



School of Journalism and Communications: MA in Public Relations & Strategic  
Communication

# **Stakeholder Engagement in Public-Private Partnership Projects in Ethiopia**

**By**

**Daniel Kefela**

Submitted in Partial Fulfilment of the Requirements for the Degree of Masters of Arts in Public  
Relations and Strategic Communication

June, 2024

Addis Abeba

Stakeholder Engagement in Public-Private Partnership Projects  
in Ethiopia

By

Daniel Kefela

Submitted in Partial Fulfilment of the Requirements for the Degree of Masters of Arts in Public  
Relations and Strategic Communication

Advisor:  
Samson Mekonnen (PhD)

June, 2024

Addis Ababa

## DECLARATION

I declare that this thesis is my work and has not been presented for a degree in any other university. I followed the research code of conduct throughout the work of this study and all sources used for this thesis have been duly acknowledged.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

### **Approval**

This is to certify that the thesis prepared by Daniel Kefela Birhane, titled “stakeholder engagement in public-private partnership projects in Ethiopia” which is submitted in partial fulfillment of the requirements for the Degree of Master of Arts in Public Relations and Strategic Communication complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

Signed by the Examining Committee:

Dr. Samson Mekonnen

Advisor Signature & Date \_\_\_\_\_

Internal Examiner Signature & Date \_\_\_\_\_

External Examiner Signature Date \_\_\_\_\_

Chair of Department or Graduate Program Coordinator

---

## **Acknowledgments**

I would like to express my deepest gratitude to God for granting me the strength, perseverance, and guidance to complete this thesis. This journey would not have been possible without His endless grace and support throughout each step.

I am immensely grateful to my advisor Dr Samson, for his guidance in shaping this research, and I am deeply appreciative of his patience and unwavering support. A special thank you to my friends, who stood by me and provided encouragement and perspective throughout this journey.

To each person who contributed to the completion of this thesis, directly or indirectly, thank you. This accomplishment is a reflection of your support and belief in me.

## **Abstract**

This thesis investigates the effectiveness of stakeholder engagement practices in Public-Private Partnership (PPP) projects in Ethiopia. Given the pivotal role of PPPs in driving infrastructural and socio-economic development, the study provides a comprehensive analysis of how stakeholders are engaged, and communicated with throughout the lifecycle of PPP projects.

The findings reveal that the overall effectiveness of stakeholder engagement in PPP projects is perceived as ineffective, with stakeholders' involvement and understanding of their roles rated as moderate. Feedback integration and formal mechanisms for resolving concerns also showed moderate effectiveness.

The analysis of engagement methods highlighted a preference for traditional, face-to-face interactions over digital and traditional media methods, indicating a significant gap in leveraging modern communication channels. Satisfaction levels with the engagement process were statistically significantly lower than neutral, pointing to slight dissatisfaction among stakeholders. Additionally, the study identified challenges such as ineffective communication, lack of awareness, and difficulty in engaging all relevant stakeholder groups, with inadequate transparency and lack of coordination emerging as significant contributing factors.

Based on these findings, the thesis proposes several recommendations to enhance stakeholder engagement and communication in PPP projects. This thesis provides valuable insights into the current state of stakeholder engagement in PPP projects in Ethiopia and offers practical recommendations for improving these practices to support the success of future initiatives.

**Keywords:** Stakeholder Engagement, communication, Public-Private Partnership, feedback, transparency

## Contents

Acknowledgments.....	iv
Abstract .....	v
CHAPTER ONE.....	1
INTRODUCTION.....	1
1.1    Background of the study .....	1
1.2    Statement of the Problem.....	3
1.3    Purpose Statement .....	5
1.4    Research Questions .....	5
1.5    Research Objectives .....	6
1.6    Significance of the study.....	6
1.7    Scope of the study.....	8
1.8    Limitations of the Study.....	8
1.9    Organization of the Study .....	9
CHAPTER TWO.....	10
2.    THEORETICAL FRAMEWORK AND LITERATURE REVIEW.....	10
2.1    Introduction .....	10
2.2    Theoretical Review.....	11
2.2.1    Historical Evolution of Stakeholder Engagement .....	11
2.2.2    Scope of Stakeholder Engagement.....	13
2.2.3    Stakeholder Theory .....	15
2.2.4    Principles of Stakeholder Theory.....	17
2.2.5    Definitions and Perspectives on Stakeholders .....	18
2.3    Empirical Review .....	20
2.3.1    Stakeholder Engagement Practice and Process.....	20
2.3.2    Stakeholder Engagement Plan .....	21
2.4    Public-Private Partnership (PPP).....	22
2.4.1    Models of PPP.....	24
2.4.2    Practice of PPPs.....	25
2.4.3    Stakeholder Engagement in Public-Private Partnerships .....	26
2.4.4    Importance of Stakeholder Engagement in PPPs.....	27
2.4.5    Stakeholder Identification in PPP .....	28
2.4.6    Formulating a Stakeholder Engagement Strategy .....	31

2.4.7	Key Stakeholders in PPPs .....	33
2.4.8	Empirical Cases of Stakeholder Engagement Application in PPPs .....	35
2.5	Analytical Review.....	37
2.5.1	Applying Stakeholder Theory in PPP Contexts.....	37
2.5.2	Challenges in Applying Stakeholder Theory in PPP .....	39
<b>CHAPTER THREE.....</b>		<b>42</b>
<b>RESEARCH DESIGN AND METHODOLOGY .....</b>		<b>42</b>
3.1.	Research Design .....	43
3.2.	Research Approach.....	43
3.3.	Sources of Data.....	43
3.3.1.	Sources of Secondary Data:.....	43
3.4	Method of Data Collection .....	44
3.4.	Sampling Strategy .....	45
3.4.1.	Target Population and Sample Size Determination .....	45
3.4.2.	Sampling Techniques.....	46
3.5.	Methods of Data Analysis .....	46
3.5.1.	Quantitative Analysis .....	46
3.5.2.	Qualitative Analysis.....	46
3.6.	Validity and Reliability .....	47
3.7.	Ethical Considerations .....	47
<b>CHAPTER FOUR.....</b>		<b>48</b>
<b>DATA PRESENTATION, ANALYSIS, AND INTERPRETATION .....</b>		<b>48</b>
4.1.	Introduction .....	48
4.2.	Data Presentation and Analysis of Quantitative and Qualitative Data .....	49
4.2.1.	Demographic Characteristics of Respondents .....	49
4.2.2.	Characteristics of Respondents.....	50
4.2.3.	Communication Methods .....	52
4.2.4.	Types of Information Received from PPP Directorate General to Stakeholders .....	55
4.2.5.	Goal of the Communication Efforts by PPP Director General .....	58
4.2.6.	Instruments Used to Provide Feedback about the PPP .....	59
4.2.7.	Stakeholder Engagement on different stages of PPP project lifecycle.....	60
4.2.8.	Stakeholder Engagement and Communication Effectiveness .....	62
4.2.9.	Stakeholders Engagement Practices .....	63

4.2.10.	Satisfaction of Stakeholders Engagement in PPP Projects .....	67
4.2.11.	Main Challenges in Stakeholder Engagement in PPP Projects.....	68
4.2.12.	Factors contributing to the stakeholder engagement and communication challenges in PPP projects.....	71
CHAPTER FIVE	.....	74
5.	SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS.....	74
5.1.	Introduction .....	74
5.2	Discussion of Key Findings .....	74
5.3	Conclusion .....	77
5.4	Recommendations .....	79
REFERENCE	.....	80
Appendix 1	.....	91

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the study

Every formal organization is not an island. Organizations cannot operate alone and are part of a bigger system. Each organization is made up of an internal social network system, and all organizations operate inside a framework of interconnected systems of interactions with important stakeholders, including shareholders, competitors, regulators, customers, and the media. Thereby, it can be understood that the foundation of public relations is stakeholder identification and engagement. Public relations is thought of as the communication and action on the part of an organization that supports the development and maintenance of mutually beneficial relationships between the organization and the groups with which it is interdependent (Lamb and McKee, 2005).

Stakeholders are general categories of the public linked to an organization such as employees, investors, and customers (Grunig et al, 2002). Grunig and Hunt (1984) affirm that groups and individuals with any of the four types of linkage to an organization, enabling, functional, diffuse, or normative, can all be described as some sort of 'stakeholders.

The primary purpose of public relations lies in the management and engagement of organized bodies, often referred to as stakeholders. These "organized bodies," or groups with a vested interest in an organization, represent what Grunig and Ehling (1992) described as the "raison d'être for public relations" (p. 65). In other words, public relations functions to facilitate effective communication and relationships between an organization and its stakeholders, aligning the organization's goals with the needs and concerns of these groups. Stakeholder engagement, in this context, is essential for establishing trust, mutual understanding, and collaborative relationships, which are crucial to an organization's long-term success and sustainability (Grunig & Ehling, 1992).

Stakeholder engagement is not simply about disseminating information; it involves creating genuine opportunities for dialogue, understanding stakeholder expectations, and addressing their concerns (Freeman, 1984). Organizations that prioritize active listening and inclusive

engagement are more likely to foster positive stakeholder relationships and gain sustained support from their communities (Kim & Rhee, 2021; Ihlen & Verhoeven, 2022). According to Kim and Rhee (2021), effective stakeholder engagement in public relations requires adaptive strategies that can accommodate the dynamic and often conflicting interests of diverse stakeholder groups. These strategies help organizations to not only manage their reputations but also to cultivate stronger ties with their publics through meaningful exchanges.

In today's digital landscape, digital platforms and social media have also transformed stakeholder engagement practices by enabling real-time communication and feedback (Coombs & Holladay, 2021). Coombs and Holladay (2021) note that organizations now have the opportunity to engage with stakeholders more interactively, thus enhancing the potential for trust and loyalty. However, they also caution that this increased visibility places additional responsibility on organizations to maintain consistency and accountability in their engagement efforts. Overall, contemporary public relations scholars agree that meaningful stakeholder engagement requires a combination of transparent communication, ethical consideration, and adaptive strategies that can evolve in response to the changing expectations of stakeholders (Freitag & Stokes, 2009; Ihlen & Verhoeven, 2022).

Public–Public-private partnerships (PPPs) have been very popular in the last two decades among governments as the governance strategy to improve service delivery and realize large infrastructural projects. PPP refers to a collaborative arrangement between government the public sector, and a private entity for better provision of public infrastructure and services (World Bank, 2017). The classical definition of public–private partnership (PPP) describes it as a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies (UNDP, 2015). In the context of the United Nations, PPP is defined as a voluntary and collaborative relationship between various parties, both state and non-state, in which all participants agree to work together to achieve a common purpose or specific task and share risks and responsibilities, resources, and benefits (Hodge & Greve, 2011).

Stakeholder engagement is an inexpensive and efficient way of creating a better operational environment for a PPP project. Most large infrastructure projects will have a wide range of stakeholders, including those that support the project, and those that oppose it. Technically sound

public-private partnership projects can fail without a full understanding of socio-political dynamics and the value of communication in their design and implementation (World Bank, 2017). Communication activities for the range of stakeholder participation initiatives are more than just “public relations.” PPP programs require a carefully conceived and systematically applied approach to communication—one that integrates communication analysis and planning at each stage of the design and implementation. When used effectively, strategic communication can significantly increase the sustainability and effectiveness of the PPP by creating space for dialogue and stakeholder participation in the decision-making process.

In 2017, Ethiopia, like many developing countries, resorted to the use of public-private partnerships (PPPs) as a strategy to improve service delivery and realize large infrastructural projects. Following this, the Federal Government has adopted the first PPP Policy (the Ethiopian Public Private Partnership Policy) which was initiated and developed by the Ministry of Finance in 2017. In 2018, the Federal Government of Ethiopia enacted a new Proclamation No. 1076/2018 in view of facilitating Public-Private Partnership (PPP) projects. The Ministry of Finance as the main responsible body established a PPP Unit or PPP Directorate General with overarching responsibility of supporting good practice and consistency across the development and delivery of PPP projects in Ethiopia (Ministry of Finance, 2017). The PPP unit has designed and has been implementing different guidelines and strategies, including a knowledge management and communication strategy to engage stakeholders. This communication strategy identified different stakeholders and outlined a communication plan of action to engage stakeholders for the overall success of the PPP framework.

Thus, this study will systematically examine the dynamics of stakeholder engagement in Public Private Partnership (PPP) projects in Ethiopia by focusing on understanding of how stakeholders interact, communicate, and practice relations based on a defined communication strategy to the overall achievement of the initiative.

## **1.2 Statement of the Problem**

Public-private partnership (PPP) projects in Ethiopia are essential for addressing socio-economic challenges and promoting sustainable development. These projects aim to mobilize resources, expertise, and innovative solutions by bringing together the public and private sectors. However,

the effectiveness and success of PPPs largely depend on well-structured stakeholder engagement processes that include diverse groups: the FDRE House of People's Representatives, federal and regional government agencies, private sector partners, end-user communities, the public, and the media. The PPP Directorate General (PPP DG) within the FDRE Ministry of Finance is tasked with overseeing stakeholder engagement and communication practices. To fulfill this responsibility, the PPP DG has developed and implemented a Knowledge Management and Communication Strategy, which identifies stakeholders and outlines a communication plan to engage them throughout the project lifecycle.

Despite these initiatives, there are notable gaps and challenges in Ethiopia's PPP stakeholder engagement processes. Although the PPP DG's communication strategy outlines a framework for engagement, actual practices are often fragmented and lack comprehensive coordination (Tamiru, 2023). Information dissemination, feedback collection, and performance reporting are inconsistently managed, leading to an insufficient flow of critical project updates and diminishing transparency (Tamiru, 2023). This lack of integration in communication management impedes effective stakeholder participation, which is crucial for building trust, managing expectations, and achieving project objectives (Assem & Al-Khalil, 2018; World Bank, 2017).

Furthermore, stakeholder engagement in Ethiopian PPP projects faces unique challenges arising from the country's socio-political context. Ethiopia's complex socio-economic landscape and periods of political instability add significant layers of difficulty to engagement efforts. Political and social dynamics may influence stakeholder expectations, willingness to participate, and overall trust in PPP initiatives. Additionally, the diversity in stakeholder backgrounds—ranging from governmental bodies to private sector entities and local communities—requires tailored communication approaches to ensure inclusive engagement (Khan et al., 2019). However, there is limited research addressing how these contextual factors impact stakeholder engagement, communication strategies, and the public relations practices needed to sustain PPP initiatives in Ethiopia.

The insufficient exploration of these factors has created a critical knowledge gap in understanding how Ethiopian PPP projects can implement effective communication and stakeholder engagement strategies tailored to the local context. Addressing these gaps is essential

for improving project outcomes, fostering meaningful partnerships, and ensuring the sustainability of PPP initiatives in Ethiopia. This study seeks to investigate these challenges, emphasizing the need for a well-planned communication strategy that is adaptive to Ethiopia's socio-political conditions and conducive to building productive, long-term stakeholder relationships.

### **1.3 Purpose Statement**

The purpose of this study is to systematically examine the dynamics of stakeholder involvement, in Public Private Partnership (PPP) projects in Ethiopia. Specifically, it focuses on understanding how stakeholders interact, communicate, and practice relations. By delving into these relationships this study aims to gain a nuanced understanding of how effective communication and strategic public relations contribute to stakeholder engagement in PPP projects. The ultimate aim is to provide evidence-based insights that can inform policy making and decision-making processes thereby improving the success and sustainability of PPP initiatives in Ethiopia. Through an exploration of practices, challenges, and opportunities this research seeks to contribute recommendations for project managers, policymakers, and practitioners involved in the complex landscape of PPP projects in Ethiopia.

### **1.4 Research Questions**

This research raised the following critical questions:

- What communication techniques are utilized to facilitate stakeholder engagement in Ethiopian PPP projects?
- How do communication practices influence stakeholder perceptions in Ethiopian PPP projects?
- To what extent do stakeholder engagement and communication contribute to the success of PPP projects in Ethiopia?
- What challenges exist in Ethiopian PPP projects' current stakeholder engagement practices?

These research questions collectively formed a comprehensive framework for investigating the interplay between stakeholder engagement, communication strategies, and practices in the context of the Ethiopian Public-Private Partnership.

## **1.5 Research Objectives**

### **1.5.1 General Objective**

The general objective of this research is to comprehensively investigate the dynamics of stakeholder engagement in Public-Private Partnership (PPP) projects in Ethiopia, with a focus on the practice of public relations and stakeholder engagement.

### **1.5.2 Specific Objectives**

1. To assess the communication techniques that are utilized to facilitate stakeholder engagement in Ethiopian PPP projects.
2. To investigate the public relations practices, that influence stakeholder perceptions in Ethiopian PPP projects.
3. To examine how stakeholder engagement and communication contribute to the success of PPP projects in Ethiopia.
4. To identify challenges in the current stakeholder engagement practices in Ethiopian PPP projects;

## **1.6 Significance of the study**

This study is important in the context of Ethiopian public-private partnerships and makes contributions to academic study, policy development, and real-world stakeholder management. The following summarizes the study's significance:

**Filling a Knowledge Gap:** This study fills a clear vacuum in the body of knowledge on stakeholder involvement in the particular setting of public-private partnerships in Ethiopia. By carrying out a thorough examination, it offers fresh perspectives that can improve our knowledge of efficient stakeholder management in this important area.

**Informed Decision-Making for Project Success:** It is anticipated that the study's conclusions will offer useful guidance to practitioners, legislators, and project managers working on PPP projects. Stakeholder involvement is complex, and decision-makers can make better decisions and increase project success by knowing how it interacts with communication techniques.

