

Research Article

The Effect of Stakeholder Management on Project Success: In the Case of MCG Construction PLC

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Abstract

This study investigates the effect of stakeholder engagement on project performance within construction projects undertaken by MCG Construction PLC in Moyale town, addressing the persistent challenge of project failures despite the acknowledged importance of effective stakeholder management. Utilizing a robust quantitative methodology with a descriptive and explanatory research design, the study analyzed data from a representative sample of project stakeholders. Data were collected via self-administered questionnaires using a multi-point Likert-type scale and were subsequently processed and analyzed with a recent version of SPSS. The analysis, which included a Multiple Linear Regression model, was specifically conducted to examine the relationships between the independent variables stakeholder identification, planning engagement, managing engagement, and monitoring engagement and the dependent variable, project success. The findings indicate that stakeholder identification, planning engagement, and managing engagement all exert a significant and positive influence on project success. Conversely, the study found that stakeholder monitoring engagement did not have a statistically significant impact on project success, a result that diverges from some existing literature and suggests that excessive supervision may not always be beneficial. These findings collectively underscore the critical importance of meticulous stakeholder identification, robust planning, and proactive management of relationships for enhancing project outcomes. The study recommends that MCG Construction PLC prioritize these key areas to address existing gaps and improve overall project performance in its complex operating environment, thereby providing valuable insights for improving management practices.

Keywords

Project Success, Stakeholder Engagement, Mixed Method, Stakeholder Identification, Monitoring

1. Introduction

Projects are unique processes, consisting of coordinated activities with defined start and end dates, aimed at achieving specific objectives in line with particular requirements [49]. Central to project success are stakeholders, whose benefits drive the project and whose objective achievement signals its success [47]. Effective management of stakeholder expectations and interests is thus vital. Early identification and un-

derstanding of stakeholder needs foster a conducive environment for success [4], as project management considers stakeholder relationships indispensable for proper development and satisfaction.

Today's projects often operate in complex, dynamic, and uncertain environments, necessitating efficient and effective execution mechanisms [58]. Project stakeholders are indi-

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viduals, groups, or organizations actively involved in, or impacted by, a project, potentially influencing its outcomes. Their involvement in project identification, planning, implementation, and monitoring significantly enhances success [32]. Efficient management of the project-stakeholder relationship is a critical determinant of success [55].

Historically, stakeholder management has often been spontaneous, leading to unpredictable outcomes. To counter this, various methods emphasize management functions: planning, organizing, motivating, directing, and controlling resources to handle stakeholder strategies. Project stakeholder management involves identifying all impacted parties, analyzing their expectations, and developing strategies for effective engagement [45]. It outlines four key processes: identification, planning, managing engagement, and controlling engagement. For success, teams must identify and engage all stakeholders, determine their requirements, and manage their influence [19]. Early identification of stakeholders and their needs is crucial for effective communication and management planning [6].

Inadequate stakeholder management frequently leads to conflicts, particularly in construction projects. Project managers must acknowledge concerns and reconcile conflicting interests [41]. Throughout a project's lifecycle, stakeholder expectations can significantly affect outcomes. Successful implementation relies heavily on addressing these needs. Beyond mere identification, evaluating each stakeholder's interest is necessary to articulate their expectations regarding project decisions [23]. The project management literature underscores four reasons for stakeholder importance: they contribute resources, set success criteria, can cause risks through resistance, and are affected by the project. Project stakeholder analysis aims to enable the team to "anticipate opportunities and problems" proactively, helping achieve goals and understand interests [13].

Despite the acknowledged importance of effective stakeholder management for project performance and success [42], many projects continue to experience challenges such as time and budget overruns, unmet specifications, and unfulfilled objectives [35, 19]. Stakeholder engagement is a continuous process, and understanding its role is crucial for project performance. In the context of the GIZ-QEP construction building project, stakeholders are key influencers, and their volume and diversity significantly impact outputs. Current projects within this program encounter challenges and delays in implementation. Studying the effect of stakeholder engagement on these projects will help improve performance and identify existing gaps, providing vital knowledge to the project management team.

A complex and dynamic project environment means inadequate stakeholder engagement can introduce unexpected problems and uncertainties [55]. Proactive measures are essential to minimize these issues, as a project manager's ability to correctly identify and manage stakeholders can determine success or failure [45]. While extensive literature exists, practical application of stakeholder engagement concepts

remains a challenge [1]. Despite empirical links between stakeholder engagement and project performance, persistent problems highlight a gap in translating research findings into practice. Therefore, this study aims to bridge this gap by empirically examining the effect of stakeholder engagement on construction projects in Moyale town, where regional boundaries and identity issues create sensitivity. This investigation will identify specific mechanisms requiring attention to foster project success and productive cooperation among stakeholders.

2. Literature Review

This section synthesizes the extant literature on project management, focusing on key theoretical foundations, core concepts of project stakeholders and performance, the processes of stakeholder engagement, and a review of empirical studies. It culminates in identifying specific research gaps that this study aims to address.

