understanding of the					
	stakeholders' interests, needs, and					
	expectations					
30.	There is stakeholder management functional					
	unit in your organization					
31.	We involve stakeholders in all aspects of					
	the project lifecycle, from planning to					
	delivery					
32.	Stakeholders' management approach is					
	important towards the success of projects					

## PART IV: - Stakeholders Management Practice

**PART V: - Typical Stakeholders** 

**Based on your experience and knowledge**, who are the typical stakeholders found in construction projects based on their level of impact?

	Stakeholders in construction	(5)	(4)	(3)	(2)	(1)
No	projects	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
33.	Clients					
34.	Contractors					
35.	Consultants					
36.	Suppliers					
37.	Beneficiaries					
38.	Sub-contractors					
39.	Regulatory authority					
40.	Project Team					
41.	Community					
42.	Project manager					

## PART VI: - Stakeholders Communication Approaches

**Based on your experience and expert perspective**, which communication channel is applicable in your organization?

No	Stakeholders communication channels	(5) Strongly Agree	(4) Agree	(3) Neutral	(2) Disagree	(1) Strongly Disagree
43.	Meetings					
44.	Emails					
45.	Site Visits					
46.	Phone Calls					
47.	Video Conferencing					
48.	Social Media					
49.	News Letter					

**50.** Based on your experience and expert opinion, what are the project success indicators which have influenced or influenced by the success of projects?

#### Interview Questions

# ST. MARY'S UNIVERSITY SCHOOL OF POST GRADUATE STUDIES

Interview Questions for the Asmelash and son's Company Staff Members

Dear sir/Madam

My name is Gezahagn Gugssa. I am attending master's program on Project Management at School of Business, St. Mary's University Post Graduate Studies. I am currently conducting research on the work entitled in The Influence of Stakeholders' Management on the Success of Construction Projects: The Case Study Asmelash and Son's Construction Company; for the partial fulfillment of the requirement of master's degree. Thus, I am kindly requesting you to give feedback for all the questions based on your experience in the project.

- **1.** Do you analyze stakeholders? What methods do you use for analyzing stakeholders' concern and need?
- 2. Did you engage stakeholders in Asmelash and Son's construction project? Why? How you engage stakeholders in your project?
- **3.** In your expert opinion, do you think engagement of stakeholders' have influenced on the success of the projects?
- **4.** Look at the listed methods and the critical success factors of stakeholders below. To what Extent do you think the listed methods have direct influence on the success of project?

The 15 CSFs are as follows:

- 1. Managing stakeholders with social responsibilities (economic, legal, environmental & ethical);
- 2. Formulating a clear statement of project missions;
- 3. Identifying stakeholders properly;
- 4. Understanding area of stakeholders' interests;
- 5. Exploring stakeholders' needs and constraints to projects;
- 6. Assessing stakeholders' behavior;
- 7. Predicting the influence of stakeholders accurately;

- 8. Assessing attributes (power, urgency, and proximity) of stakeholders;
- 9. Analyzing conflicts and coalitions among stakeholders;
- 10. Compromising conflicts among stakeholders effectively;
- 11. Keeping and promoting good relationships;
- 12. Formulating appropriate strategies to manage stakeholders;
- 13. Predicting stakeholders' reactions for implementing the strategies;
- 14. Analyzing change of stakeholders' influence and relationships during the project process;
- 15. Communicating with and engaging stakeholders properly and frequently
- **5.** What are the stakeholders' management practice approaches in Asmelash and Sons Construction Company? In your point of view, do you have any suggestion with regard to stakeholder's management approaches that should follow in order to ensure the success of project?
- **6.** In your opinion, what factors of communication of stakeholders contributed for the most successful completion of construction projects?
- 7. How do you evaluate the importance of stakeholders in the success of construction project?
- **8.** What is your recommendation with regard to the influence of stakeholder's management on the success of construction projects?