**Policy Development and Implementation:** The findings of this study will be useful in guiding the development and carrying out of PPP project-related policies in Ethiopia. Governmental organizations, regulatory bodies, and project partners can use the knowledge acquired to create or amend policies that support open communication, diversity, and long-term involvement—all of which will ultimately increase the success of PPP endeavors as a whole.

**Improving Communication and Public Relations Practices in Stakeholder Engagement:** The study offers a careful examination of the function that communication and public relations play in stakeholder engagement. The research yields practical ideas that may be included into the portfolio of public relations practitioners and communication professionals, providing them with efficient approaches to managing the complex nature of public-private partnerships.

**Tailoring Recommendations to the Ethiopian Context:** The study concentrates on developing recommendations that are especially relevant to the Ethiopian context because of the country's distinct socioeconomic, political, and cultural environment. This guarantees that the research findings have a direct bearing on the opportunities and difficulties encountered by PPP initiatives throughout the nation.

**Theoretical Advancements:** The theoretical foundation of stakeholder engagement and communication strategies in PPP projects is enhanced by this study. The development or refinement of theoretical models not only contributes to the improvement of scholarly discourse but also provides future scholars with a strong basis on which to investigate related problems in various contexts.

In summary, the importance of this research goes beyond the scholarly sphere and into the real-world fields of project management, formulating policies, and professional practice. The expected results are expected to play a pivotal role in cultivating successful public-private partnerships (PPP) in Ethiopia and offering a good model for similar endeavors elsewhere.

## 1.7 Scope of the study

The scope of this study is defined by its focus on Public-Private Partnership (PPP) projects within the geographical boundaries of Ethiopia, examining stakeholder engagement and public relations practices, considering the unique socio-economic, cultural, and political context of the country.

**Communication Medium:** The research primarily examines the communication and engagement mediums planned and applied by the PPP body such as meetings, awareness creation sessions, stakeholder forums, media relations, digital media engagement, documents, and other established means of stakeholder interaction.

**Timeframe:** Ethiopia decreed public-private partnership proclamation No.1076/2018 in 2018 and started the implementation process by establishing a PPP Directorate General unit under the Ministry of Finance in 2019. So, this research will capture a snapshot of stakeholder engagement practices starting from the establishment of the unit.

## 1.8 Limitations of the Study

The study focused on a PPP project in Ethiopia; hence its conclusions might not apply to other situations or places in general. It is advisable to proceed with caution when applying the findings outside of Ethiopia. The depth of the study may be constrained in terms of data availability and sampling due to restricted access to specific project-related data, especially sensitive corporate information. The accessibility and accuracy of the data supplied by stakeholders are essential to the study. The results of the study depend on the participation of particular PPP project stakeholders, and sample bias may be inherent. There is a chance that some stakeholder groups will be overrepresented or underrepresented, which will impact the study's overall representativeness.

Because the research was done within a defined timeframe and took into account Ethiopia's existing socio-political and economic environment, any changes to these landscape after the study period may not have been reflected in the findings. The dynamic nature of stakeholder relationships means that they may alter over time, and changes in these ties after the study may not have been properly taken into consideration.

## **1.9 Organization of the Study**

This research work will be arranged in different parts and contains five basic chapters. Accordingly,

- ❖ Chapter one, contains the background of the study, statement of the problem, basic research questions and objectives of the study, definition of terms, significance of the study, and delimitation/scope of the study.
- ❖ Chapter two, the review of related literature deals with previous studies and literature relevant to the study, and it also includes theoretical and conceptual frameworks adapted from previous studies.
- ❖ Chapter three- Methods of the Study contain, the type and design of the research paper, analysis of participants of the study, the sources of the data, the data collection tools or instruments employed, the procedures of data collection, and the methods of data analysis will be.
- ❖ Chapter four, the analysis and presentation section summarizes the results or findings of the study and it also interprets and discusses the findings by extensive use of the literature review. finally, in the final chapter, the summary of findings, conclusions, and possible recommendations will be described precisely.

## **CHAPTER TWO**

# **2. THEORETICAL FRAMEWORK AND LITERATURE REVIEW**

### **2.1 Introduction**

Stakeholder engagement is a critical facet of contemporary organizational strategy and project execution. In an era where organizations operate within intricate networks of influence and interest, effectively managing stakeholders—those individuals or groups who can affect or are affected by an organization’s actions—has become indispensable. This chapter delves into the nature and conceptual underpinnings of stakeholder management, exploring its evolution, core principles, and its pivotal role in the success of PPPs.

Stakeholder engagement as a concept emerged prominently in the 1980s, driven by the recognition that the success of organizations, both public and private, hinges not solely on internal competencies but also on their ability to engage and manage external entities and individuals. Freeman’s seminal work, “Strategic Management: A Stakeholder Approach” (1984), laid the foundation for modern stakeholder theory, positing that businesses should not merely focus on maximizing shareholder value but should also consider the interests of all stakeholders to sustain long-term success.

In the context of PPPs, stakeholder management assumes even greater significance. PPPs involve diverse stakeholders, including government agencies, private sector partners, community groups, and the general public, each with unique interests, expectations, and degrees of influence. According to Jeffares and Dickinson (2016), the intricate nature of PPPs requires a nuanced understanding of stakeholder dynamics and effective engagement strategies to align these varied interests towards common project goals. The multifaceted relationships and shared responsibilities in PPP projects necessitate robust stakeholder management practices to ensure smooth collaboration, minimize conflicts, and enhance project outcomes.

Effective stakeholder management in PPPs involves identifying relevant stakeholders, understanding their needs and concerns, and developing strategies to engage them constructively. Bryson (2011) emphasizes that this process is not merely about mitigating risks but also about harnessing the potential of stakeholder relationships to foster innovation, improve decision-making, and build resilient partnerships. Engaging stakeholders transparently and inclusively can lead to enhanced trust and collaboration, critical components for the success of any PPP initiative.

Moreover, stakeholder management is deeply intertwined with the principles of corporate social responsibility (CSR) and sustainable development. The International Organization for Standardization (ISO) 26000 guidelines highlight the importance of integrating stakeholder considerations into organizational governance and strategy to achieve sustainable outcomes. In PPPs, this translates to ensuring that projects are not only economically viable but also socially equitable and environmentally sustainable, addressing the broader interests of society.

This chapter will explore the foundational theories and models of stakeholder management, examining their relevance and application in the context of PPPs. It will discuss the various types of stakeholders, their roles, and the dynamics of stakeholder relationships within PPP projects. Furthermore, the chapter will address the challenges and strategies for effective stakeholder engagement, providing insights into how PPPs can navigate the complexities of stakeholder management to achieve successful project outcomes.

Through this exploration, we aim to provide a comprehensive understanding of stakeholder management's nature and concept, highlighting its critical role in the planning, execution, and sustainability of PPP projects. This understanding will set the stage for analyzing stakeholder engagement practices in Ethiopian PPPs, as detailed in subsequent chapters.

## **2.2 Theoretical Review**

### **2.2.1 Historical Evolution of Stakeholder Engagement**

The concept of stakeholder engagement has evolved significantly over recent decades, becoming essential for effective governance, transparency, and accountability within organizations. Initially, stakeholder engagement focused on information dissemination and risk management, a

limited approach aimed primarily at regulatory compliance. This approach began to shift as society's expectations for transparency and accountability rose, particularly with the advent of digital communication, which enabled faster, more inclusive responses to stakeholder concerns (NMC, 2009). In parallel, NGOs and community groups emerged as influential stakeholders, advocating for higher social and environmental standards and holding organizations accountable (Hart & Sharma, 2004).

In the 1980s and 1990s, scholars like Carroll (1989) and Clarkson (1995) laid the groundwork for modern stakeholder engagement by developing frameworks based on stakeholder salience and ethical considerations. Clarkson's (1995) four-tier framework—ranging from reactive to proactive—outlined organizational responses to stakeholder needs but largely retained a risk management focus aimed at mitigating conflicts rather than fostering genuine dialogue (Donaldson & Preston, 1995).

The early 2000s saw stakeholder engagement gain traction within corporate social responsibility (CSR) initiatives, evolving into a proactive approach that encouraged partnerships with communities, governments, and other groups. Researchers like Achterkamp and Vos (2007) and Reed et al. (2009) argued that engagement should be tailored to stakeholder attributes such as power, legitimacy, and urgency, advocating for strategies that promote stakeholder empowerment and meaningful dialogue rather than mere compliance (Achterkamp & Vos, 2007; Reed et al., 2009).

Today, stakeholder engagement is integral to corporate governance and sustainability strategies, reflecting an approach that is flexible and responsive to stakeholder diversity. Advanced models emphasize inclusivity, mutual respect, and accountability, enabling stakeholders to play active roles in shaping outcomes. Edwards (2008) proposed a layered engagement model—comprising information, consultation, and active participation—highlighting the importance of tailoring engagement to the degree of stakeholder influence and desired outcomes. Such active engagement is particularly significant in community contexts, where collaborative governance practices help organizations align with shared objectives (Monteduro, 2008).

Effective stakeholder engagement now rests on core principles of inclusivity, integrity, and trust. For instance, Brown and Keast (2003) emphasize inclusivity to ensure all affected parties can participate in decision-making, even those with limited power. Trust-building is central to long-term partnerships, requiring transparent and fair interactions, as noted by Greenwood (2007). Organizations are also encouraged to pursue "quick wins" in the engagement process, demonstrating commitment and building momentum early on (Keast et al., 2006).

The evolution of stakeholder engagement represents a shift from reactive, compliance-oriented strategies to proactive, participative approaches emphasizing mutual benefit. This transition underscores the recognition that genuine engagement leads to better outcomes by aligning organizational objectives with societal expectations, thereby enhancing trust and fostering sustainable partnerships (Freeman, 1984; Donaldson & Preston, 1995; Edwards, 2008).

The evolution of stakeholder engagement reflects broader societal changes, such as increased transparency and the need for collaborative governance. Modern stakeholder engagement goes beyond compliance and seeks to build trust and create value for all parties involved. Organizations can foster productive relationships with their stakeholders by understanding the theoretical foundations and utilizing effective strategies, resulting in mutually beneficial outcomes. As stakeholder engagement continues to advance, organizations must remain adaptable and responsive to their diverse stakeholder groups' changing expectations and needs.

### **2.2.2 Scope of Stakeholder Engagement**

Stakeholder engagement encompasses the methods and processes organizations use to involve individuals or groups who are affected by or have an interest in their activities. It is rooted in stakeholder theory, which asserts that organizations should acknowledge and address the interests of all parties impacted by their decisions, extending beyond shareholders alone (Freeman, 1984). This engagement spans a spectrum of interactions, from simple information dissemination to active participation in decision-making, with goals of fostering transparency, building trust, and improving decision quality (Edwards, 2008; Achterkamp & Vos, 2007).

Over time, the theoretical basis of stakeholder engagement has shifted towards a relationship-based approach, focusing on two-way interactions where organizations not only provide

information but also seek feedback and address stakeholder concerns as part of a collaborative process (Mitchell, Agle, & Wood, 1997). This approach enables organizations to align their goals with stakeholder expectations, promoting consent, cooperation, and accountability within an organizational framework (Achterkamp & Vos, 2007).

Broadly, stakeholder engagement is defined as a set of practices and tools designed to manage and nurture relationships with stakeholders (Achterkamp & Vos, 2007; Donaldson & Preston, 1995). Key theorists, including Freeman (1984) and Mitchell et al. (1997), have underscored the importance of identifying and addressing diverse stakeholder needs through tailored engagement strategies based on factors such as influence and urgency. In line with this, Achterkamp and Vos (2007) emphasize the importance of customizing engagement efforts based on stakeholder salience, which is determined by the stakeholder's power, legitimacy, and urgency (Mitchell et al., 1997).

As stakeholder engagement practices have evolved, so have the strategies organizations employ. Early approaches focused mainly on categorizing stakeholders and assessing their needs, but recent developments emphasize active involvement and tailored engagement methods based on stakeholder classification (Beach, 2009; Reed et al., 2009). Donaldson and Preston (1995) and Achterkamp and Vos (2007) suggest that engagement strategies should be selected based on the stakeholder group's power and urgency, leading to better alignment with organizational goals.

Clarkson (1995) introduced a framework with four levels of engagement: reactive (doing less than required), defensive (meeting minimum requirements), accommodative (doing all that is required), and proactive (exceeding requirements). This framework guides organizations in designing engagement approaches based on their commitment level and resource allocation. Generally, proactive engagement yields more favorable outcomes for both the organization and its stakeholders (Clarkson, 1995).

Edwards (2008) and the OECD (2001) categorize stakeholder engagement into three main levels: information provision, consultation, and active participation. Each level represents a progressively deeper commitment and interaction between the organization and stakeholders:

- 1) Information Provision: Engagement is one-way, with the organization informing stakeholders without seeking feedback.
- 2) Consultation: Organizations seek stakeholder feedback, which may influence decision-making, though the organization retains ultimate control.
- 3) Active Participation: The highest level of engagement, active participation involves collaborative decision-making, where both stakeholders and the organization contribute to solutions and share responsibility for outcomes (Edwards, 2008).

Successful stakeholder engagement relies on several enablers, including open communication, trust-building, and aligned goals. Keast et al. (2006) and Beaumont and Loopmans (2008) emphasize that high levels of communication and strong partnerships are fundamental for building trust and fostering cooperation. Additionally, identifying "quick wins"—or early, tangible successes—can help maintain momentum and secure ongoing support for long-term initiatives (Ison & Collins, 2008).

However, certain barriers can impede engagement efforts, such as stakeholder unawareness, resource limitations, and resistance to collaboration. For example, under-resourced initiatives may fail to sufficiently engage stakeholders, while unclear authority structures can hinder accountability, reducing the effectiveness of engagement processes (McCabe et al., 2006; Beaumont & Loopmans, 2008). Addressing these barriers through well-defined strategies and adequate resource allocation is crucial for sustaining effective stakeholder engagement over time.

### **2.2.3 Stakeholder Theory**

Stakeholder theory is premised on the interference between critical actors within or outside of an organization (Remi'sko & Zielonka 2018). A stakeholder is "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Zhu & et al, 2019). R. Edward Freeman developed the Stakeholder Theory in the middle of the 1980s, and it offers a thorough framework for comprehending and handling these relationships. This idea strongly emphasizes identifying and interacting with a wide range of stakeholders—beyond simply shareholders—to generate value and guarantee project success.

The literature on the definition of a “stakeholder” has identified several factors; for instance, the nature and level of one’s participation in the project, relationship with the project, nature of the claim in the project, a party’s role in the project, and the anticipated behavior of an actor towards the project (Nwangwu, 20219). Stakeholders are hence representatives, either direct or indirect, who have contributed in some way to a certain project. The success or failure of the envisaged project may be directly related to the representatives' material or legal claim.

The theoretical underpinnings of stakeholder management in projects are predicated on fairness, social rights, and equality (Kevin, 2020). Stakeholder theory is therefore founded on the notion that organizations ought to be governed in a way that provides mutual benefits to all actors, such as equity shareholders, workers, customers, contractors, and the general public, the government as regulators, and the government as service providers (Nwangwu, 20219). Stakeholders may also include the government’s regulatory agencies, who act as gatekeepers.

Stakeholder theory is an increasingly popular scholarly approach cutting across the literature of strategic management, business ethics, and corporate social responsibility (Crane & Matten, 2019). Leading stakeholder theorists understand business as a set of value-creating relationships among groups that have a legitimate interest in the activities and outcomes of the firm and upon whom the firm depends to achieve its objectives (Phillips et al., 2019). On this basis, stakeholder theory explores ‘how customers, suppliers, employees, financiers (stockholders, bondholders, banks, etc.), communities, and management work cooperatively to create value’ (ibid).

Stakeholder Theory asserts that organizations must consider the interests and influences of all entities that are affected by their actions or have a stake in their operations. Freeman's seminal work, "Strategic Management: A Stakeholder Approach" (1984), argued that businesses should not focus solely on maximizing shareholder value but should instead seek to balance the needs and interests of all stakeholders. This includes employees, customers, suppliers, communities, and regulatory bodies, among others (Freeman, 1984).

## 2.2.4 Principles of Stakeholder Theory

One core principle of Stakeholder Theory is **stakeholder identification and prioritization**. Organizations must identify all potential stakeholders who can affect or are affected by the organization's actions, decisions, policies, or objectives. Stakeholders include anyone who can influence or be influenced by the organization's objectives (Mitchell, Agle, & Wood, 1997). Prioritize stakeholders based on their level of influence and importance to the organization. This encompasses a broad range of individuals and groups beyond shareholders, including employees, customers, suppliers, community members, and even competitors (Freeman, 1984; Mitchell, Agle, & Wood, 1997).

Another principle is **balancing stakeholder interests**. Organizations should strive to balance the interests of all stakeholders, ensuring that no single group's interests dominate decision-making processes (Harrison & Wicks, 2013). Stakeholder Theory suggests that organizational decisions should reflect a balance of various stakeholders' needs. By considering and integrating diverse stakeholder interests, organizations can achieve fair and sustainable outcomes, preventing the over-prioritization of one group, such as shareholders, over others like employees or the community (Donaldson & Preston, 1995).

**Engaging stakeholders in decision-making** is also a critical principle. Stakeholders should be actively engaged in the organization's decision-making processes to enhance their support and collaboration (Greenwood, 2007). Engagement is crucial for gaining stakeholder buy-in and fostering mutual trust and cooperation. By involving stakeholders in decision-making, organizations can better understand their perspectives and address their concerns, leading to more effective and accepted decisions (Freeman et al., 2010).