2.1. Theoretical Foundations

2.1.1. Theoretical Review

A theoretical review systematically identifies existing hypotheses, clarifies their interrelationships, assesses the extent of their empirical validation, and facilitates the development of new, testable hypotheses. This process builds a strong theoretical framework for a research study, as theories are created to explain, predict, and understand events, often questioning and expanding on what we currently know [44].

2.1.2. Concept of Project

A project is fundamentally a temporary endeavor with a defined timeline, undertaken to create a unique product, service, or result, utilizing various resources such as personnel, materials, and equipment [11]. Projects follow a typical lifecycle encompassing initiation, definition, planning, execution, and closure. Characterized by a defined scope and constraints of time and budget, projects leverage diverse knowledge and skills. They are instrumental in sustainable national development, generating capital and ensuring economic flow [27]. Projects are distinct from routine organizational processes, embodying a unique, evolving work approach rather than repetition [26].

2.1.3. Concepts of Project Management

Project management entails systematically applying knowledge, skills, tools, and techniques to project activities in order to meet specific requirements through integrated processes [45]. It enables organizations to execute projects effectively and efficiently, aiding in achieving business objectives, satisfying stakeholder expectations, enhancing predictability, delivering timely products, resolving issues, managing risks,

optimizing resource use, and navigating constraints (e.g., scope, quality, schedule, and cost) [10]. This organized approach leverages client involvement to meet sponsor needs and deliver incremental business value, which often arises from critical business needs that have not been met.

2.1.4. Concept of Construction Project

A construction project is the human process of erecting structures such as roads, bridges, or buildings [57]. This process necessitates the mobilization of capital, specialized personnel, materials, and equipment on a specific site, guided by designs and contracts. The construction industry significantly contributes to economic development through output generation, employment, income redistribution, and by providing essential physical and social infrastructure [57]. The industry, characterized by its complexity, fragmented nature, and numerous parties (clients, consultants, contractors, regulators), is particularly sensitive to poor contract performance [5].

2.1.5. Goal-Setting Theory

Developed by [31], Goal Setting Theory posits that specific, challenging, yet attainable goals lead to superior performance compared to vague objectives [30]. Its five core principles are clarity, challenge, commitment, feedback, and task complexity. Clear, measurable goals enhance achievement, while appropriate difficulty sustains motivation. Commitment, influenced by importance and self-efficacy, drives goal attainment. Feedback is crucial for progress monitoring, and for complex tasks, sufficient resources are paramount. Project managers can apply this theory to inspire teams by collaboratively setting explicit, challenging goals and fostering a culture of information sharing and feedback to enhance project success.

2.1.6. Resource-Based Theory

Resource-Based Theory argues that possession of strategic resources provides an organization with a competitive advantage, potentially leading to strong profits. [6] In project contexts, this theory implies that project managers must effectively utilize available resources throughout the project lifecycle by identifying and classifying firm resources, appraising strengths and weaknesses, identifying opportunities for better utilization, and assessing their rent-generating potential [24]. This theory underscores the necessity of proper planning, implementation, and monitoring of project resources to maximize performance [40].

2.2. Core Concepts of Stakeholder Management & Project Success

2.2.1. Concepts of Stakeholder

Stakeholders actively participate in projects through goal formulation, decision-making, and consultation. Their in-

volvement is critical; lack thereof often leads to project failure. Engaging stakeholders, including community members and donors, increases project acceptance and secures necessary funding [61]. Stakeholder management is a vital project management knowledge area, crucial for smooth project operation and risk mitigation throughout the lifecycle, necessitating structures for communication and conflict management [56, 53]. Construction projects typically involve numerous and diverse stakeholders, from owners and designers to regulatory authorities and community representatives. Effective stakeholder management, especially early engagement of external stakeholders, is paramount in this complex industry [42].

2.2.2. Project Performance

Project performance is typically measured by its success, quantified through performance measurement systems that collect and report data on project inputs, efficiency, and effectiveness [29]. The triple constraints—scope, time, and cost—are key variables for evaluating project performance [7]. Project scope defines the project's boundaries, the schedule outlines delivery timelines, and cost includes estimated expenditures. Successful project completion necessitates delivering the planned scope within the agreed schedule and budget [46, 51]. Effective management of these constraints ensures optimal resource utilization and high-quality project outcomes.

2.2.3. Stakeholder Engagement Processes

Stakeholder engagement involves a series of interconnected processes vital for project success:

- 1) *Stakeholder Identification*: This is an ongoing, iterative process throughout a project's lifecycle. It recognizes that diverse stakeholders contribute knowledge and support, and their early identification, analysis of varying expectations, and subsequent management are critical [3, 59]. Stakeholder analysis helps anticipate opportunities and problems [13], leading to a stakeholder register that classifies stakeholders (internal vs. external) and provides relevant information [51, 49].
- 2) *Planning Stakeholder Engagement*: This phase involves developing strategic approaches to effectively involve stakeholders based on their needs, expectations, and potential project impact [46]. It yields an actionable plan to manage stakeholders, detailing communication strategies and actions to foster their creative involvement in project decisions and execution [51]. The resulting stakeholder management plan documents strategies to maximize support and mitigate negative impacts throughout the project lifecycle [16, 50].
- 3) *Managing Stakeholder Engagement*: This process involves continuous communication and collaboration with stakeholders to meet their needs, address issues, and foster appropriate involvement [46]. It enhances support, minimizes resistance, and ensures stakeholders

understand project goals, benefits, and their contribution to success [14]. Effective engagement reduces conflicts and costs through increased participation in decision-making [34].

- 4) *Monitoring Stakeholder Engagement*: This final process involves continually assessing project stakeholder relationships and adjusting strategies to maintain effective involvement [46].

It makes sure that information needs are fulfilled and checks how engaged everyone is, so changes can be made quickly to handle new situations and avoid problems, which improves efficiency [50, 48, 8].

2.3. Empirical Evidence

Empirical studies consistently demonstrate a significant positive relationship between stakeholder engagement and project performance across various dimensions. Research highlights positive effects from managing, monitoring, and planning stakeholder engagement on project outcomes [19, 60, 33, 36]. Studies also emphasize how important good communication is for understanding what stakeholders need and affecting costs, which helps with smooth teamwork and successful results [4, 12].

Nguyen found that effective stakeholder management mediates the relationship between stakeholder characteristics and project performance [39]. [38] revealed significant positive effects of stakeholder engagement and monitoring on project implementation. [37] indicated that all stakeholder management variables positively and significantly affect project performance. Additionally, research on various types of projects, such as construction, roads, and large railway projects, consistently shows that getting stakeholders involved positively impacts project performance, how well projects are carried out, and their overall success [34, 43, 28, 2]. These findings collectively affirm the crucial role of comprehensive stakeholder engagement practices in achieving desired project objectives.

2.4. Research Hypothesis

The following working hypothesis is formulated to test the causal relation between the dependent and independent variables.

H1: There is a positive and significant relationship between stakeholder identification and the success of projects under MCG Construction PLC.

H2: There is a positive and significant relationship between planning stakeholder engagement and the success of projects under MCG Construction PLC.

H3: There is a positive and significant relationship between managing stakeholder engagement and the success of projects under MCG Construction PLC.

H4: There is a positive and significant relationship between monitoring stakeholder engagement and the success of projects under MCG Construction PLC.

jects under MCG Construction PLC.

2.5. Research Gaps

Despite the established empirical link between stakeholder engagement and project performance, several research gaps persist, particularly concerning project implementation in contexts like Ethiopia. The disconnect between theoretical concepts of stakeholder engagement and their effective practical implementation highlights a need for context-specific insights. This study aims to fill existing knowledge gaps by focusing on the construction building project, thereby serving as a foundational reference for future project management studies in the region.

Specifically, this research addresses:

- 1) *Context Gap*: While global and national research exists, a significant contextual gap remains in strategic/border towns like Moyale. Understanding the unique stakeholder dynamics, cultural factors, and governance structures in this specific geographical and organizational context is crucial for effective stakeholder management and project success.
- 2) *Theoretical Gap*: Although stakeholder management is recognized as essential, there's a need for further theoretical development to fully comprehend the underlying mechanisms through which it influences project success. Integrating existing theories like stakeholder theory and social exchange theory and exploring their application in the unique Moyale town context can contribute to a deeper theoretical understanding.
- 3) *Evidence Gap*: Limited empirical research specifically examines the effect of stakeholder management on project success in Moyale town. A knowledge void exists regarding the precise stakeholder management practices employed, the challenges encountered, and the strategies utilized to address them in this specific locale. Empirical investigation is necessary to bridge this gap.

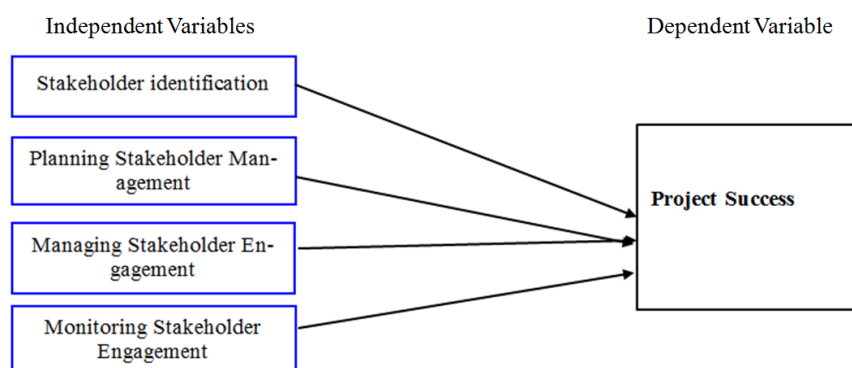
Addressing these research gaps will offer useful information about the effect of stakeholder management on project success in Moyale town. This will inform project managers, policymakers, and organizations in the region about effective stakeholder management strategies and practices that can enhance project outcomes, while simultaneously refining existing theories and frameworks in the broader field of project management.