**Transparency and accountability** are foundational to Stakeholder Theory. Organizations should operate transparently and be accountable to their stakeholders, providing clear and honest communication about their activities and performance (Dando & Swift, 2003). It is a must to establish open and transparent communication channels with stakeholders to foster trust and mutual understanding. Transparency and accountability build and maintain trust with

stakeholders, including regular reporting, open communication channels, and responsiveness to stakeholder inquiries and feedback (Jones, Felps, & Bigley, 2007).

**Creating value for all stakeholders** is another fundamental principle. Organizations should aim to create value for all stakeholders, not just shareholders, by integrating their needs and interests into business strategies and operations (Freeman et al., 2010). This holistic approach leads to sustainable success, as it considers the welfare of all parties involved and moves beyond profit maximization to include social, environmental, and economic contributions (Post, Preston, & Sachs, 2002).

Finally, long-term relationships and trust are essential. Organizations should foster long-term relationships and build trust with stakeholders to support ongoing collaboration and mutual benefit (Sachs & Rühli, 2011). Sustainable stakeholder relationships are built on trust and a commitment to mutual benefit over the long term. Organizations that invest in nurturing these relationships are better positioned to navigate challenges and capitalize on opportunities (Wheeler & Sillanpää, 1997).

These Stakeholder Theory principles offer organizations a solid framework for managing stakeholder relationships. Organizations can achieve more sustainable and mutually beneficial outcomes by identifying and prioritizing stakeholders, balancing their interests, engaging them in decision-making, operating transparently, creating value, and building long-term trust.

### **2.2.5 Definitions and Perspectives on Stakeholders**

Stakeholders are a fundamental concept in management, communication, and public relations literature, representing individuals, groups, or organizations that have an interest or stake in the outcome of a project or business activity. Here are several perspectives on what constitutes a stakeholder, including definitions from communication, public relations, and Public-Private Partnership (PPP) perspectives:

Freeman's Definition:

*R. Edward Freeman, a pioneer in stakeholder theory, defines stakeholders as "any group or individual who can affect or is affected by the achievement of the organization's objectives"*

*(Freeman, 1984, p. 46). This broad definition encompasses anyone with a vested interest in the organization's activities, whether directly involved or impacted by its outcomes. In the context of PPPs, stakeholders can include government entities, private sector partners, local communities, and even broader societal groups.*

Mitchell, Agle, and Wood's Definition:

*Mitchell, Agle, and Wood (1997) provide a more nuanced view, proposing that stakeholders can be identified and prioritized based on three attributes: power, legitimacy, and urgency. They define stakeholders as entities "that have a legitimate claim on the firm's resources, have the power to enforce their claims, and whose claims are considered urgent" (Mitchell et al., 1997, p. 854). This framework helps in understanding which stakeholders are most critical to address in various phases of PPP projects.*

ISO 26000's Definition:

*According to ISO 26000, an international standard providing guidelines for social responsibility, stakeholders are "individuals or groups that have an interest in any decision or activity of an organization" (ISO 26000:2010, 2010). This definition emphasizes the diverse and sometimes indirect relationships stakeholders may have with an organization, reflecting the varied nature of engagement in PPP projects, where even distant or indirect actors can play significant roles.*

Savage et al.'s Definition:

*Savage et al. (1991) describe stakeholders as "those who have an interest in the decisions, actions, and outcomes of an organization" and can be either internal or external (Savage et al., 1991, p. 62). This approach underlines the influence of stakeholders both within the organizational boundaries (e.g., employees, managers) and outside (e.g., community members, environmental groups), essential in the multifaceted nature of PPPs.*

Communication and Public Relations Perspective:

*In the field of communication and public relations, stakeholders are often defined as "groups or individuals who can influence or are influenced by the communications and reputation of the organization" (Grunig & Hunt, 1984, p. 15). This definition emphasizes the role of stakeholders in shaping and being shaped by the communication strategies of an organization. Effective stakeholder communication is critical in PPP projects to manage relationships, address concerns, and ensure transparency.*

#### Public-Private Partnership (PPP) Perspective

*From a PPP perspective, stakeholders are defined as "entities that are actively involved in the project, those who may be affected by the project, and those who have an interest in its successful completion" (Yescombe, 2011, p. 223). This definition encompasses a broad range of actors, including government agencies, private sector partners, financiers, end-user communities, and the general public. In PPPs, stakeholder engagement is crucial to align objectives, share risks, and achieve sustainable outcomes.*

## **2.3 Empirical Review**

### **2.3.1 Stakeholder Engagement Practice and Process**

Stakeholder engagement practice usually refers to the variety of approaches or methods inside and outside the project context to define and appreciate the needs and desires of major interests. A proper understanding of stakeholder interrelationships, interfaces, and attributes within the project allows us to strategically prepare our project (Smith, 2000). According to P.Eng. (2018) since many project issues have arisen because of stakeholders that were ignored and were considered minor, the project manager must know who the stakeholders are and actively manage their expectations. Because those minor stakeholders can trip up a project just like a major one can. To achieve cost and time delivery while also optimizing value for the client and stakeholders, project managers must strike the right balance between stakeholder participation and project isolation from external influence. However, if project stakeholders' concerns are not answered, and stakeholders are not involved in the project's progress, the project may face failure (Vogwell. D, 2003).

Based on a Journal of Technology Management and Innovation (2015) study, Poor stakeholder management can easily lead to misunderstandings and conflicts between project owners and stakeholders that can affect the success of one project. According to the PMI 2013 book stakeholder management process relies on the following four-step; -

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

### 2.3.2 Stakeholder Engagement Plan

According to The World Bank stakeholder engagement plan document (2018), stakeholder engagement aims to enhance and promote decision-making by creating an atmosphere of understanding in which project-affected people and other stakeholders are actively involved on time, and these groups are given enough opportunity to express their views and concerns that can influence Project decisions. This procedure involves identifying, tracking, and prioritizing stakeholders to evaluate the most efficient communication strategies while maximizing available resources. Stakeholder engagement enables organizations to anticipate the needs and wishes of all stakeholders, fostering relationships, trust, confidence, and buy-in for their company (Sedmak, 2011).

According to Everitt (2020), "A defined stakeholder management plan of action ensures your stakeholders' interests and expectations are understood so that you can properly manage them. A plan enables you to articulate to a project team how communication will work including who

will be told what and when.” And put the primary components of a stakeholder management plan as follows:

- 1. Prioritization of stakeholders:** Rank stakeholders based on their ability to influence your project and how much they care about its outcome.
- 2. Stakeholder expectations:** You cannot manage expectations if you don’t know what they are. You must document everything, including how they prefer to communicate and what they want to be involved with.
- 3. Communication rules:** The plan should outline the level, frequency, and type of communication with each stakeholder as well as who on the team is their point of contact.
- 4. Action plans:** This is the meat of your plan — it’s where you outline how you will manage.

## **2.4 Public-Private Partnership (PPP)**

A Public-Private Partnership (PPP) is a collaborative arrangement between public sector entities (such as governments) and private sector companies to finance, build, and operate projects that traditionally fall within the public domain. These projects often include infrastructure developments such as roads, bridges, schools, hospitals, and utilities. The goal of PPPs is to leverage the efficiency, innovation, and capital of the private sector to deliver public services or infrastructure more effectively and efficiently than would be possible solely through public funding and management (World Bank, 2017).

Public-Private Partnerships (PPPs) are increasingly recognized for their potential to address infrastructure deficits, improve service delivery, and stimulate economic growth, especially in developing countries. By leveraging the strengths of both the public and private sectors, PPPs offer several key benefits that enhance their importance and effectiveness in modern development strategies.

One of the most significant advantages of PPPs is their ability to provide access to private sector capital for funding large infrastructure projects. This is particularly valuable for governments in developing countries where public funds are often limited, and budgetary constraints hinder the execution of essential projects. PPPs enable these governments to undertake substantial

investments in infrastructure without the need for immediate public funding. According to the World Bank (2017), this model allows the mobilization of financial resources that might otherwise be unavailable, thereby accelerating the development of critical infrastructure.

The involvement of private companies in PPPs introduces a focus on efficiency and innovation in project delivery and management. Private sector partners typically bring advanced technologies, innovative approaches, and a commitment to cost-effectiveness and quality. This can lead to faster project completion, reduced costs, and improved service quality. As Yescombe (2011) notes, the private sector's expertise in optimizing operations and maintaining competitiveness drives enhanced performance in PPP projects, which benefits the overall project outcomes.

PPPs facilitate an effective distribution of risks between the public and private sectors. This arrangement means that risks associated with construction, financing, and operations are allocated to the party best positioned to manage them, thereby reducing the overall risk burden on the public sector. For example, private entities may take on financial and operational risks, while the public sector retains regulatory and political risks. This risk-sharing mechanism, highlighted by Grimsey and Lewis (2002), ensures that risks are managed efficiently, leading to more resilient project structures.

Combining the strengths of both sectors through PPPs can significantly improve the quality and reliability of public services and infrastructure. This synergy can lead to better outcomes for users and beneficiaries, such as faster project delivery and higher service standards. The European Commission (2003) points out that PPPs can streamline processes and integrate best practices from both sectors, resulting in enhanced public service delivery that meets or exceeds user expectations.

PPPs have a substantial impact on economic development by creating jobs, enhancing infrastructure, and attracting additional investment. Well-implemented PPP projects can act as catalysts for economic growth, generating a significant multiplier effect on local and national economies. According to the Asian Development Bank (2008), PPPs not only address immediate

infrastructure needs but also foster a more conducive environment for sustained economic progress by improving the overall economic landscape.

PPPs offer a pathway to fiscal efficiency by optimizing the use of public funds. The competitive procurement process and performance-based payment structures inherent in PPPs encourage cost efficiency and ensure that public resources are utilized effectively. The European Commission (2003) emphasizes that PPPs provide value for money by ensuring that expenditures are aligned with performance outcomes, leading to better financial stewardship in public projects.

Engaging in PPPs can significantly enhance public sector capacity by providing access to private sector expertise and best practices. This collaboration helps build the government's ability to manage and oversee complex projects, thereby improving governance and operational capabilities. Grimsey and Lewis (2004) highlight that through partnerships with private entities, the public sector can develop the skills and knowledge necessary to handle large-scale projects more effectively.

The long-term nature of PPP contracts promotes a sustainable and lifecycle approach to project management. This focus ensures that assets are properly maintained over time, reducing the risk of deteriorating public infrastructure. The World Bank (2017) notes that the sustained involvement of private partners in the management and maintenance of infrastructure ensures that projects remain functional and efficient throughout their lifespan, supporting long-term public service delivery.

These points underscore the critical role PPPs play in modern infrastructure development and public service delivery, particularly in the context of developing economies. By fostering collaboration between the public and private sectors, PPPs provide a viable model for addressing complex development challenges and achieving sustainable growth.

### **2.4.1 Models of PPP**

The PPP model encompasses a variety of structures where the private sector takes on a significant role in aspects like financing, designing, constructing, operating, and maintaining public assets. The specifics of these partnerships can vary widely, but they generally share

common features such as risk-sharing, long-term contracts, and the alignment of both public and private sector goals toward the project's success (Yescombe, 2011).

Common PPP models include:

1. **Build-Operate-Transfer (BOT):** The private sector designs, finances, and constructs the project, operates it for a specified period to recoup investments and profits, and then transfers ownership back to the public sector (Grimsey & Lewis, 2004).
2. **Design-Build-Finance-Operate (DBFO):** The private partner is responsible for the design, construction, financing, and operation of the project, often involving long-term contracts where the private entity is compensated through user fees or government payments (Yescombe, 2011).
3. **Concessions:** The government grants the private sector the right to operate a public service or infrastructure for a specified period, during which the private entity invests in and maintains the asset, earning revenue through user charges (Kwak, Chih, & Ibbs, 2009).
4. **Joint Ventures:** The public and private sectors share ownership and control of the project, combining resources and expertise to achieve mutual goals (Hodge & Greve, 2007).

### **2.4.2 Practice of PPPs**

The practice of PPPs involves several key elements and stages:

1. **Project Identification and Planning:** Initially, public authorities identify potential projects suitable for PPP arrangements based on strategic needs, value-for-money assessments, and potential for private sector involvement. This stage involves feasibility studies, stakeholder analysis, and preliminary risk assessments (Asian Development Bank, 2008).
2. **Procurement and Contracting:** In this phase, the public sector engages in a competitive bidding process to select a private partner. The selected partner typically provides the capital and expertise required to execute the project. The terms of the partnership are formalized through detailed contracts that specify the roles, responsibilities, risk-sharing mechanisms, and performance metrics for both parties (Yescombe, 2011).

3. **Financing and Investment:** The private partner arranges financing for the project, which may include equity contributions and debt from financial institutions. Public contributions can come in various forms, including grants, land, or guarantees. This financial structure is crucial to the sustainability and viability of the project (Grimsey & Lewis, 2005).
4. **Implementation and Construction:** The private sector typically leads the project's construction phase, applying its expertise and resources to deliver the project within agreed timelines and quality standards. The public sector monitors progress to ensure compliance with contractual obligations and public interests (World Bank, 2017).
5. **Operation and Maintenance:** After construction, the private partner often operates and maintains the facility or service, ensuring it meets the required service levels and performance standards. This phase can last for several decades, depending on the agreement, and is critical for achieving the long-term benefits of the PPP (European Commission, 2003).
6. **Monitoring and Evaluation:** Throughout the project's life cycle, continuous monitoring and evaluation are conducted to assess performance, manage risks, and ensure the project meets its objectives. Adjustments may be made to improve outcomes and address emerging issues (Asian Development Bank, 2008).

### **2.4.3 Stakeholder Engagement in Public-Private Partnerships**

Public-Private Partnerships (PPPs) depend significantly on stakeholders for their continued success. Their participation is crucial at every point in a PPP project's lifecycle, not only in the early phases of development. PPP stakeholders comprise a wide range of people and organizations, each with unique interests and sway over the project's results. Achieving the goals of PPP initiatives requires an understanding of the responsibilities and significance of many stakeholders.

Engaging stakeholders is a cost-effective and efficient method to foster a conducive operational environment for projects. Through consultation, risks are minimized, and the likelihood of project success increases. Major infrastructure projects typically involve a diverse range of stakeholders, including both proponents and opponents. According to the International Bank for

Reconstruction and Development PPP Reference Guide (IBRD, 2017), stakeholder engagement serves two critical functions throughout the project lifecycle:

- **Validation and Improvement:** Consultation with stakeholders helps confirm or reassess whether a project will deliver societal value, often refining the initial project concept.
- **Risk Mitigation:** Governments can mitigate risks by disseminating project information, learning about potential issues, and establishing dialogues with a broad spectrum of stakeholders.

Effective stakeholder engagement supports governments in identifying critical issues and devising strategies. It frames discussions with beneficiaries, clarifies project impacts and objectives, and bolsters public support.

#### **2.4.4 Importance of Stakeholder Engagement in PPPs**

Stakeholder engagement helps governments identify critical issues and prepare effective strategies. In particular, it can frame discussions with beneficiaries, clarify project impacts and objectives, and ultimately increase public support for a given project (World Bank, 2017). In certain circumstances, creating space for dialogue and allowing stakeholder participation in project decision-making can increase its endorsement in the national political arena and strengthen its sustainability. The process can enhance the social capital between the government and the public, generating long-term benefits for the effectiveness of policy reforms.

Promoting and aligning public-private partnership (PPP) projects to community needs and expectations, as well as those of other stakeholders, requires active engagement from stakeholders.

By involving stakeholders in the planning and decision-making processes, project developers can gather valuable insights that help tailor the project to meet local needs, thereby enhancing its acceptance and success (Bryson, 2004). Stakeholders can provide perspectives on potential challenges and opportunities that might not be apparent to project developers. Engaging with a broad range of stakeholders allows for the identification of issues related to environmental

impact, social concerns, or financial viability, thereby enabling proactive risk mitigation strategies (Grimsey & Lewis, 2002).

Trust is a foundational element in the partnership, ensuring that all parties are committed to the project's goals and outcomes (Freeman, 1984). Building strong relationships through transparent communication and participatory approaches helps create a sense of ownership among stakeholders, which is vital for the long-term success and sustainability of PPP projects.

Stakeholder engagement promotes transparency and accountability in PPP projects. By involving stakeholders in the monitoring and evaluation processes, project developers can ensure that there is a clear and open communication of project progress, challenges, and results. This transparency helps in maintaining public confidence and support, and it ensures that project outcomes are scrutinized and aligned with public expectations (OECD, 2012).

Engaged stakeholders are more likely to contribute positively to the project's success and advocate for its benefits, thereby ensuring a broader impact (Hodge & Greve, 2007). Such kind of engagement can lead to significant economic and social benefits. Engaged stakeholders can help in identifying and maximizing local opportunities, such as job creation, skill development, and community investment. Their participation ensures that the economic and social benefits of PPP projects are distributed equitably and that the projects contribute to broader development goals (Asian Development Bank, 2008).

Stakeholders are indispensable to the success of PPP projects. Their engagement and active participation ensure that PPPs are not only effective and efficient but also equitable and sustainable. By recognizing the critical roles and contributions of various stakeholders, PPP projects can achieve their full potential in addressing infrastructure needs and promoting socio-economic development.

#### **2.4.5 Stakeholder Identification in PPP**

It is important to carefully consider people who could be impacted by the project, have a genuine interest in it, or have the power to influence it when identifying stakeholders. A project may become complicated and exposed to dangers if stakeholders are identified too broadly. If

stakeholders are defined too narrowly, local ownership and support may be weakened and potentially key stakeholders may go overlooked.