2.6. Conceptual Framework

The conceptual framework for this study stems from the review of the literature presented above. As a result, the study is predicated on the idea that stakeholder engagement influences project success. The variables examined to have an effect on project success have been selected by considering the four fundamental processes for engaging project stake-

holders in project management. These four processes are identifying the project stakeholders, planning the stakeholder engagement, managing their engagement, and monitoring the

stakeholder engagement. This study's conceptual framework was chosen after determining that these proxies are used to gauge stakeholder engagement and align with theories.



Source: Author Own.

Figure 1. Conceptual Framework.

3. Materials and Methods

The study primarily employed a robust quantitative methodology to investigate the influence of stakeholder management on project performance in the context of the MCG construction PLC. This approach utilized a descriptive and explanatory research design to identify associations and clarify cause-and-effect relationships between variables. From a target population of 659 different groups of project stakeholders, like the contractor group of 55, Project employees 594 and consultant 10 members, a representative sample size of 249 was determined using simple random sampling and Yamane's formula, ensuring an unbiased selection process. Data collection was done using organized questionnaires that participants filled out themselves, which were carefully created by modifying questions from earlier studies and using a five-point Likert scale for both types of variables. To ensure the content validity of the questionnaire, a pilot study was conducted with 40 respondents, leading to essential wording adjustments and alignment with the study's objectives. Furthermore, the reliability for internal consistency was rigorously examined using Cronbach's alpha, with all variables successfully surpassing the acceptable threshold of 0.7. The gathered data were analyzed using SPSS Version 26.0, which included basic statistics like frequency, mean, and standard deviation, as well as a Multiple Linear Regression Model to thoroughly explore how factors like identifying stakeholders, planning how to manage them, engaging with them, and monitoring their involvement affect the project's success.

Model Specification

To analyze the effect of independent variables (stakeholder identification, planning stakeholder management, managing stakeholder engagement, and monitoring stakeholder

engagement) on the dependent variable (project performance), a linear regression model will be developed and tested to achieve the desired objective of the study. In this regard, the following model was developed:

$$Y = \alpha + \beta^1 X^1 + \beta^2 X^2 + \beta^3 X^3 + \beta^4 X^4 + \beta^5 X^5 + \mu_i$$

Where,

Y = dependent variable (Project Success)

α = constant

β^i = Independent variable coefficient

X_i = Independent variable

μ_i = Error terms

X^1 = Stakeholder identification

X^2 = Stakeholder Planning Management

X^3 = Stakeholder Managing Engagement

X^4 = Stakeholder Monitoring Engagement

4. Result and Analysis

4.1. Reliability Statistics

Reliability is an attribute of an instrument used to indicate the consistency among the items within each scale. This study established the reliability of the measurement instrument. The scale construct questions for each variable were designed to assess the intended concept. To evaluate how effectively the items within each scale construct consistently measured the same underlying idea, the researcher employed [9]. The Cronbach's alpha results, calculated using SPSS 26, are presented in the table below, illustrating the influence of stakeholder identification, planning stakeholder management, managing stakeholder engagement, and monitoring stakeholder engagement on project performance in the context of

the MCG construction PLC. According to [54], an acceptable Cronbach's alpha level typically ranges from 0.70 to 0.95 across different studies. Alpha values below 0.70 might suggest weak inter-item correlation within the construct. Table 1 below shows the Cronbach's alpha values for all employed variables, ranging from 0.764 to 0.930, demonstrating the reliability of the questionnaire and the collected data.

Table 1. Reliability Test (Cronbach's Alpha).

Variables	Number of items	Cronbach's Alpha
Stakeholder Identification	5	0.834
Stakeholder Planning	5	0.870
Stakeholder Managing	5	0.764
Stakeholder Monitoring	5	0.787
Performance	5	0.789
Overall	25	0.930

Source: Author Own.

4.2. Demographic Result and Descriptive Statistics

The questionnaire commenced with a section on demographic characteristics to gauge the composition of the sample population. This initial section aimed to gather a limited set of data pertaining to the respondents' demographic backgrounds. Table 2 summarizes and describes the demographic characteristics of the respondents, including gender, age, education status, and stakeholder types.

Accordingly, the gender composition shows that both males and females participated in the study. Gender distribution revealed a noticeable male majority, with 154 respondents (64.7%) being male compared to 84 females (35.3%).

Regarding the age of the respondents, the largest group, 106 respondents (44.5%), fell within the 25-34 age bracket. This was followed by 82 respondents (34.5%) in the 35-44 age group. The youngest group (18-24 years old) comprised 12 respondents (5%), while those aged 45-54 accounted for 21 respondents (8.8%). The smallest group, individuals over 55, constituted 17 respondents (7.1%).

Furthermore, educational attainment showed that the largest group of respondents, 136 individuals (57.1%), had completed high school. Following this, 44 respondents (18.5%) held a certificate, 28 respondents (11.8%) held a diploma, and 24 respondents (10.9%) possessed a degree. The smallest group, 4 respondents (1.7%), held a Master's degree or above. The educational status data indicates that a substantial majority (57.1%) had high school education, with post-secondary qualifications (Certificate, Diploma, Degree, Master's and

above) collectively accounting for 42.9%.

Lastly, the stakeholder types indicate that the overwhelming majority of respondents were project employees, totaling 217 individuals (91.2%). Contractors constituted 17 respondents (7.1%), while consultants were the smallest group, with 4 respondents (1.7%). The distribution indicates that the experiences of project employees primarily shape the findings.

Table 2. Demographic and Socio-economic Characteristics of Respondents.

	Category	Frequency	Percentage
Gender	Male	154	64.7
	Female	84	35.3
	Total	238	100
Age	18-24	12	5
	25-34	106	44.5
	35-44	82	34.5
	45-54	21	8.8
	Above 55	17	7.1
	Total	238	100
Education Statuses	High school	136	57.1
	Certificate	44	18.5
	Diploma	28	11.8
	Degree	24	10.9
	Master's and above	4	1.7
	Total	238	100
Stakeholder types	Consultant	4	1.7
	Contractor	17	7.1
	Project employees	217	91.2
	Total	238	100

Source: Author Own.

Table 3 presents a descriptive overview of key variables, utilizing mean scores and standard deviations derived from a five-point scale administered to 238 respondents. The interpretation of these scores is facilitated by categorizing them into low (below 2), moderate (2 to below 3), and high (3 and above) perception levels [52]. The results show that stakeholder identification (Mean = 3.67, Std. Deviation = 1.064), stakeholder management (Mean = 3.47, Std. Deviation = 0.814), and stakeholder monitoring (Mean = 3.66, Std. Deviation = 0.776) all exhibit high levels of perceived engagement, with stakeholder monitoring having the highest mean and consistency among these. Stakeholder

planning registers a moderate perception with a mean of 2.90 and a standard deviation of 0.971, indicating it is just at the border of high perception. Overall Project 'Success' is also perceived as high, with a mean of 3.35 and a standard deviation of 0.854. This data suggests that while most aspects of stakeholder engagement and overall project success are highly perceived, there is a slightly lower, though still borderline high, perception concerning stakeholder planning.

Table 3. Descriptive statistics.

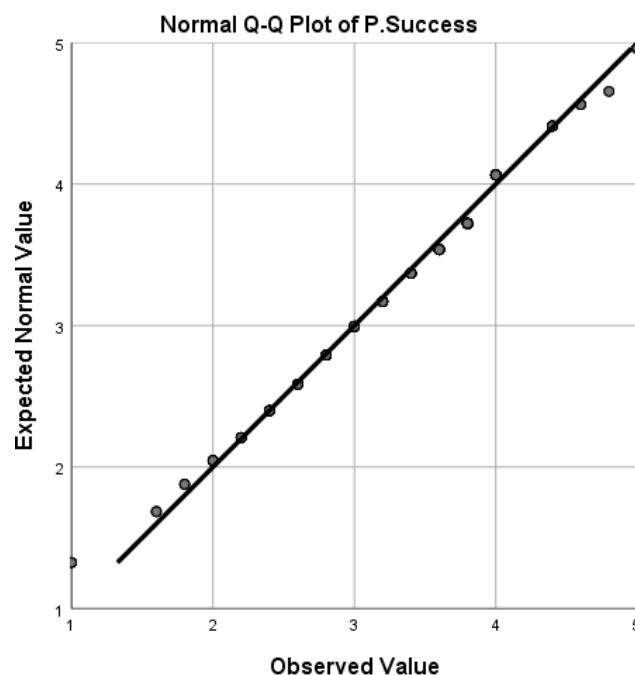
Variables	N	Mean	Std. Deviation
Stakeholder identification	238	3.67	1.064
Stakeholder Planning	238	2.90	0.971
Stakeholder Managing	238	3.47	0.814
Stakeholder Monitoring	238	3.66	0.776
Project Success	238	3.35	0.854

Source: Author Own.

4.3. Test for the Linear Regression Model Assumption

4.3.1. Linearity Test

According to [21], the linearity test for the connection between variables is its correlation method. This relationship can be visually represented using a scatter plot, where pairs of values for two metric variables are mapped as individual points, with the aim of identifying a straight-line trend in the plotted data. [18] says homoscedasticity means the error amount is constant regardless of the predictor variables. In simple terms, when looking at a dependent variable, homoscedasticity means its spread of variance is the same across all levels of the predictor variables, which can be seen as a cloud of dots on a scatter plot. On the other hand, non-homoscedasticity is usually considered a funnel shape, which shows that the error variance goes up (or down) in a regular way as the dependent variable. Figure 2 below illustrates the study's linearity results. This suggests that the distribution of project success is approximately normal.

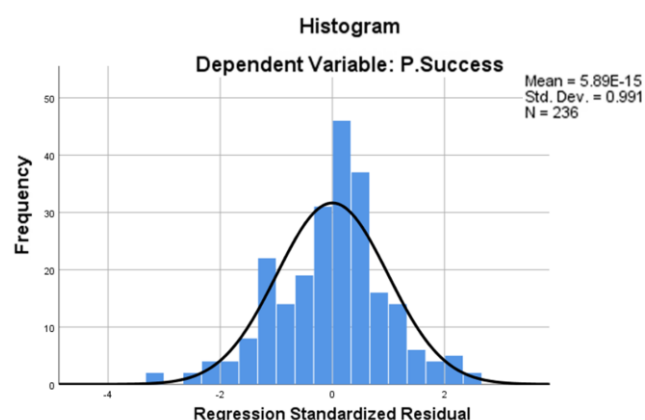


Source: Author Own.