The IFC stakeholder engagement handbook (IFC, 2007) defines stakeholders as “persons or groups who are directly or indirectly affected by a project, as well as those who may have interests in a project and/or the ability to influence its outcome, either positively or negatively.” This is a very general definition. It illustrates the necessity for inclusivity when mapping stakeholders, but it does not address the whole spectrum of stakeholders that ought to be involved in every stage of the PPP cycle. A wider range of stakeholders should be involved in some phases; in others, just the users and those who would be impacted by the change should be consulted.

The same IFC handbook (IFC, 2007) recommends two parallel approaches to identify stakeholders based on the project’s geospatial sphere of influence. First, identify those stakeholders that are likely to be impacted by the primary project facilities and the related facilities, such as transportation routes and areas. The analysis should focus on socio-economic and environmental consequences for those directly affected by the project, such as end-users, homeowners, or specific professional categories, as well as groups that appear peripheral but perceive that they may be impacted by the project.

The second component of IFC’s parallel approach for identifying stakeholders applies to those who have interests in the project but are not affected by it geospatially. These include institutions such as political parties, trade unions, chambers of commerce, think tanks, community leaders, professional associations, or local and international civil society organizations.

It is important to note that over the PPP life-cycle, stakeholder communication and engagement will address different categories of stakeholders—and, as the goals will not be the same, the consultation mechanism will vary (IBRD,2017). Consider the main phases of the PPP cycle:

- ❖ **PPP program definition**—engaging citizens (as taxpayers and as potential users) during the identification phase of the government’s infrastructure program. Infrastructure programs are designed, developed, publicly presented, and tested through formal and informal feedback-collection mechanisms. The emphasis is on demonstrating the

program's ability to serve user needs—instead of simply listing projects and amounts—  
The process ensures that investment programs serve the public interest and reward politicians that promote them.

- ❖ **Project assessment and preparation**—engaging potential users and populations likely to be affected by the project. This engagement tests the quality of the project and provides elements for its optimization. The process is critical—the intensity of engagement with users and genuinely affected persons should be high. Extensive communication with relocated persons should be organized and publicized, and efforts to mitigate the impact on the environment should be communicated exhaustively.
- ❖ **Contract tendering**—no stakeholder consultation should take place during the tender process to avoid introducing undue pressure on the selection of the PPP operator. An initial market consultation, before the Call for Tender, will be highly relevant for assessing market interest and for receiving feedback that can help optimize the project, the draft contract, and the tender regulations. A competitive tender should avoid creating opportunities for collusion and force the procuring authority to deal independently with each bidder, and only with bidders.
- ❖ **Project implementation and evaluation**—requires full proactive disclosure of the contract, followed by periodic dissemination of information on project performance, and continuous collection of feedback from users using contractually-prescribed (or regulator-defined) communication channels.

In order to guarantee that the appropriate stakeholders are consulted and to prevent legitimizing vested interests, careful mapping is necessary to ascertain who is impacted by the project. Discussion participants who are not directly or severely impacted by the project may be drawn to the forum by the consultation process. As long as they can participate in a process that doesn't affect them, the government's attempts to give voice to legitimate stakeholders can be seen by these people as a chance to gain unjustified advantages. Vested interests may gain excessive power and ruin a project through a badly handled engagement process.

## **2.4.6 Formulating a Stakeholder Engagement Strategy**

Once stakeholders are identified and their interests, concerns, and information needs are analyzed, governments should map key influencers. This mapping helps to pinpoint important entry points for stakeholder engagement. Next, they should develop context-specific strategies for these engagements. These strategies must be systematic and cover all consultation activities. These strategies should have clear objectives and also require a detailed budget and a defined allocation of responsibilities (IFC, 2007).

Governments should begin the formulation of their project engagement strategy by highlighting the government's national economic development and poverty reduction objectives and other relevant strategic priorities (Calabrese, 2008). The engagement strategy can then demonstrate how the specific objectives of the project are aligned with the overarching national policy.

Governments should customize their level of engagement with each category of stakeholders according to their relative ability to impact the project and the availability of government resources to engage (Calabrese, 2008). Attempting to engage all identified stakeholders at the same level may lead to project delays.

### **2.4.6.1 Preliminary Consultation Period**

During the initial consultation phase, governments should start by disclosing all relevant information about the project. This includes identified socio-economic and environmental risks. Providing comprehensive information fosters transparency and gives stakeholders a clear understanding of the project. This approach allows stakeholders to form informed opinions and identify potential areas of contention.

Calabrese (2008) highlights that this consultation process helps to understand stakeholder perceptions about the project. Governments can improve their communication efforts by directly addressing these concerns. Additionally, this phase serves as a feedback mechanism, continuously refining the overall strategy by integrating stakeholder input into the project design. This not only demonstrates that stakeholders' contributions are valued but also enhances the project's credibility.

It's broadly agreed among policymakers and practitioners that consultations should be as inclusive as possible. While the level of engagement may vary among different stakeholders, ensuring that all voices are heard is crucial. This inclusiveness helps to prevent negative sentiments arising from feelings of exclusion.

The European Commission guidelines on stakeholder consultation (EC, 2015) outline five minimum standards for conducting effective consultations:

- **Clarity:** All communications and consultation documents must be clear and concise, including all necessary information to facilitate responses.
- **Targeting:** All relevant groups should have the opportunity to express their opinions on the project.
- **Publicize Broadly and Effectively:** Adequate publicity is essential, and the communication channels should be tailored to meet the needs of all target audiences.
- **Time Limits for Participation:** Sufficient time should be provided for stakeholders to plan and respond to invitations and written contributions.
- **Feedback:** Contributions should be acknowledged, and responses published to maintain transparency.

These principles provide a solid framework for engagement. However, governments may need to moderate their usage. For example, after the authority in charge of a runway expansion at Heathrow Airport committed to responding to all comments, they received over 70,000 comments (UK, 2015b).

Following the preliminary consultation, regular communication around critical milestones and when relevant information becomes available is crucial. This continuous feedback loop identifies stakeholder concerns throughout the project cycle and enhances participation (Morrissey 2015). Appointing a project spokesperson to provide regular updates and interact with the media at key milestones is essential.

#### **2.4.6.2 Stakeholder Engagement Post-Contract Award**

Once the project contract is awarded, stakeholder engagement shifts to managing expectations, maintaining relationships, and obtaining user feedback. The IFC stakeholder engagement handbook (IFC, 2007) offers recommendations for the construction and operation phases.

During construction, engagement involves notifying local stakeholders about the nature, duration, and potential impacts (such as noise or traffic). Information on whom to consult regarding grievances should also be provided.

In the operations phase, focus on managing established relationships and continued user feedback. This can be done through community liaison officers or by having an overlap period with old and new staff, allowing those with established rapport to introduce newer officers. Regular reviews and updates of stakeholder information, continued disclosure, and consultations are necessary to integrate new issues or changes in project perception into the overall strategy. Stakeholders may shift during this phase, requiring strategy adaptations.

#### **2.4.7 Key Stakeholders in PPPs**

##### **Government Entities**

Government bodies, including federal and regional authorities, are primary stakeholders in PPPs. They are responsible for creating the regulatory and policy framework that governs PPP projects. Their roles include project initiation, tendering processes, contract management, and oversight to ensure that projects align with public interests and regulatory requirements. As policy-makers and regulators, government entities must ensure that PPP agreements are structured to balance public needs with the commercial interests of private partners (Grimsey & Lewis, 2004).

##### **Private Sector Partners**

Private sector entities are integral to PPPs, bringing in capital investment, technical expertise, and operational efficiency. Their role typically involves financing, designing, constructing, and managing the infrastructure or services delivered through PPPs. Private partners often bear significant risks related to project execution and performance. Their profit-driven motivations

ensure that projects are delivered on time, within budget, and to high standards, thus driving the overall efficiency and effectiveness of PPPs (Yescombe, 2011).

### **End-User Communities**

The communities and individuals who directly benefit from PPP projects, often referred to as end-users, are critical stakeholders. Their needs and feedback are essential in shaping project goals and outcomes. End-users can include local residents, businesses, and other entities that rely on the infrastructure or services provided. Effective stakeholder engagement strategies ensure that the interests and concerns of these communities are addressed, fostering community support and enhancing the social acceptance of the project (Freeman, 1984).

### **Financial Institutions**

Banks, investors, and other financial institutions play a pivotal role in the funding and financial structuring of PPP projects. They provide the necessary capital and financial instruments required for project development and implementation. Their involvement often dictates the financial viability and risk profile of a PPP project. Effective engagement with financial stakeholders ensures that PPPs are financially sustainable and capable of attracting necessary investments (OECD, 2012).

### **Non-Governmental Organizations (NGOs) and Advocacy Groups**

NGOs and advocacy groups often represent the interests of communities and promote accountability and transparency in PPP projects. They can influence project outcomes through advocacy, monitoring, and participation in stakeholder consultations. Their role is crucial in ensuring that PPP projects adhere to social, environmental, and ethical standards, and that they contribute positively to the public good (Hodge & Greve, 2007).

### **Media and Public Opinion**

The media serves as a conduit for information dissemination and plays a vital role in shaping public perception of PPP projects. Positive media coverage can enhance public support, while critical reporting can highlight issues and prompt necessary changes. Public opinion, influenced

by media and stakeholder communication, is a powerful force that can impact the political and social environment surrounding a PPP project (Kwak, Chih, & Ibbs, 2009).

#### **2.4.8 Empirical Cases of Stakeholder Engagement Application in PPPs**

Transparency and timely access to information are foundational to accountability and good governance, especially within Public-Private Partnerships (PPPs). Many governments have adopted proactive information disclosure practices for PPP projects to promote transparency and public trust, often sharing critical details with the public without waiting for formal requests. This transparency is achieved through several methods:

- **Online Project Databases:** Governments may create online databases to house essential contract information, allowing the public easy access to project details. For instance, Chile's PPP unit within the Ministry of Public Works provides open access to contract information, including variations and monthly performance updates, enhancing public oversight (World Bank, 2013).
- **Contract Libraries with Summaries:** In some cases, governments maintain comprehensive libraries of PPP contracts, often supplemented by project summaries that clarify the contract's scope, timeline, and anticipated outcomes. This approach not only allows for easy reference but also aids in understanding project implications (World Bank, 2013). In regions like Chile, Peru, and the state of Minas Gerais in Brazil, full PPP contracts are disclosed to provide complete transparency. Conversely, the United Kingdom redacts commercially sensitive information before public disclosure, although the definition of "sensitive information" remains somewhat ambiguous (Center for Global Development, 2014).
- **Press Releases and Public Statements:** Regular press releases and public statements help maintain public engagement by providing updates on project milestones, funding allocations, and outcomes. This ongoing communication fosters trust and enhances accountability.

The British Parliament's Public Accounts Committee has underscored the importance of transparency in PPPs by advising government departments against using "commercial

confidentiality" as a routine reason for withholding contract details from the public (UK, 2014). The committee recommended that all departments disclose information about contracts with private entities unless genuinely sensitive. This approach aligns with findings by the Center for Global Development (2014), which cautions against using commercial secrecy to evade scrutiny, advocating instead for transparency that upholds public trust and minimizes perceived conflicts of interest.

Disclosure practices for PPP contracts vary widely across countries, depending on local legislation and cultural approaches to transparency. For example, in India, information about road contracts is disclosed proactively by the relevant ministries, even though such disclosure may not be legally mandated. This proactive approach contrasts with countries like South Africa, where disclosure follows a reactive model—information is provided only upon specific public request, as outlined in national legislation. Reactive disclosure processes vary based on fees and response times, which can sometimes exceed a month, affecting accessibility (World Bank, 2013).

In jurisdictions such as Victoria, Australia, further measures are taken to ensure PPP contract clarity. Under the Victorian Freedom of Information Act (1982), all PPP contracts are published on the Victorian Government Purchasing Board's website, supplemented by project summaries that explain key project features and commercial terms in clear language, thus ensuring that the information is understandable to a non-specialist audience. This dual approach of legal compliance and public accessibility is vital to foster a culture of transparency within PPPs (World Bank, 2013).

A comprehensive and transparent procurement process is also crucial in PPPs, as it sets the foundation for trust between public and private stakeholders. An effective practice involves not only disclosing contract details but also revealing the rationale behind procurement decisions. This includes information about bidders, their proposals, and the reasoning behind the final contract award. Such disclosures contribute to an accountable and competitive environment, encouraging fair participation while building public confidence in government decision-making processes (World Bank, 2013).

The World Bank's 2013 report on PPP disclosure emphasizes the global trend toward broader and more inclusive disclosure practices. Many countries are now augmenting contract disclosure with project summaries that describe key contract provisions, procurement origins, and project objectives. By supplementing legal documents with accessible summaries, governments help the public gain a clearer understanding of the PPP's scope and impact (World Bank, 2013).

Empirical cases from around the world demonstrate a trend toward proactive stakeholder engagement and transparency in PPPs, with varying approaches based on legislative frameworks and cultural norms. From proactive online databases to mandatory contract summaries, countries are progressively enhancing transparency to build public trust and foster a collaborative approach to governance (World Bank, 2013; Center for Global Development, 2014; UK, 2014).

## **2.5 Analytical Review**

### **2.5.1 Applying Stakeholder Theory in PPP Contexts**

Public-Private Partnerships (PPPs) refer to collaborative arrangements wherein public and private entities collaborate to supply infrastructure and services. Effective stakeholder involvement is critical to the success of these initiatives because it ensures that the expectations, concerns, and interests of all parties involved are effectively taken into account.

Since PPPs are complex and multidimensional initiatives, Stakeholder Theory is especially relevant in this context. PPPs usually involve many parties, such as end users, local communities, private enterprises, government agencies, and financiers. Every one of these groups has different expectations, interests, and degrees of control over the project. Stakeholder theory helps in the mapping of these diverse groups, the comprehension of their roles, and the development of effective engagement tactics.

The main objective of PPP agreements is to deliver agreed-upon projects while encouraging private and public collaboration and sharing the related risks and profits. Government regulators want to reduce overall project risks from a financial standpoint, and stakeholders are driven by the urge to improve their incentives (economic rent) even in situations where the project's goals appear to be aligned (Nwangwu, 20219). In addition, local communities may be concerned about environmental impacts and social disruptions, while private investors focus on financial returns

and project risks. Government entities might prioritize policy compliance and public welfare. Effective stakeholder engagement in PPPs, guided by Stakeholder Theory, involves recognizing these diverse perspectives and finding ways to align them towards common project goals (Freeman et al., 2010).

Previous research has indicated that stakeholder management and organizational outcomes are positively correlated. For instance, in the transportation sector, engaging local communities and addressing their concerns can significantly reduce resistance to infrastructure projects. The development of London's Cross Rail, a major PPP initiative, involved extensive stakeholder engagement to address community impacts, which was crucial in securing public support and facilitating smooth project implementation (Brady, Davies, & Gann, 2005).

Another example is the Lesotho National Referral Hospital project, a PPP initiative, that successfully involved a wide range of stakeholders to improve healthcare delivery in the country, demonstrating the practical value of Stakeholder Theory in achieving project success (McKee et al., 2017). Engaging healthcare providers, patients, and regulatory bodies helps in aligning the project objectives with public health goals and ensuring that services meet the needs of end-users.

The application of Stakeholder Theory to stakeholder engagement in Public-Private Partnerships (PPPs) is crucial for several reasons:

- Stakeholder Theory begins with identifying all relevant stakeholders and understanding their interests, power, and influence over the project. In PPPs, this involves a detailed mapping of stakeholders at various levels – from local communities affected by the project to international financiers providing funding (Mitchell, Agle, & Wood, 1997). By recognizing these interests, PPP practitioners can tailor their engagement strategies to address the needs of different stakeholders.
- Engaging stakeholders early and continuously throughout the project lifecycle is a cornerstone of Stakeholder Theory. In PPPs, this means involving stakeholders in planning, decision-making, and implementation processes. Mechanisms such as public consultations, advisory committees, and stakeholder forums provide platforms for

dialogue and collaboration. It emphasizes the importance of communication, transparency, and collaboration to build trust and foster positive interactions among stakeholders (Reed et al., 2009).

- PPP projects involve multiple stakeholders with potentially conflicting interests. Stakeholder Theory helps in balancing these interests by considering the perspectives of all stakeholders and finding common ground to achieve project objectives (Mandiriza and Fourie, 2023). In PPPs, this requires negotiating and aligning stakeholder objectives, such as balancing community needs with investor returns or environmental concerns with economic benefits. Techniques like mediation, consensus-building, and value-based negotiation are essential in achieving this balance (Donaldson & Preston, 1995).
- Ethical considerations and transparency are central to Stakeholder Theory. This translates into conducting operations with integrity, being transparent about project goals, processes, and outcomes, and ensuring accountability to all stakeholders. By engaging stakeholders based on this theory, PPP practitioners can promote responsible decision-making and ensure that the interests of all stakeholders are taken into consideration (Mandiriza and Fourie, 2023). Transparency helps in building trust and reducing conflicts, while ethical management ensures that stakeholder engagements are fair and respectful (Jones, Felps, & Bigley, 2007).

The application of Stakeholder Theory to stakeholder engagement in PPP projects helps in understanding, managing, and balancing the interests of diverse stakeholders, ultimately contributing to the success and effectiveness of PPP initiatives.

### **2.5.2 Challenges in Applying Stakeholder Theory in PPP**

Stakeholder theory provides a strong framework for comprehending and managing the unique interests of numerous parties involved in Public-Private Partnership (PPP) stakeholder engagement. It also brings with it a number of difficulties that need to be carefully avoided to guarantee successful stakeholder engagement and PPP project outcomes. Some of the main obstacles are listed below:

## **Complexity of Stakeholder Interests**

PPP projects typically involve a wide array of stakeholders, each with distinct and sometimes conflicting interests. Stakeholders can range from government agencies, private sector partners, and financiers to local communities, employees, and end-users. Managing these varied interests and ensuring that all stakeholders feel adequately represented and satisfied is inherently complex. The challenge lies in aligning these diverse interests with the overarching goals of the PPP project, often requiring meticulous negotiation and mediation to reconcile conflicting viewpoints (Yang, Wang, & Jin, 2014). For instance, local communities may prioritize social and environmental impacts, whereas private investors might focus on financial returns.

## **Power Dynamics**

Stakeholder Theory acknowledges that stakeholders have varying levels of power and influence. In PPP projects, power dynamics can be particularly pronounced, with significant imbalances between different stakeholders. For example, government entities and large corporations often wield substantial influence over project decisions, while local communities or smaller subcontractors may have less say. Balancing the interests of these powerful stakeholders with those of less influential groups can be delicate and requires careful consideration to prevent marginalization (Mitchell, Agle, & Wood, 1997). This power asymmetry can lead to decisions that disproportionately favor the interests of the more powerful stakeholders, potentially undermining the overall project's success.

## **Limited Resources**

Effective stakeholder engagement requires significant resources, including time, expertise, and financial investment. In the context of PPP projects, where budgets and resources are often tightly constrained, these requirements can be challenging to meet. Resource constraints may lead to insufficient engagement efforts, leaving some stakeholders' needs and concerns inadequately addressed. This can result in gaps in understanding, potentially leading to project delays, conflicts, or failures (Freeman et al., 2010). For example, underfunded engagement efforts might overlook critical feedback from community stakeholders that could impact project outcomes.

## **Stakeholder Resistance**

Resistance from stakeholders can pose significant hurdles to effective engagement. Some stakeholders may be resistant to engagement due to mistrust, lack of interest, or competing agendas. Overcoming this resistance requires building a culture of cooperation and trust, which can be challenging in large and complex PPP projects. Engaging stakeholders who are initially resistant often involves demonstrating the tangible benefits of their participation and addressing their specific concerns and fears (Greenwood, 2007). For instance, local communities might resist engagement if they fear the project will negatively impact their environment or livelihoods.

## **Communication Challenges**

Effective communication is crucial for successful stakeholder engagement. However, ensuring clear, transparent, and timely communication can be challenging, particularly in large-scale PPP projects involving multiple stakeholders with diverse backgrounds and interests. Communication barriers can include language differences, varying levels of technical understanding, and divergent cultural perspectives. Effective communication strategies must be tailored to address these barriers and ensure that all stakeholders receive and understand the necessary information (Freeman & Evan, 1990). Poor communication can lead to misunderstandings, misaligned expectations, and ultimately, conflicts among stakeholders.

## **Sustainability of Engagement**

Maintaining stakeholder engagement over the entire lifecycle of a PPP project can be demanding. Projects often span several years, and sustaining stakeholder interest, involvement, and commitment over time requires continuous effort. Stakeholders may become disengaged due to changing interests, fatigue, or perceived lack of impact. Project managers must implement strategies to keep stakeholders actively involved, such as regular updates, feedback mechanisms, and demonstrating how stakeholder input influences project decisions (Sachs & Rühli, 2011). This ongoing engagement is critical to ensure that stakeholder concerns are continuously addressed and to maintain support throughout the project.

Addressing these challenges requires a strategic and proactive approach to stakeholder engagement. Emphasizing inclusivity, transparency, and responsiveness to stakeholder needs and concerns is crucial. By recognizing and actively managing these challenges, PPP initiatives can enhance the effectiveness of stakeholder engagement efforts and contribute to the success of PPP projects. Successfully navigating these issues can lead to more sustainable and mutually beneficial outcomes, aligning the diverse interests of all involved parties toward a common goal.

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

This chapter outlines the research design and methodology employed in this study to investigate the effectiveness of stakeholder engagement on the success of Public-Private Partnerships (PPPs) in Ethiopia. It details the research design, data collection methods, sampling strategy, data analysis techniques, and considerations for ensuring validity, reliability, and ethical compliance.

### **3.1. Research Design**

The research design for this study was descriptive. A descriptive study using more specific data-gathering techniques may involve various comparison groups in its attempt to produce specific and clear information regarding the problem.

### **3.2. Research Approach**

The study employed a mixed-methods approach particularly because it is suitable for this study due to the multifaceted nature of stakeholder engagement in PPPs. The mixed-methods approach is justified as it allows for a more robust analysis by capturing numerical data through quantitative methods and gaining deeper insights through qualitative methods (Creswell, 2014).

Quantitative methods allow for the systematic measurement and analysis of stakeholders' perceptions and experiences, providing a broad overview of trends and patterns. On the other hand, qualitative methods enable a more nuanced exploration of individual perspectives and contextual factors that influence stakeholder engagement. Combining these methods ensures a richer, more detailed understanding of the research problem, enabling the formulation of well-rounded recommendations.

### **3.3. Sources of Data**

Both primary and secondary data were collected. Primary data was collected through questionnaires distributed to respondents and interviews for key informants whereas Secondary data was obtained from academic journals, books, proceedings, and the like. Specifically, Secondary data were collected through a comprehensive review of existing literature, reports, and case studies relevant to PPPs and stakeholder engagement in Ethiopia. This data provided a contextual background and complemented the primary data by offering insights into established practices and previous research findings.

#### **3.3.1. Sources of Secondary Data:**

- Government Publications: Reports and documents published by Ethiopian government and PPP Directorate General detailing policies, frameworks, and evaluations of PPP practices and projects.

- Academic Journals: Peer-reviewed articles and studies exploring theories, methodologies, and findings related to stakeholder engagement and PPPs.
- Project Reports: Documentation from specific PPP projects, including progress reports, evaluations, and stakeholder feedback.
- Case Studies: Detailed analyses of particular PPP projects that highlight best practices, challenges, and lessons learned in stakeholder engagement.

These sources provided a comprehensive overview of the current state of stakeholder engagement in Ethiopian PPP projects and informed the interpretation of primary data. This review serves to provide context and background information on PPP practices and stakeholder engagement in Ethiopia and serves to identify best practices and common challenges documented in previous studies. In addition, they will benefit in supporting the triangulation of data collected from primary sources.

### **3.4 Method of Data Collection**

The primary data for this study were collected using a structured questionnaire designed to capture a wide range of information on stakeholder engagement in Ethiopian PPP projects. The questionnaire was developed to include both closed-ended and open-ended questions to facilitate the collection of both quantitative and qualitative data. Closed-ended questions are used to collect quantifiable data on specific aspects of stakeholder engagement and communication practices. Open-ended questions are included to gather qualitative insights, allowing respondents to elaborate on their experiences and provide detailed feedback

The questionnaire was distributed via Google Forms, an online survey tool, which allowed for efficient and wide-reaching dissemination. Invitations to participate in the survey were sent via email and social media channels to targeted stakeholder groups:

- Members of the FDRE House of People’s Representatives
- Officials from federal and regional government entities involved in PPP projects
- Representatives from private sector partners participating in PPPs
- Members of end-user communities directly involved in PPP projects
- General public stakeholders with an interest in PPP outcomes

- Media professionals covering PPP projects

This method ensured broad participation and facilitated the convenient collection of responses.

The questionnaire included a variety of question types:

- **Closed-Ended Questions:** These questions provided predefined answer choices to quantify respondents' opinions and experiences. Examples include Likert scale questions to assess the perceived effectiveness of communication strategies and multiple-choice questions to identify common communication channels used in PPP projects.
- **Open-Ended Questions:** These questions allowed respondents to provide detailed, free-text responses, offering richer insights into their experiences and perspectives on stakeholder engagement. Examples include questions asking for suggestions on improving communication practices and challenges faced in current engagement efforts.

### **3.4. Sampling Strategy**

#### **3.4.1. Target Population and Sample Size Determination**

The target population for this study includes all stakeholders involved in or affected by PPP projects in Ethiopia. This diverse group encompasses government officials, private sector partners, community members, the general public, and media representatives.

To ensure a representative sample, the following criteria were considered in determining the sample size and selection:

- **Government Officials:** Members of the FDRE House of People's Representatives and officials from federal and regional government entities directly involved in PPP projects.
- **Private Sector Partners:** Representatives from companies and organizations participating as partners in PPP projects.
- **End-User Communities:** Individuals and groups who are the intended beneficiaries of PPP project outcomes.
- **General Public:** Stakeholders who have an interest in PPP projects but are not directly involved in their execution or management.
- **Media:** Journalists and media professionals covering PPP projects in Ethiopia.

### **3.4.2. Sampling Techniques**

To select respondents for the quantitative data, the following sampling techniques are employed:

- **Purposive Sampling:** Used to select participants who are directly involved in or affected by PPP projects, ensuring that key stakeholders are included in the study.
- **Random Sampling:** Within each stratum, random sampling is used to select individual respondents, minimizing selection bias and enhancing the generalizability of the findings.

A sample size of approximately 120 respondents was targeted to ensure adequate representation across all stakeholder groups. Out of the 120 distributed questionnaires (both closed and open-ended), 103 were returned, yielding a response rate of 85.83%. The remaining 17 respondents (14.17%) did not return the questionnaires for various reasons. The sample size was statistically representative, ensuring adequate data for analysis and inference.

## **3.5. Methods of Data Analysis**

### **3.5.1. Quantitative Analysis**

The Statistical Package for Social Sciences (SPSS) version 25 was used to analyze the data collected and analyzed quantitatively. This software is widely used in social science research for its robust statistical analysis capabilities (Pallant, 2020). Tables were created from the data gathered and representations using tables were used to ensure easy and quick interpretation of data. To examine respondents' opinions, perceptions, attitudes and so on descriptive statistics such as frequency count, percentage, mean, standard deviation, T value, and P-value respectively were thoroughly used.

### **3.5.2. Qualitative Analysis**

Qualitative findings from interviews and open-ended responses were categorized into themes or codes that relate to quantitative findings to uncover deeper insights into stakeholder engagement practices. This thematic coding will help integrate qualitative insights with quantitative data in the interpretation. The process began with categorizing and coding textual responses to identify

recurring themes and patterns. Specific words and phrases related to stakeholder engagement practices were analyzed for their frequency and context.

Following this, thematic analysis was conducted to identify and interpret key themes and sub-themes emerging from the data. These themes were then linked to the research questions and objectives, providing a coherent understanding of the dynamics of stakeholder engagement within Ethiopian PPP projects.

### **3.6. Validity and Reliability**

To ensure the validity and reliability of the data collected, several strategies were implemented:

- ❖ Pilot Testing: The questionnaire was pilot-tested to ensure the clarity and relevance of the questions.
- ❖ Consistent Data Collection Procedures: Standardized the process of distributing and collecting questionnaires to minimize variations in data collection.

### **3.7. Ethical Considerations**

The study meticulously followed ethical guidelines to safeguard the rights and privacy of all participants involved in the research. Central to these ethical considerations were the principles of informed consent, confidentiality, and data protection (Bryman, 2016). Informed consent was obtained from each participant after providing them with comprehensive information about the study's objectives, their voluntary participation, and the potential implications of their involvement (Creswell & Creswell, 2018). Participants were explicitly informed about their right to withdraw from the study at any time without consequence.

Confidentiality measures were rigorously implemented to protect the privacy of participants. All personal and sensitive information shared by respondents through questionnaires was treated with utmost confidentiality. Responses were anonymized, and data were stored securely using password-protected files and encrypted storage systems to prevent unauthorized access (Patton, 2015). Data protection protocols ensured that the information collected was used exclusively for research purposes. Access to collected data was restricted to the research team, and any

dissemination of findings maintained the anonymity of participants to safeguard their identities (Braun & Clarke, 2006).

These ethical practices underscored the commitment to maintaining the integrity of the research process while upholding the rights and well-being of the participants. By adhering to these guidelines, the study ensured ethical conduct and enhanced the trustworthiness of its findings. The researcher was conveying the purpose of the study to the proposed respondents as per standard research requirements. The researcher avoided deceptive practices and respected indigenous cultures as well as disclosed sensitive information. In sum, the researcher tried to be honest, genuine, and free from unnecessary bias as long as problem-solving and relevant research undertaking are concerned (Creswell, 2011).

## **CHAPTER FOUR**

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

#### **4.1. Introduction**

This chapter presents the findings and statistical analyses used to evaluate the research question introduced in earlier chapters. It begins by outlining the data screening process and reporting the results of the screening for errors in the sample and the procedural checks on the instruments used. The study then explores the dynamics of stakeholder engagement in Public-Private Partnership (PPP) projects in Ethiopia based on the preliminary analysis.

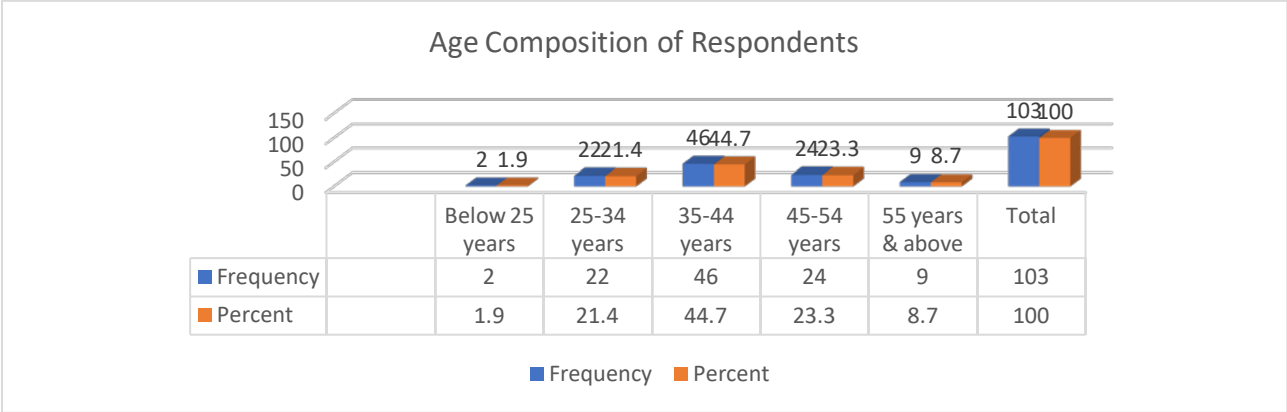
The chapter is divided into two parts: the first part addresses the characteristics of the respondents, while the second part focuses on the analysis and interpretation of the main data. To answer the basic research questions, both quantitative and qualitative data were gathered through questionnaires, interviews, and open-ended items. Stratified random sampling was employed to ensure representation from the various PPP projects, and purposive sampling was used to select key stakeholder groups. A total of 103 respondents participated in the study. Out of the 120 distributed questionnaires (both closed and open-ended), 103 were returned, yielding a response rate of 85.83%. The remaining 17 respondents (14.17%) did not return the questionnaires for various reasons. The sample size was statistically representative, ensuring adequate data for analysis and inference.

The data were analyzed using descriptive statistics, including frequency count, percentage, mean, standard deviation, t-value, and p-value. The “Statistical Package for the Social Sciences” (SPSS) version 25 was employed for the analysis. Quantitative data from the questionnaires were analyzed numerically, while qualitative data from open-ended items and interviews were analyzed to identify central themes related to the research questions.

**4.2. Data Presentation and Analysis of Quantitative and Qualitative Data**

**4.2.1. Demographic Characteristics of Respondents**

Chart 1: Age Composition of Respondents

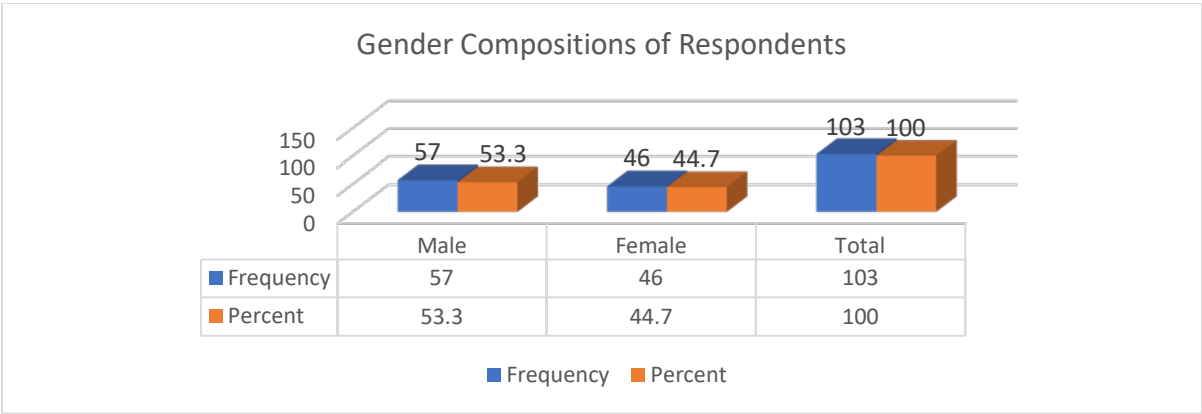


Source: Survey Data 2024

As can be observed from the above chart, 46 (44.7%) of the sample respondents were found in the age range of 35-44 years whereas 24 (23.3%) were in the age range of 45-54 years. Besides, 22 (21.4%) of the sample employees were found to be within the age range of 25-34 years. In addition, only 2 (1.9%) of the sample respondents are the age below 25 years while the remaining 9 (8.7%) were found 55 years and above.