Figure 2. Linearity.

4.3.2. Normality Test

The histogram shows how the regression standardized residuals for project performance are spread out, along with a normal distribution curve. This visual assessment helps in evaluating whether the residuals are approximately normally distributed, a key assumption for many linear regression analyses [20]. Therefore, Figure 3 presents a histogram suggesting approximately normally distributed residuals.



Source: Author Own.

Figure 3. Histogram.

4.3.3. Multicollinearity Test

(i). Variance Inflation Factor (VIF)

Table 4. Multicollinearity test.

Model	Collinearity Statistic	
	Tolerance	VIF
Constant		
Stakeholder identification	0.576	1.735
Stakeholder Planning	0.660	1.515
Stakeholder Managing	0.467	2.142
Stakeholder Monitoring	0.491	2.037

Source: Author Own.

According to [21], multicollinearity occurs when one variable exhibits a strong relationship with another. The more pronounced this intercorrelation, the more challenging it becomes to understand the individual impact of each variable in an analysis. The researcher assessed multicollinearity using Variance Inflation Factors (VIF) to verify its absence. Table 4 demonstrates that no significant multicollinearity issues existed among independent variables. This conclusion is evidenced by the VIF values, which ranged from 1.735 to 2.142, all below the commonly accepted threshold of 5 [22].

(ii). Correlation Matrix

According to [25], correlation signifies the extent to which two or more variables are associated. The linear correlation coefficient (r) quantifies the degree to which these variables change together. This coefficient (r) quantifies the magnitude and nature of a linear relationship between two variables, specifically the dependent and independent ones. Its possible

values range from -1 to +1. A positive ' r ' indicates a positive association between the variables, with +1 representing a perfect positive association. Conversely, a negative ' r ' denotes a negative association, and -1 signifies a perfect negative association. An ' r ' of zero implies no linear relationship between the variables. The following data displays the Pearson correlation matrix.

The Pearson correlation analysis reveals a significant positive relationship between all stakeholder management practices and Project Success within the study's sample of 238 respondents (N for some pairs is 236). The statistical analysis confirms that all correlations are significant at the 0.01 level ($p < 0.01$), suggesting a very low probability of these relationships being due to chance.

Stakeholders Planning demonstrates the strongest positive correlation with Project Success ($r = .691$), suggesting a very strong association between effective planning and better project outcomes.

Stakeholder Identification ($r = .625$) and Stakeholder Management ($r = .596$) also exhibit strong positive correlations with Project Success, implying that robust identification processes and effective management practices are significantly linked to improved project success. Stakeholders Monitoring ($r = .537$) shows a moderate positive correlation, indicating that continuous monitoring is also significantly associated with enhanced project success.

Furthermore, the analysis reveals intercorrelations among the independent variables themselves, indicating varying degrees of interrelatedness among these stakeholder management factors. For instance, Stakeholders Monitoring shows strong positive correlations with Stakeholders Managing ($r = .668$) and Stakeholders Identification ($r = .617$). Other intercorrelations, such as between Stakeholders Managing and Stakeholders Identification ($r = .545$), Stakeholders Planning and Stakeholders Managing ($r = .549$), and Stakeholders Planning and Stakeholders Monitoring ($r = .490$), are also positive and moderate to strong. The relationship between stakeholder identification and stakeholder planning is moderate ($r = .435$).

Table 5. Pearson Correlation.

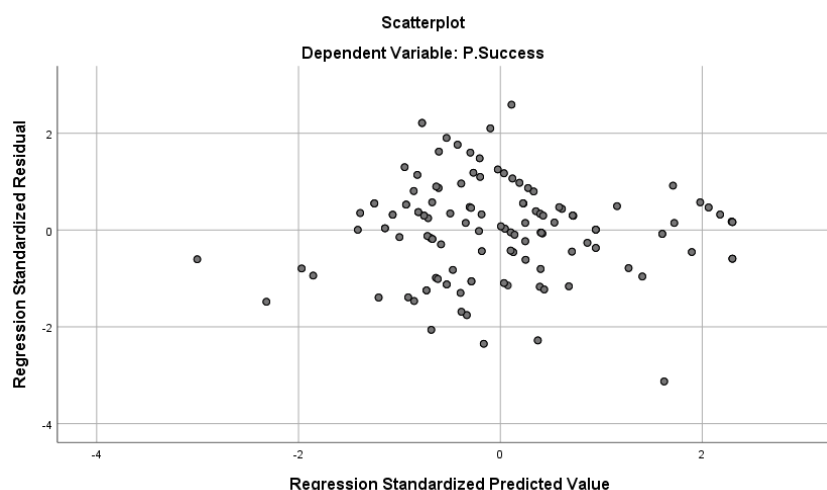
Correlations		S. Identification	S. Planning	S. Managing	S. Monitoring	Project Success
S. Identification	Pearson Correlation	1	.435**	.545**	.617**	.625**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	238	238	236	238	238
S. Planning	Pearson Correlation	.435**	1	.549**	.490**	.691**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	238	238	236	238	238

Correlations		S. Identification	S. Planning	S. Managing	S. Monitoring	Project Success
S. Managing	Pearson Correlation	.545**	.549**	1	.668**	.596**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	236	236	236	236	236
S. Monitoring	Pearson Correlation	.617**	.490**	.668**	1	.537**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	238	238	236	238	238

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Author Own.

4.3.4. Homoscedasticity Test



Source: Author Own.

Figure 4. Homoscedasticity.

In this regression model examining organizational performance, homoscedasticity implies that the variance of the error terms is the same across all predicted levels of organizational performance. [Figure 4](#) (the scatterplot) allows us to visually verify this assumption. If the spread of the points (representing the errors) is roughly the same across the entire range of predicted values, then homoscedasticity is likely present. In [Figure 4](#), the points appear randomly scattered without forming a distinct pattern like a funnel or a widening/narrowing band. This evidence suggests that the error variance is relatively constant across the predicted values of organizational performance. Therefore, looking at [Figure 4](#), it seems that the assumption of homoscedasticity is satisfied, which means our regression analysis is likely reliable [15, 17]. If homoscedasticity is violated (heteroscedasticity), meaning

the error variance changes with different predicted values, it can impact how accurate our predictions are and how valid our statistical tests are.

The researcher constructed the following linear regression model with the included variables.

$$OP = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \mu$$

The coefficient of determination (R^2) shows how well the regression model accounts for changes in the dependent variables, and the beta value can be either negative or positive, indicating how much each variable affects the dependent variables. The beta coefficient indicates each variable's level of influence on the dependent variables. The P-value indicates the probability that the observed results are due to chance. The

following Table 6 shows an adjusted R^2 value of 61.7%, meaning that the independent variables (stakeholder identification, planning stakeholder management, managing stakeholder engagement, and monitoring stakeholder en-

agement) together account for that percentage of the dependent variable (Project Success). Another variable explains the remaining 38.3% of Project Success.

Table 6. Model summary.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.790 ^a	.624	.617	.52890
a. Predictors: (Constant), Monitoring, Planning, Identification, Managing				
b. Dependent Variable: Project Success				

Source: Author Own.

As shown in Table 7, the regression model demonstrates a significant ability to predict the dependent variable. This is supported by the statistical significance of the model ($p <$

0.05). In summary, the regression model significantly predicts the outcome variable, suggesting a satisfactory fit for the observed data.

Table 7. ANOVA test.

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	108.036	4	27.009	96.550	.000 ^b
	Residual	65.179	233	.280		
	Total	173.215	237			
a. Dependent Variable: Project Success						
b. Predictors: (Constant), Identification, Planning, Managing, Monitoring						

Source: Author Own.

Table 8 displays the results of the model's prediction of performance based on Stakeholders identification, Stakeholders planning, Stakeholders managing, and Stakeholders monitoring. With a 95% confidence level, all variables show a

positive and significant impact, except for monitoring. The unstandardized coefficient (beta value) reflects the relative importance of each independent variable in influencing the dependent variable.

Table 8. Regression result.

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.329	.182		1.812	.071

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	
S. Identification	.343	.054	.338	6.385	.000
S. Planning	.399	.044	.453	9.154	.000
S. Managing	.179	.060	.171	2.975	.003
S. Monitoring	-.005	.065	-.004	-.074	.941

a. Dependent Variable: Project S.

Source: Author Own.

Regression Model Equation

$$Y = 0.329 + 0.343 \text{ identification} + 0.399 \text{ Planning} + 0.179 \text{ Managing} - 0.005 \text{ Monitoring} + \mu$$

4.4. Discussion

4.4.1. Stakeholders Identification, Engagement and Project Success

The stakeholder's identification variables have a positive and significant influence on project performance, with a β estimate value of 0.343 and a P-value of 0.00. This implies that a one-unit increase in the project identification process results in (34.3%) unit increase in the success of the project. Consequently, the researcher does not reject the revealed hypothesis (H1) regarding this variable. This researcher, consistent with [3], believes that effective stakeholder identification is a cornerstone of successful project management. Similarly, according to [49], the stakeholder register, the output of stakeholder identification, serves as a central document containing critical information about project stakeholders. This register typically includes identification details, assessments of stakeholders' interests and influence, and a classification scheme. [33] conducted a study that demonstrated the positive and significant impact of stakeholder identification and engagement on project performance. Furthermore, [19] results established that there is a positive and significant effect of managing stakeholder engagement on project performance. [36] indicate in their study results that there is a positive and significant effect of stakeholder identification, stakeholder engagement, stakeholder planning, and stakeholder monitoring on project performance. Therefore, we must meticulously identify stakeholders, individuals, or entities impacted by or affecting a project's outcome early on and throughout the project lifecycle. Failing to identify stakeholders is a critical mistake that often leads to project loss. To ensure comprehensive stakeholder identification, project teams require a

robust skillset encompassing relationship building, communication, problem-solving, interpersonal skills, and a strong grasp of project concepts.