**4.2.2. Characteristics of Respondents**

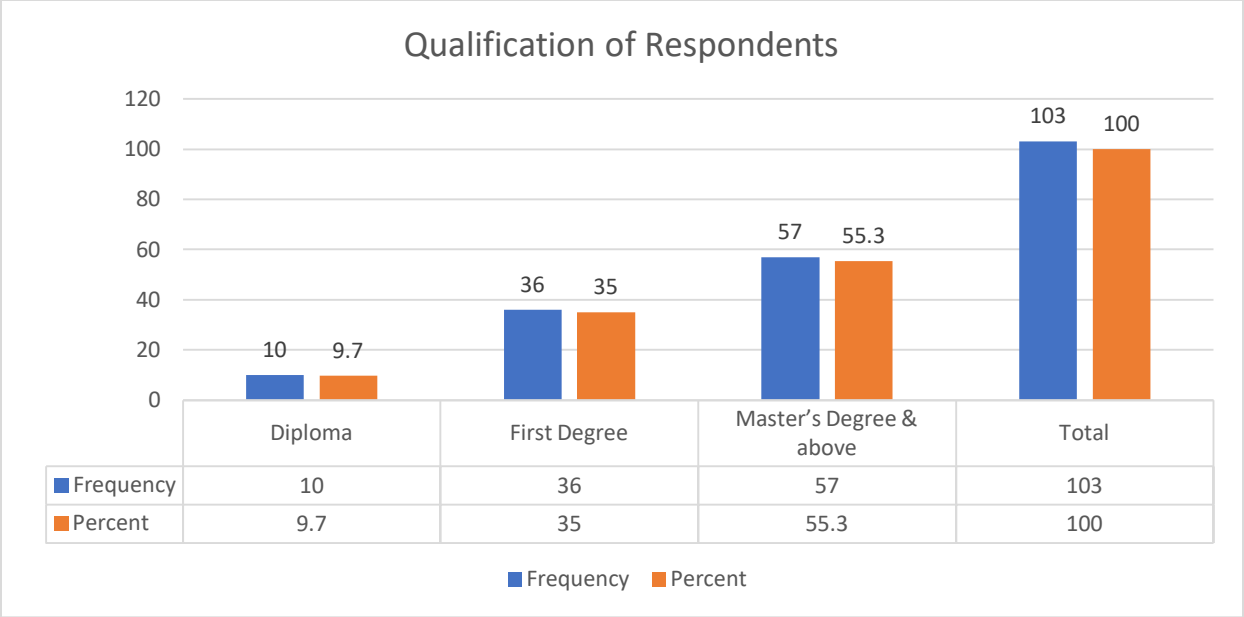
**Chart2: Gender Compositions of Respondents**



**Source:** Survey Data 2024

Item of the chart 2 shows that of the respondents, 57 (53.3%) of the sample respondents were males while 46 (44.7%) were females. The result showed that there is stability between males and females in the sample selection, which could be indicative of the gender inclusiveness of the research.

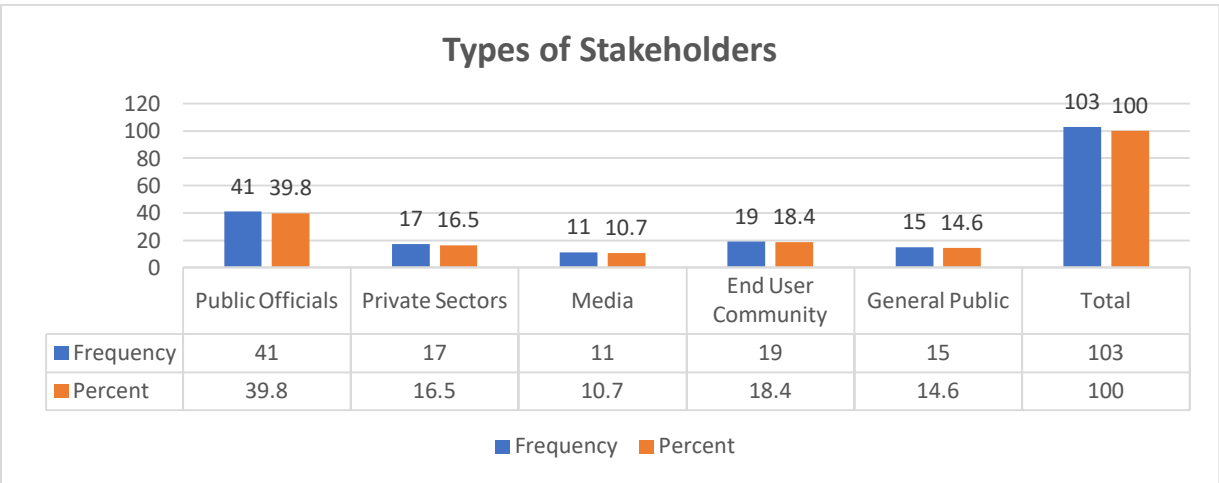
**Chart 3: Educational Qualification of Respondents**



**Source:** Survey Data 2024

About 57 relatively the majority (55.3%) of the sample respondents had qualified with MA/MSC & above levels of education whereas, 36 (35.0%) of the sample respondents were first-degree holders. Besides, 10 (9.7%) of the sample respondents had qualified with a diploma level of education.

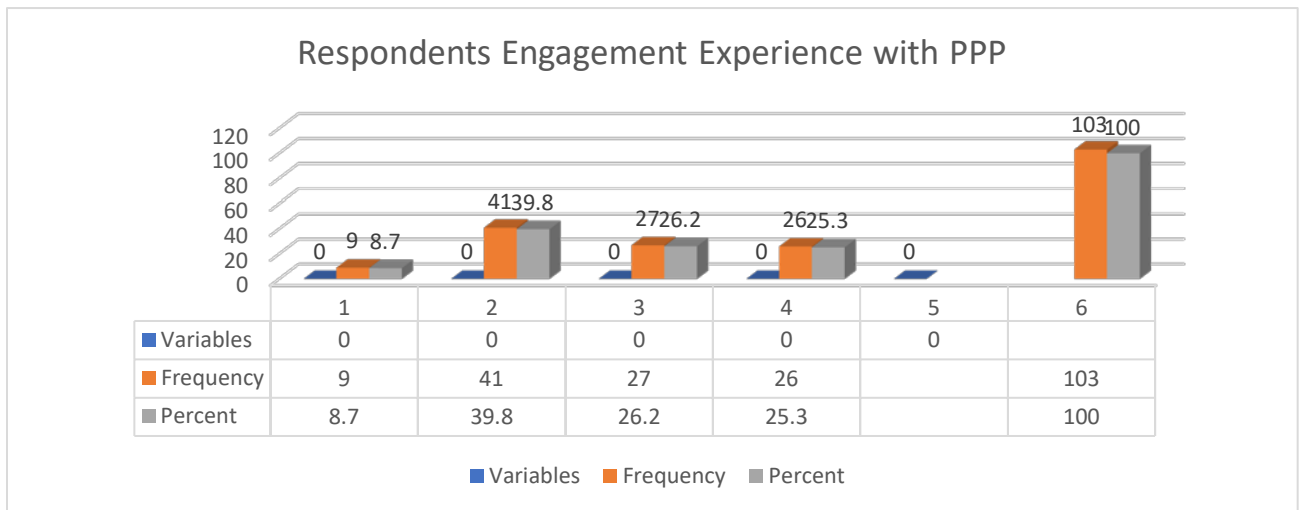
**Chart 4: Types of Stakeholders**



**Source:** Survey Data 2024

The analysis of chart 4 reveals a diverse composition of stakeholders involved in the study. Public officials make up the largest group at 39.8%, followed by 18.4% from the end-user community, 16.5% from the private sector, 14.6% representing the general public, and 10.7% from media outlets. Therefore, while the strong representation of public officials provides depth, a more balanced inclusion of all stakeholder groups is necessary for a holistic understanding and the successful management of PPP projects.

**Chart 5: Respondents’ Engagement Experience with PPP**



**Source:** Survey Data 2024

The data presented indicates varying levels of experience among stakeholders engaged in Public-Private Partnerships (PPPs) in Ethiopia, a practice initiated in 2017. Specifically, 8.7% of respondents have less than one year of PPP engagement experience, while the majority, 39.8%, have been involved for 1-3 years. Additionally, 26.2% have 4-5 years of experience, and 25.3% have over five years of engagement.

**4.2.3. Communication Methods**

Table 1: Methods commonly used to engage stakeholders in PPP projects

Variable		Frequency	Percent
Usage of Consultation Meeting	No	24	23.3
	Yes	79	76.7
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Usage of Website	No	67	65.0
	Yes	36	35.0
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Usage of social media	No	77	74.8
	Yes	26	25.2
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Usage of Press Release	No	68	66.0
	Yes	35	34.0
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Usage of Official Reports	No	69	67.0
	Yes	34	33.0
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Usage of Project Pipeline Booklet	No	50	48.5
	Yes	53	51.5
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Usage of Emails	No	65	63.1
	Yes	38	36.9
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Usage of Workshop and Training	No	30	29.1
	Yes	73	70.9
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Usage of News Letter, Brushers and leaflets	No	68	66.0
	Yes	35	34.0
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Usage of TV/Radio	No	84	81.6
	Yes	19	18.4
	<b>Total</b>	<b>103</b>	<b>100.0</b>

**Source:** Survey Data 2024

The analysis of communication methods in Ethiopian Public-Private Partnership (PPP) projects underscores a strong reliance on traditional, in-person engagement strategies, supplemented by

limited use of digital and media channels. Quantitative data from Table 1 indicate that consultation meetings (76.7%) and workshops/training sessions (70.9%) are the most widely adopted communication methods. This high rate of face-to-face engagement highlights the value placed on direct interaction, which aligns with qualitative feedback from respondents who emphasize the importance of educational workshops and training sessions in enhancing stakeholder understanding. Respondents cited these gatherings as essential for explaining complex PPP processes and clarifying roles (e.g., Respondents 4 and 71 recommended visual aids to make technical information more accessible). This suggests that traditional, in-person methods are perceived as effective for deepening stakeholders' knowledge and facilitating more active participation.

However, the analysis also reveals a notable gap in the adoption of digital communication methods. Only 35% of respondents reported using websites, and 36.9% used email, with social media adoption even lower at 25.2%. This limited use of digital channels points to an underutilization of modern communication tools that could broaden stakeholder reach. In the qualitative data, respondents specifically recommended expanding digital engagement to enhance accessibility and responsiveness, particularly for stakeholders who may be geographically dispersed or have limited availability for in-person meetings. Respondent 17 noted that adopting digital platforms could improve real-time communication and address delays in stakeholder responses. These qualitative insights suggest that while face-to-face communication remains valuable, digital channels could add significant efficiency and reach if integrated effectively.

The data also indicate a moderate reliance on traditional media for communication. Channels like press releases, official reports, newsletters, brochures, and leaflets are used by around 33% to 34% of respondents, while TV and radio have particularly low adoption at 18.4%. This moderate reliance suggests that traditional media channels may be used primarily for formal announcements rather than active, two-way engagement. Qualitative responses echo this sentiment, with several participants suggesting that more interactive, frequent communication through digital means could enhance transparency and responsiveness, which is difficult to achieve through traditional media alone. Transparency was a key theme in the qualitative feedback, with respondents calling for regular, clear updates on project status, decisions, and

outcomes. For instance, Respondent 11 emphasized the need for transparent policies like public progress reports and clear communication on how stakeholder input is incorporated.

In conclusion, both the quantitative and qualitative data underscore the importance of evolving PPP communication methods beyond traditional in-person meetings and workshops. A multi-channel communication strategy that incorporates digital tools like social media, websites, and email alongside traditional methods would not only broaden stakeholder reach but also improve responsiveness and transparency

#### 4.2.4. Types of Information Received from PPP Directorate General to Stakeholders

Table 2: Issues Related to Information Received from PPP Directorate General

Variable		Frequency	Percent
Information from Pipeline Projects	No	20	19.4
	Yes	83	80.6
	<b>Total</b>	103	100.0
Information from Financial Information	No	69	67.0
	Yes	34	33.0
	<b>Total</b>	103	100.0
Information from Contract Terms	No	67	65.0
	Yes	36	35.0
	<b>Total</b>	103	100.0
Information from Project benefit PPP	No	43	41.7
	Yes	60	58.3
	<b>Total</b>	103	100.0
Information from Monitoring and Evaluation	No	76	73.8
	Yes	27	26.2
	<b>Total</b>	103	100.0
Information from Project Bidding	No	53	51.5
	Yes	50	48.5

	<b>Total</b>	103	100.0
--	--------------	-----	-------

**Source:** Survey Data 2024

The analysis of information accessibility from the PPP Directorate General highlights distinct patterns in the types and levels of information that stakeholders receive, which has important implications for transparency and engagement in Ethiopian PPP projects. The quantitative data in Table 4 shows that pipeline project information is the most accessible type, with 80.6% of surveyed projects having access to this data. This high accessibility suggests a strong focus on communicating upcoming project opportunities, which aligns with the Directorate General's efforts to inform stakeholders early in the project lifecycle. This openness about upcoming projects may foster trust and ensure that stakeholders can prepare for potential partnerships. Qualitative insights underscore the value of such early information, as respondents emphasized the importance of timely project announcements in helping them understand and anticipate their roles and contributions (e.g., Respondent 3 expressed that timely awareness of project pipelines enables proactive stakeholder preparation).

In contrast, financial information is much less accessible, with only 33.0% of projects receiving this type of information. This limited disclosure is a critical area for improvement, as transparency regarding financial aspects is essential for building credibility and trust among stakeholders. Respondents in the qualitative data expressed frustration over the lack of transparency in financial matters, with Respondent 7 noting that financial opacity can lead to suspicion and disengagement among stakeholders. This aligns with calls in the qualitative feedback for greater financial disclosure to improve trust and perceived accountability in PPP projects. Enhanced financial transparency could clarify funding sources, resource allocation, and project costs, addressing stakeholders' concerns about the financial viability and fairness of these projects.

Contract terms and project benefit information also show moderate accessibility, with 35.0% to 58.3% of projects reporting access to these types of information. This level of access suggests some degree of openness regarding the details of project contracts and potential benefits for involved parties. However, qualitative responses indicate that there remains room for improvement; several respondents expressed a need for clearer communication about how these

contracts benefit local communities. For instance, Respondent 12 noted that understanding the direct benefits to local stakeholders would improve public perception and support for PPP initiatives. Greater transparency around contract terms could enhance stakeholder buy-in and ensure alignment between project goals and public interests.

Monitoring and Evaluation (M&E) information and project bidding details are among the least accessible categories, with 26.2% to 48.5% accessibility. The limited availability of these types of information suggests that stakeholders may not have sufficient insight into project performance, accountability measures, or bidding processes. Qualitative data support this, as respondents frequently mentioned that limited access to M&E data hinders their ability to evaluate project success and hold project teams accountable. Respondent 9 highlighted that greater visibility into monitoring outcomes would improve trust, as stakeholders could see tangible results and assess whether PPP projects meet their stated goals. Additionally, Respondent 15 suggested that transparent bidding processes are crucial for ensuring fairness and competitiveness, urging the Directorate General to adopt more open bidding practices to enhance stakeholder confidence in project selection.

Furthermore, a correlation appears between access to one type of information and access to others, suggesting that projects with more transparency in one area (such as project pipelines) are likely to have better access across categories. This correlation highlights the potential of adopting a holistic approach to transparency, where improvements in one information area may positively influence perceptions across the board. For example, increasing transparency in financial and M&E areas could contribute to overall stakeholder satisfaction and trust in PPP processes, as stakeholders receive a fuller picture of project funding, monitoring, and outcomes.

In conclusion, both the quantitative and qualitative data underscore that while pipeline project information is readily available, areas such as financial details, contract terms, and M&E information remain less accessible. Improving transparency in these areas would likely enhance stakeholder confidence and engagement, helping to align PPP projects more closely with stakeholder expectations and promoting a more collaborative approach to public-private partnerships.

#### 4.2.5. Goal of the Communication Efforts by PPP Director General

Table 3: Issues related to the Main Goal of the Communication Efforts by PPP D/G

Variable		Frequency	Percent
Informing Stakeholders	No	11	10.7
	Yes	92	89.3
	<b>Total</b>	103	100.0
Building Trust	No	47	45.6
	Yes	56	54.4
	<b>Total</b>	103	100.0
Encouraging Participation	No	40	38.8
	Yes	63	61.2
	<b>Total</b>	103	100.0
Managing Expectation	No	55	53.4
	Yes	48	46.6
	<b>Total</b>	103	100.0
Addressing Concern	No	64	62.1
	Yes	39	37.9
	<b>Total</b>	103	100.0

**Source:** Survey Data 2024

The main goal of the communication efforts by the PPP Director General seems to be centered around informing stakeholders (89.3% frequency), followed closely by encouraging participation (61.2% frequency). Building trust with 54.4 % frequency is the medium goal of the communication effort of PPP in Ethiopia. Managing expectations and addressing concerns also received significant attention, with frequencies of 46.6% and 37.9%, respectively.

The communication efforts by the PPP Director General are primarily focused on informing stakeholders, with a significant emphasis also placed on encouraging participation and building trust. Managing expectations and addressing concerns are also important goals, though they are perceived as slightly less prioritized. The slightly less prioritized shows of the lower priority of

the time spent on this effort, indicating that while concerns are acknowledged, they may not be as prominent a focus as other goals.

These communication goals reflect a comprehensive approach to stakeholder engagement, aiming to ensure stakeholders are well-informed, actively involved, and trustful of the PPP processes. Addressing these goals effectively can enhance stakeholder satisfaction and support, contributing to the overall success of PPP projects.