4.4.2. Stakeholders Planning Engagement and Project Success

The planning of a stakeholder engagement process involves crafting a management strategy to ensure sustained and effective stakeholder engagement. The stakeholder's planning variables have a positive and significant influence on project performance, with an estimate value of 0.399 and a P-value of 0.00. This implies that a one-unit increase in the project planning process results in (39.9%) unit increase in the success of the project. Consequently, the researcher does not reject the revealed hypothesis (H2) regarding this variable. In project execution, communication is paramount to fostering effective interactions with project stakeholders. This study, A well-crafted communication management plan, in alignment with [51], outlines communication expectations and needs, along with detailed strategies for fulfilling those requirements. [36], in their study on the influence of stakeholder management on project performance, state that stakeholder planning has a positive and significant effect on project performance. Similarly, [4] stated that stakeholder engagement and communication management contribute to project success by establishing appropriate and timely communication to meet stakeholders' requirements. Similarly, [49] conducted a study, and the result shows a positive and significant influence of stakeholder engagement on the performance of the project. A careful stakeholder analysis and communication plan will maximize the project's chances of delivering deliverables on time and on budget. [60] confirmed the significant influence of stakeholder engagement in planning on project performance. Therefore, communication enables seamless coordi-

nation and integration of roles and responsibilities in the project. Effective communication influences achieving successful project outcomes.

4.4.3. Stakeholders Managing Engagement and Project Success

Managing stakeholder engagement involves the systematic process of collaborating and communicating with stakeholders to identify and address their needs and expectations. The results of the analysis revealed a positive and statistically significant impact of stakeholder management variables on project performance. Specifically, the beta estimate value of 0.179 and a p-value of 0.003 indicate that a one-unit increase in project management process leads to a 17.9% increase in project success. *This conclusion supports the rejection of hypothesis H3.* The findings of this study are consistent with previous research by [37, 36], which both found that stakeholder management variables have a positive and significant effect on project performance. As the stakeholder engagement process progresses, the stakeholder engagement plan is updated iteratively to reflect any new or revised management strategies necessary for effective stakeholder engagement, as noted by [51].

4.4.4. Stakeholders Motoring Engagement and Project Success

Monitoring projects involves several aspects, including data analysis, data representation, effective communication, and strategic decision-making [50]. The goal of this comprehensive process is to continuously assess the connections between various project stakeholders. By analyzing and interpreting data, project managers can pinpoint potential issues and modify strategies and plans as needed to maintain stakeholder engagement and optimize project outcomes. However, this study discovered that the relationship between stakeholder monitoring engagement and project performance is insignificant, as evidenced by the beta estimate value of -0.005 and a p-value of 0.941. Consequently, the hypothesis (H4) is rejected. This study contradicts the findings of [38, 36], who reported a positive and significant influence of stakeholder activities on stakeholder monitoring and implementation of projects. The potential insignificant effect of stakeholder monitoring on project performance could result in excessive supervision, which may overshadow stakeholders and project teams. Such an outcome could lead to an overwhelming amount of information and reduced morale, impeding creativity and hindering the progress of work [57].

5. Conclusion

In conclusion, the study indicates that stakeholder identification, stakeholder planning, and stakeholder management significantly and positively influence project success in the case of MCG Construction PLC. Project success improves as

these factors increase. On the other hand, stakeholder monitoring did not show a statistically significant impact on project success in this specific context ($\beta = -0.005$, $P = 0.941$). This finding contrasts with some previous research, suggesting the importance of considering the specific organizational and cultural context. The strong positive relationship between stakeholder identification and project success highlights the importance of meticulous identification and continuous engagement with all relevant parties. Moreover, effective stakeholder identification, planning, and management are essential for boosting project success and achieving overall project objectives within MCG Construction PLC.

6. Policy Recommendations

Based on the aforementioned findings, the following recommendations are proposed:

- 1) Project identification has a positive and significant impact on project success. Therefore, the MCG construction PLC should prioritize strengthening the identification phase by establishing clear goals and objectives and carefully assessing available resources.
- 2) The regression analysis confirms that proper project planning has a positive and significant effect on project success. To ensure the success of the MCG construction project, it is recommended that the Authority prioritize meticulous planning, including a detailed breakdown of tasks, resource allocation, and a robust communication strategy to effectively manage timelines.
- 3) According to the regression analysis, it is evident that stakeholder management has a positive and significant impact on project success. Therefore, the MCG construction PLC should develop clear and well-understood strategies, effective communication channels, and a robust oversight framework to ensure the successful completion of the Moyale construction project.
- 4) Although stakeholder monitoring was found to be not significant in this study, given the project's inherent need for change, establishing effective mechanisms to capture deviations and provide corrective actions remains crucial for enhancing project success.

Abbreviations

PLC Private Limited Company
SPSS Statistical Package for Social Science

Author Contributions

Abdo Badaso Jaldesa is the sole author. The author read and approved the final manuscript.

Conflicts of Interest

The author declares no conflicts of interest.

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