#### 4.2.6. Instruments Used to Provide Feedback about the PPP

Table 4: Issues related to the Instruments used to Provide Feedback about the PPP

Variable		Frequency	Percent
Survey	No	71	68.9
	Yes	32	31.1
	<b>Total</b>	103	100.0
Feedback Forms	No	72	69.9
	Yes	31	30.1
	<b>Total</b>	103	100.0
Focus Groups	No	46	44.7
	Yes	57	55.3
	<b>Total</b>	103	100.0
Suggestion Box	No	90	87.4
	Yes	13	12.6
	<b>Total</b>	103	100.0
Direct Call	No	81	78.6
	Yes	22	21.4
	<b>Total</b>	103	100.0
Public Consultation	No	31	30.1
	Yes	72	69.9
	<b>Total</b>	103	100.0

**Source:** Survey Data 2024

Table 4 illustrates the use of various feedback mechanisms in PPP projects. A majority of 68.9% of respondents indicated that they did not provide feedback through surveys, while 31.1% did. Similar to surveys, 69.9% of respondents did not use feedback forms, whereas 30.1% did. This indicates a moderate level of utilization but also highlights a significant portion of stakeholders who might not engage through this method.

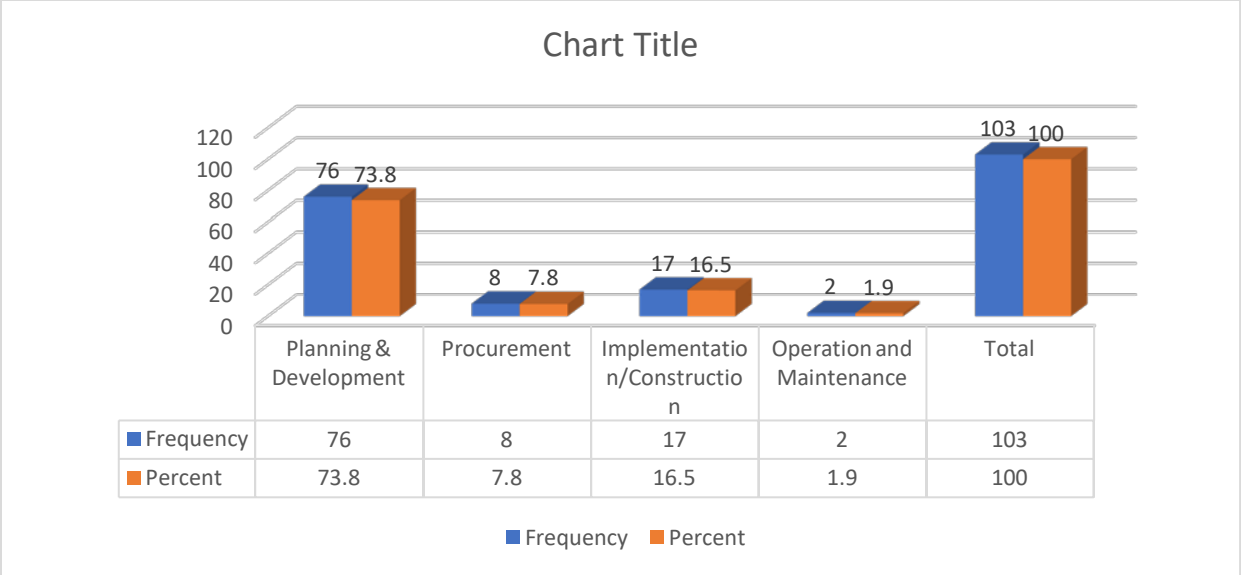
Focus groups seem to be more utilized, with 55.3% of respondents participating, compared to 44.7% who did not. The usage of suggestion boxes is notably low, with 87.4% of respondents not using them and only 12.6% utilizing this method. Direct calls are also underutilized, with 78.6% of respondents not using them and 21.4% reporting that they do. Public consultations have a higher engagement level, with 69.9% of respondents participating and 30.1% not engaging through this method. This suggests that public consultations are an effective and widely accepted method for stakeholder feedback in PPP projects.

The data reveals varying levels of engagement across different feedback mechanisms. Focus groups and public consultations are more commonly used and seem to resonate better with stakeholders. In contrast, suggestion boxes, direct calls, and surveys are less favored. To improve stakeholder engagement, PPP projects could benefit from leveraging the more effective feedback methods identified and finding ways to increase participation in less utilized methods. This approach would ensure a more comprehensive collection of stakeholder input and enhance the overall feedback process.

Qualitative responses from open-ended questions also suggested that establishing various feedback mechanisms, such as online surveys, suggestion boxes, and community meetings, can ensure that all stakeholders have an opportunity to voice their opinions. Creating multiple regular feedback opportunities throughout the project lifecycle and systematically integrating feedback into decision-making processes can improve stakeholder satisfaction and project outcomes.

#### **4.2.7. Stakeholder Engagement on different stages of PPP project lifecycle**

Chart 6: stakeholder engagement level in different Stages of the PPP Project Lifecycle



**Source:** Survey Data 2024

Table 4.12 illustrates stakeholder engagement levels across various stages of the PPP project lifecycle. During the Planning & Development stage, stakeholder engagement was predominant, accounting for 73.8% of respondents. This stage likely involves initial consultations, scoping, and feasibility assessments where stakeholder input is crucial.

In the Procurement stage, engagement decreased significantly, with only 7.8% of respondents actively participating. This phase typically involves tendering and contract award processes, where stakeholder involvement may be more limited. During the Implementation/Construction phase, engagement levels rose slightly to 16.5%, indicating renewed involvement as projects move into the execution phase. Stakeholders may focus on monitoring progress, addressing issues, and ensuring compliance with agreed terms. The Operation and Maintenance stage saw the lowest engagement at 1.9%, suggesting minimal stakeholder involvement once projects are operational. This phase may require ongoing communication channels for feedback and support, despite reduced direct engagement.

Overall, these findings highlight varying levels of stakeholder engagement throughout the PPP project lifecycle, emphasizing the need for tailored strategies to maintain meaningful involvement across all stages.

#### 4.2.8. Stakeholder Engagement and Communication Effectiveness

Table 5: Issues related to the Communication Efforts in Creating Awareness and perception about the PPP legal framework

<b>Variable</b>	<b>Frequency</b>	<b>Percent</b>
Very Effective	17	16.5
Effective	32	31.1
Neutral	14	13.6
Ineffective	35	34.0
Very Ineffective	5	4.9
<b>Total</b>	<b>103</b>	<b>100.0</b>

**Source:** Survey Data 2024

Table 5 presents data on the effectiveness of communication efforts in creating awareness and sensitization about PPP legal frameworks. Effective and very effective communication efforts were reported by 47.6% of respondents combined, indicating a positive perception of the effectiveness of communication strategies.

A significant proportion (34.0%) of respondents found the communication efforts ineffective or very ineffective, suggesting room for improvement in how PPP legal frameworks are communicated. Approximately 13.6% of respondents were neutral, indicating a lack of strong opinion or a need for further assessment of communication impact.

Based on the above result, one can conclude that the current communication efforts to create awareness and sensitization about the PPP legal framework may not be sufficient to effectively aware the target audience. Also, there is a need to re-evaluate and improve the communication

strategy to ensure that it is more effective in conveying the importance and relevance of the PPP legal framework to stakeholders.

Qualitative responses from open-ended questions also raised complex information about PPP legal frameworks and projects as complex information that can be challenging for stakeholders to understand, leading to confusion and disengagement. Respondents 52, 13, 67, and 99 mentioned breaking down complex information into simpler formats and using infographics, videos, and summary documents can make key concepts more digestible. In addition to this, qualitative response findings recommend conducting workshops and training sessions to educate stakeholders about PPP processes and their roles can empower them with knowledge and clarity.

#### 4.2.9. Stakeholders Engagement Practices

Table 6: Issues related to Stakeholders Engagement Practices

Items/ Statement	One-Sample Statistics			Test Value = 3					
				T	Df	p-value	Mean Difference	95% Confidence Interval of the Difference	
	N	Mean	Std. Deviation					Lower	Upper
<b>1</b>	103	2.28	1.014	22.840	102	.000	2.282	2.08	2.48
<b>2</b>	103	2.73	.941	29.412	102	.000	2.728	2.54	2.91
<b>3</b>	103	2.59	1.024	25.701	102	.000	2.592	2.39	2.79
<b>4</b>	103	2.96	1.066	28.200	102	.000	2.961	2.75	3.17
<b>5</b>	103	3.17	.944	34.139	102	.000	3.175	2.99	3.36
<b>6</b>	103	3.16	.905	35.390	102	.000	3.155	2.98	3.33
<b>7</b>	103	3.29	.847	39.413	102	.000	3.291	3.13	3.46

Source: Survey Data 2024

In analyzing stakeholder engagement practices within Public-Private Partnership (PPP) projects in Ethiopia, both quantitative data and qualitative insights reveal notable areas for improvement and underlying factors influencing current perceptions.

A series of seven statements were presented to respondents, aiming to evaluate the effectiveness of stakeholder engagement practices in PPP projects in Ethiopia. Responses to these statements were measured on a Likert scale, with a one-sample t-test applied to assess the average level of agreement. The significance of each statement was determined using the p-value; a p-value below 0.05 indicated a significant difference from the neutral midpoint of the scale, reflecting either agreement or disagreement. The quantitative data, when combined with insights from open-ended responses, provide a holistic view of the challenges and potential solutions for stakeholder engagement in these projects.

The first statement assessed the overall effectiveness of stakeholder engagement in PPP projects, yielding a mean rating of  $M=2.28$  ( $SD=1.01$ ), significantly below the neutral midpoint, indicating a broad perception of ineffectiveness. This aligns with qualitative feedback, where several respondents pointed to the complexity of PPP-related information as a primary barrier to effective engagement. Respondents frequently noted that the technical nature of PPP information often leads to confusion and disengagement among stakeholders, who may lack the requisite expertise to fully understand the processes involved. For instance, Respondents 4, 23, 79, and 82 highlighted that "many stakeholders struggle to grasp PPP concepts, which limits their active participation." To address this, participants suggested simplifying complex information through accessible formats, including visual aids like infographics, videos, and summary documents. Respondents 17 and 97 further proposed that "tailoring communication to match stakeholders' levels of understanding could reduce confusion and improve engagement." These qualitative insights emphasize the need for more accessible communication strategies to enhance the overall effectiveness of stakeholder engagement.

The second statement regarding the frequency with which stakeholders are engaged throughout different phases of PPP projects received a mean rating of  $M=2.73$ , suggesting a perceived insufficiency in regular stakeholder interaction. This quantitative result reflects respondents' concerns regarding resource limitations—an issue that surfaced prominently in the qualitative data. Resource constraints, such as limited time, budget, and personnel, were commonly

identified as impediments to effective engagement. Respondent 12 noted, “With current resources, engagement activities are often rushed, which undermines stakeholder trust and support.” Similarly, Respondents 22 and 57 emphasized the need for detailed resource allocation plans to prioritize engagement from the project’s inception, proposing partnerships with international donors as a potential solution for securing additional support. These responses suggest that improving resource planning and seeking external funding could facilitate more consistent and meaningful stakeholder involvement across project phases.

Stakeholders’ early identification and involvement in PPP projects (Statement 3) received a mean score of  $M=2.59$ , again falling below the neutral midpoint. This response indicates that early engagement is viewed as insufficient, which the qualitative data further elucidates. Respondents underscored the importance of empowering stakeholders with a clear understanding of their roles from the outset. For example, Respondent 5 suggested that “educational workshops using visual aids, such as flowcharts and diagrams, could help stakeholders unfamiliar with technical details understand project complexities and their roles within them.” Such early engagement and role clarity were seen as critical for fostering meaningful participation. Addressing these aspects could thus strengthen stakeholder involvement and enable participants to contribute more effectively to project discussions and decision-making processes.

Statement 4 assessed stakeholders’ understanding of their roles and responsibilities, with a mean score of  $M=2.96$ , which is close to the neutral midpoint, suggesting that stakeholders generally understand their roles but may require further clarity. This quantitative result indicates a level of role comprehension that aligns with expectations, yet qualitative insights reveal nuanced concerns about the need for clearer communication and reinforcement of these roles to support effective engagement.

Several respondents highlighted that, while some stakeholders understand their roles, there is often ambiguity regarding the specific responsibilities and expectations associated with these roles. For example, Respondent 8 noted, “While stakeholders are aware of their involvement, there is often confusion about specific responsibilities, which can hinder their active participation.” Respondent 15 echoed this, emphasizing that “explicitly defining roles and establishing accountability would reduce confusion and foster a stronger sense of commitment among stakeholders.” Moreover, respondents recommended structured orientation sessions or

workshops to provide stakeholders with a more comprehensive understanding of their roles in the PPP project context. Respondent 21 suggested, “Holding introductory sessions with clear, accessible role descriptions and expected outcomes can improve engagement and reduce misunderstandings.” Such structured sessions, they noted, could not only clarify individual roles but also foster a collective understanding of the interdependencies among various stakeholders, which is essential for coordinated project efforts.

The qualitative feedback suggests that while stakeholders may have a basic awareness of their roles, reinforcing this understanding through regular communication and training could enhance clarity and commitment. This would address the slight gap observed in the quantitative data, indicating that more proactive role clarification could yield more effective and cohesive engagement. Integrating these approaches would also contribute to fostering accountability and ownership among stakeholders, supporting overall project success.

With a mean rating of  $M=3.17$ , the regularity of communication with stakeholders (statement 5) was rated moderately favorably, though qualitative responses indicate room for enhancement in terms of responsiveness. Delays in addressing stakeholder inquiries were highlighted as a source of frustration that could lead to disengagement. Respondents 14 and 100 recommended establishing Service Level Agreements (SLAs) to ensure timely responses, stating, “Setting clear expectations for response times could help manage stakeholder expectations and maintain trust.” The formation of dedicated communication teams was also suggested as a means to improve response efficiency. This convergence between quantitative and qualitative data suggests that, while regular communication is generally maintained, targeted improvements in responsiveness could further strengthen stakeholder relationships and trust.

The extent to which stakeholder feedback is incorporated in PPP projects (Statement 6) received a mean rating of  $M=3.16$ , indicating moderate satisfaction with current feedback mechanisms. However, qualitative insights reveal a desire for more robust feedback channels and transparency regarding how feedback is utilized. Respondents 6, 37, and 88 emphasized the importance of “providing multiple feedback mechanisms, such as online surveys, and community meetings, to ensure all voices are heard.” Furthermore, respondents stressed the need to close the feedback loop by transparently communicating how stakeholder input is factored into project decisions. As Respondent 30 put it, “Transparency in feedback usage would build trust and encourage

continuous stakeholder involvement.” These findings suggest that expanding feedback channels and increasing transparency could enhance stakeholder satisfaction and reinforce their active participation in projects.

The existence of formal mechanisms for addressing stakeholder concerns (Statement 7) was rated more favorably, with a mean of  $M=3.29$ . This suggests general agreement that such mechanisms are in place. Nevertheless, qualitative feedback indicates a need for enhanced transparency in managing stakeholder concerns. Respondent 11 highlighted the potential benefits of “publicly sharing project plans, budgets, and progress reports to build stakeholder trust and demystify the project process.” Regular updates via newsletters and public meetings were recommended, with an emphasis on clear, accessible language. By promoting openness in addressing concerns, these suggested improvements could foster greater trust and confidence among stakeholders.

In sum, this mixed-methods analysis reveals critical insights into the current practices of stakeholder engagement in Ethiopian PPP projects. Quantitatively, respondents reported perceptions of ineffective engagement overall, insufficient early involvement, and moderate satisfaction with communication and feedback incorporation. The qualitative data provide valuable context, identifying complexity, resource constraints, and transparency issues as recurring themes. Recommendations from respondents underscore the need for simplified communication, resource planning, responsiveness improvements, and greater transparency to enhance engagement effectiveness.

#### 4.2.10. Satisfaction of Stakeholders Engagement in PPP Projects

Table 7: Issues Related to Satisfaction with Stakeholders' Engagement Process

Items	One-Sample Statistics			Test Value = 3					
				T	Df	p-value	Mean Difference	95% Confidence Interval of the Difference	
	N	Mean	Std. Deviation					Lower	Upper

1	103	2.89	.938	31.289	102	.000	2.893	2.71	3.08
---	-----	------	------	--------	-----	------	-------	------	------

**Source:** Survey Data 2024

The analysis of stakeholder satisfaction with the engagement process in PPP projects, as measured through a one-sample t-test, reveals that the mean satisfaction score falls slightly below the expected target. With a test value of 3 representing the target mean for satisfaction, the actual sample mean of 2.89 indicates that stakeholders' satisfaction levels are somewhat lower than anticipated. The p-value associated with this result is statistically significant, confirming that the observed difference from the target is unlikely due to chance and reflects a meaningful gap in satisfaction.

This is further corroborated by the qualitative feedback, where stakeholders pointed out key areas for improvement, including the need for more transparent financial reporting (respondents 26 & 18), timely project updates (respondents 23), and increased community involvement (respondents 63 & 81). These factors directly impact stakeholders' perceptions and satisfaction with the engagement process.

In terms of practical implications, these findings suggest that PPP projects need to strengthen their engagement strategies. Addressing communication gaps and enhancing stakeholder collaboration are particularly crucial to bringing the satisfaction level closer to the desired target. The quantitative findings, alongside qualitative feedback, underscore that stakeholder satisfaction with the engagement process in PPP projects is below the target level. This indicates a need for a more proactive and inclusive approach to stakeholder engagement, emphasizing enhanced transparency, regular updates, and direct involvement in decision-making processes to achieve better alignment with stakeholder expectations.

#### 4.2.11. Main Challenges in Stakeholder Engagement in PPP Projects

Table 8: Issues related to the challenges faced in stakeholder engagement

Variable		Frequency	Percent
Lack of awareness and understanding among stakeholders	No	34	33.0

	Yes	69	67.0
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Ineffective communication	No	25	24.3
	Yes	78	75.7
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Conflicting interests among stakeholders	No	54	52.4
	Yes	49	47.6
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Difficulty in engaging all stakeholder groups	No	34	33.0
	Yes	69	67.0
	<b>Total</b>	<b>103</b>	<b>100.0</b>
Inconsistent messaging	No	55	53.4
	Yes	48	46.6
	<b>Total</b>	<b>103</b>	<b>100.0</b>

**Source:** Survey Data 2024

The data on stakeholder engagement challenges in Public-Private Partnership (PPP) projects in Ethiopia reveals several critical obstacles, particularly regarding communication and inclusivity. The most frequently cited challenge, ineffective communication, was reported by a substantial 75.7% of respondents. Respondents 17 & 95 qualitative feedback aligns with this finding, as many emphasized the importance of clear and timely updates to foster trust and prevent misunderstandings. For instance, respondents suggested leveraging digital platforms and visual aids to simplify complex information and provide accessible explanations of PPP processes. By expanding communication beyond in-person meetings, the effectiveness of stakeholder engagement could be significantly enhanced.

A lack of awareness and understanding among stakeholders, highlighted by 67.0% of respondents, suggests that there is a knowledge gap that affects stakeholders' ability to fully engage with PPP projects. Qualitative responses reinforce this point, with several participants recommending educational workshops and training sessions to bridge this knowledge gap. Respondent 9 noted that tailored educational sessions with visual aids could clarify complex processes and facilitate a better understanding of stakeholder roles. This lack of awareness is further exacerbated by the limited use of digital tools; only a third of respondents reported using websites (35%) and emails (36.9%), while social media use was even lower at 25.2%. A more

diversified communication approach incorporating both digital and in-person methods could help address these awareness gaps by reaching stakeholders more effectively and ensuring they understand the objectives and processes of PPP projects.

Another major challenge is the difficulty in engaging all relevant stakeholder groups, reported by 67% of respondents. This challenge underscores the need for inclusive and proactive engagement strategies that can effectively reach diverse stakeholders, including those at the grassroots level. Respondents in the qualitative data suggested that tailored communication for different stakeholder groups would help ensure that all voices are heard, particularly in areas where PPP projects often have a significant impact. Respondent 12, for example, emphasized the need for community consultations and locally adapted information to engage underserved groups, making PPP projects more accessible and fostering broader support.

The presence of conflicting interests among stakeholders, which 47.6% of respondents reported as a significant issue, highlights the importance of implementing conflict resolution mechanisms and inclusive decision-making processes. This challenge reflects the complexity of aligning diverse stakeholder priorities in PPP projects, particularly when involving both public and private sector entities. Qualitative responses underscore the value of transparent decision-making and open forums to address conflicting goals, with Respondent 7 suggesting that regular, structured feedback sessions would allow stakeholders to express concerns and work toward compromises. Moreover, establishing conflict resolution frameworks could mitigate the negative impact of these conflicting interests, creating a more cooperative environment in which all parties are encouraged to contribute toward common objectives.

Inconsistent messaging, noted by 46.6% of respondents, emerged as another key communication challenge. This inconsistency can create confusion and erode trust, making it crucial to implement a coherent communication framework that aligns messaging with project goals. Respondents recommended standardizing communication across different channels to prevent mixed messages, with several suggesting the use of Service Level Agreements (SLAs) to set expectations for response times and content consistency. For example, Respondent 14 highlighted the importance of coordinated, aligned messaging to maintain stakeholder confidence and ensure that communication reflects the project's objectives accurately. The reliance on face-to-face media channels, with limited use of digital tools, may contribute to this

inconsistency; by integrating digital platforms more comprehensively, PPP projects could maintain more streamlined and frequent updates, reducing the potential for mixed messaging.

In summary, the challenges identified in stakeholder engagement—ineffective communication, lack of awareness, difficulties in reaching all stakeholders, conflicting interests, and inconsistent messaging—indicate a need for a multi-channel, inclusive communication strategy. Traditional engagement methods like consultation meetings and workshops are valuable but need to be supplemented with digital tools such as social media, emails, and websites to reach a broader audience and ensure coherent messaging. Additionally, establishing conflict resolution frameworks and aligning communication strategies with project goals can help address these challenges, fostering trust, transparency, and cooperation among all stakeholders involved in Ethiopian PPP projects.

In sum, effective stakeholder engagement is crucial for the success of PPP projects and by prioritizing stakeholder engagement and addressing the challenges identified, PPP projects can deliver better outcomes for all stakeholders involved and contribute to the development of sustainable and prosperous communities.

#### 4.2.12. Factors contributing to the stakeholder engagement and communication challenges in PPP projects

Table 9: Issues related to the Factors that contribute to these communication challenges....

Variable		Frequency	Percent
Insufficient resources (time, budget)	No	49	47.6
	Yes	54	52.4
	<b>Total</b>	103	100.0
Lack of coordination between partners	No	47	45.6
	Yes	56	54.4
	<b>Total</b>	103	100.0
Insufficient stakeholder identification and analysis	No	39	37.9
	Yes	64	62.1
	<b>Total</b>	103	100.0

Inadequate transparency	No	31	30.1
	Yes	72	69.9
	<b>Total</b>	103	100.0
Resistance to new communication methods and channels	No	81	78.6
	Yes	22	21.4
	<b>Total</b>	103	100.0
Poor responsiveness	No	48	46.6
	Yes	55	53.4
	<b>Total</b>	103	100.0
Complex information about PPP	No	39	37.9
	Yes	64	62.1
	<b>Total</b>	103	100.0
Social and political dynamics	No	48	46.6
	Yes	55	53.4
	<b>Total</b>	103	100.0
Limited use of modern technology	No	91	88.3
	Yes	12	11.7
	<b>Total</b>	103	100.0
Limited channel for input (feedback)	No	72	69.9
	Yes	31	30.1
	<b>Total</b>	103	100.0

**Source:** Survey Data 2024

The findings of the result have shown that among the top three most significant contributing factors for challenges in Public-Private Partnership (PPP) projects is inadequate transparency by 69.9% of the participants (72 out of 103) is the first one. This suggests that a significant majority of respondents perceive a lack of transparency as a major issue in stakeholder engagement within PPP projects. Inadequate transparency can manifest in several ways, such as withholding critical information, non-disclosure of project progress, and lack of openness about decision-making processes. This can lead to mistrust among stakeholders, reduced cooperation, and potential conflicts, as stakeholders may feel excluded or misinformed about the project's progress and decisions.

Open-ended responses also suggested that PPP DG should be more transparent with its stakeholders. It needs to adopt different methods to enhance transparency. Adopting policies that make project information accessible to all stakeholders can demystify processes and build trust.

Lack of coordination between partners is also identified as a second contributing factor by 54.4% of the participants (56 out of 103). This suggests that a majority of respondents see coordination issues between partners as a significant challenge in stakeholder engagement within PPP projects. Lack of coordination can lead to misalignment of goals, duplication of efforts, delays, and conflicts. It can also hinder the sharing of information and resources, making it difficult to achieve project objectives efficiently and effectively.

Qualitative responses from open-ended questions underscored the importance of better coordination among partners to streamline communication and ensure consistent messaging. Stakeholders emphasized the need for regular meetings and joint planning sessions to foster collaboration and alignment.

And also, another significant contributing factor identified by respondents is insufficient stakeholder identification and analysis by 62.1% of the participants (64 out of 103). This indicates that a considerable majority of respondents believe that not all relevant stakeholders are being identified or adequately analyzed in PPP projects. Insufficient stakeholder identification and analysis can lead to the exclusion of critical stakeholders, misunderstandings about stakeholder needs and expectations, and ineffective stakeholder engagement strategies. This can result in reduced support for the project and potential conflicts.

In addition, the respondents identified insufficient resources, poor responsiveness, complex information about PPP, social and political dynamics, resistance to use of new communication channels and methods, limited use of modern technology, and limited channels for input (feedback) as a major contributing factor for challenges in stakeholder engagement and communication in Ethiopia PPP.

Addressing these contributing factors with targeted strategies is crucial for enhancing stakeholder engagement in PPP projects in Ethiopia. By improving resource allocation, enhancing coordination among partners, and conducting thorough stakeholder analysis, projects

can optimize communication practices, build trust, and increase the likelihood of project success. Effective stakeholder management not only contributes to smoother project implementation but also fosters a collaborative environment where public and private sectors work together for mutual benefit and societal progress.

## **CHAPTER FIVE**

### **5. SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1. Introduction**

This chapter presents the summary of the major findings, the conclusions drawn from these findings, and the recommendations based on these conclusions.

#### **5.2 Discussion of Key Findings**

Most of the data reported is based on the findings of the research. Accordingly, the sample respondents were forwarded their opinions, and the data was analyzed accordingly. As to the study's major findings, many issues were raised from the data collection instruments, respondents were forwarded the following views.

The results of the study have shown that the sample stakeholder participants have a relatively stable and diverse age distribution among PPP stakeholders which is a significant asset. The result also showed that there is stability between males and females in the sample selection, which could be indicative of the gender inclusiveness of the research. Besides, the educational background of the sample respondents can be concluded that the majority of the sample respondents can analyze and evaluate the effectiveness of stakeholders' engagement in PPP projects. Furthermore, the study may be more influenced by the perspectives of public officials, which are crucial for policy alignment and strategic planning in Public-Private Partnerships (PPPs). Their insights ensure that projects align with public goals and regulatory frameworks.

### **Stakeholder engagement practice**

Overall, stakeholders perceive the overall effectiveness of engagement in PPP projects as ineffective. Additionally, stakeholders engaged in various phases of PPP projects rated their engagement as moderate. They are sometimes involved in different phases of the projects, and their identification and involvement early in the project are also at a moderate level. Regarding the understanding of their roles, stakeholders have a moderate understanding of their roles and responsibilities.

The study also examined the extent to which stakeholder feedback is incorporated and the formal mechanism for resolving concerns and feedback. The overall practice shows there is a moderate effort to integrate stakeholder feedback and also moderate agreement that such mechanisms exist.

### **Methods of communication and engagement**

The analysis of methods commonly used to engage stakeholders in PPP projects reveals varying levels of effectiveness and adoption. More formal or face-to-face methods of engagement, such as consultation meetings, workshops, and training tend to be used more frequently than modern (digital) or traditional media methods, such as websites, social media, emails, and TV/radio. This suggests that face-to-face interactions remain a crucial component of stakeholder engagement in PPP projects and a gap in leveraging modern methods and traditional media.

The satisfaction levels related to the stakeholder engagement process in PPP confirm that the satisfaction levels are statistically significantly lower than neutral, further supporting the conclusion of slight dissatisfaction among the respondents.

The communication efforts by the PPP Director General are primarily focused on informing stakeholders, with a significant emphasis also placed on encouraging participation and building trust. Managing expectations and addressing concerns are also important goals, though they are perceived as slightly less prioritized. The slightly less prioritized shows of the lower priority of the time spent on this effort, indicating that while concerns are acknowledged, they may not be as prominent a focus as other goals.

Regarding instruments used to provide feedback, respondents selected public consultation and focus groups as the main instruments to provide feedback about PPP. Other instruments such as surveys, feedback forms, suggestion boxes, and direct calls are less utilized instruments. Based on the result, there is room for improvement in terms of increasing the frequency and diversity of feedback mechanisms used by the PPP DG, as well as understanding the preferences and behaviors of stakeholders in providing feedback. Implementation of PPP projects has different of stages, The overall communication efforts of PPP focus on the planning and development stages of the PPP project life cycle.

### **Stakeholder Engagement and Communication Effectiveness**

Based on the above findings, one can conclude that the current communication efforts to create awareness and sensitization about the PPP legal framework may not be sufficient to effectively aware the target audience. Also, there is a need to re-evaluate and improve the communication strategy to ensure that it is more effective in conveying the importance and relevance of the PPP legal framework to stakeholders. Besides this, communication efforts and stakeholder engagement are considered crucial components for the success of PPP projects by most respondents, as it ensure that everyone's interests are considered and addressed.

### **Challenges of Stakeholder Engagement and Communication**

The study identified challenges and contributing factors for the overall effectiveness of stakeholder engagement and communication in PPP Projects. Ineffective communication emerged as the most frequently cited challenge, with 75.7% of respondents acknowledging it. A significant 67.0% of respondents identified a lack of awareness and understanding among stakeholders. Two-thirds (67%) of respondents found it challenging to engage all relevant stakeholder groups. Different issues were identified as contributing factors to these challenges. The findings of the result have shown that among the top three most significant contributing factors for challenges in Public-Private Partnership (PPP) projects is inadequate transparency by 69.9% of the participants is the first one. Complex information about PPP and insufficient stakeholder identification and analysis are also identified as a contributing factor by the participants. And also, another significant contributing factor identified by respondents is poor responsiveness, and social and political dynamics by the participants.

In sum, effective stakeholder engagement is crucial for the success of PPP projects and by prioritizing stakeholder engagement and addressing the challenges identified, PPP projects can deliver better outcomes for all stakeholders involved and contribute to the development of sustainable and prosperous communities.

### **5.3 Conclusion**

The results of this study raise considerable concerns about the overall efficiency of stakeholder participation in PPP projects. Stakeholders generally perceive their involvement as ineffective, with only limited involvement and understanding of their roles and responsibilities throughout the various stages of the projects. The identification and inclusion of stakeholders at an early stage are also moderate, suggesting that there is scope for enhancing the engagement process from the beginning.

The effectiveness of incorporating stakeholder feedback and having formal methods to address concerns was found to be moderately satisfactory, indicating that while efforts are being made, they are not entirely meeting stakeholder expectations. Traditional face-to-face engagement methods, including consultation meetings, workshops, and training, are more commonly used than modern digital methods like websites, social media, and email, as well as traditional media

like TV and radio. This suggests a gap in leveraging newer communication channels to enhance stakeholder engagement.

Stakeholder satisfaction with the engagement process is notably lower than neutral, indicating a slight dissatisfaction. This finding implies that while stakeholders are being involved in the process, their expectations or needs are not being met. The focus of the PPP Directorate General's communication efforts has been on informing stakeholders and encouraging participation, with less emphasis on managing expectations and addressing concerns. This suggests that while efforts are made to build trust and encourage engagement, there is a lack of focus on the timely resolution of stakeholder concerns and the clear management of their expectations. The primary methods used for gathering stakeholder input are public consultations and focus groups, while other mechanisms like surveys, feedback forms, suggestion boxes, and direct calls are underutilized. This suggests the need for a more diverse and frequent use of feedback mechanisms to capture a broader range of stakeholder perspectives and preferences.

The main focus of communication efforts in PPP projects has been on the initial stages of the project lifecycle, particularly planning and development. However, this study suggests that these efforts may not be sufficient for raising awareness and understanding of the PPP legal framework among stakeholders. As a result, there is a pressing need to reassess and enhance communication strategies to better convey the significance and relevance of PPP initiatives and their legal underpinnings.

The study also reveals ineffective communication, lack of stakeholder awareness and understanding, and difficulties in engaging all pertinent stakeholder groups as key challenges in stakeholder engagement. Contributing factors to these challenges included inadequate transparency, insufficient coordination between partners, and inadequate stakeholder identification and analysis.

In conclusion, effective stakeholder engagement is crucial to the success of PPP projects. The findings of this study emphasize the need for PPP initiatives to prioritize stakeholder engagement by addressing communication shortcomings, enhancing feedback mechanisms, and ensuring comprehensive and early involvement of all relevant parties. By tackling these challenges, PPP

projects can achieve more favorable outcomes, foster greater stakeholder satisfaction, and contribute to the sustainable development of communities.

## **5.4 Recommendations**

Based on the findings and conclusions of this study, several recommendations are proposed to enhance stakeholder engagement and communication in Public-Private Partnership (PPP) projects. Implementing these recommendations can help improve the effectiveness of PPP initiatives, ensuring they deliver better outcomes for all stakeholders and contribute to the development of sustainable communities.

- ✓ The Study recommends that to enhance the identification and analysis of critical stakeholders. Enhancing stakeholder identification and analysis is critical for successful stakeholder engagement in PPP projects. Conducting thorough stakeholder mapping exercises, utilizing stakeholder analysis tools, and actively engaging with key stakeholders can provide valuable insights. Implementing systems to systematically collect and integrate stakeholder feedback into project decisions ensures stakeholder perspectives are considered. By prioritizing stakeholder identification and analysis, PPP projects can build trust, manage expectations, and foster meaningful stakeholder participation.
- ✓ Improving the transparency of the project activities is also another recommendation. The prevalence of inadequate transparency as a major challenge indicates that PPP projects need to prioritize transparency to build trust and ensure effective stakeholder engagement. This can be achieved by implementing clear and consistent communication practices, sharing detailed project information regularly, and involving stakeholders in the decision-making process. Enhancing transparency will help to foster trust, facilitate better collaboration, and improve the overall effectiveness of stakeholder engagement.
- ✓ The Study recommends that Public-Private Partnerships in Ethiopia need to diversify the usage of communication channels. Expand the use of digital methods, such as websites, social media, and email newsletters, to complement traditional face-to-face interactions. They need also to utilize traditional media effectively by enhancing the use of TV, radio, and printed materials to reach the general public and stakeholders that may not be active

online. This approach will broaden the reach and accessibility of information and improve overall engagement.

- ✓ The Study recommends that Public-Private Partnership projects in Ethiopia need to increase the frequency and diversity of feedback mechanisms. While public consultations and focus groups are valuable, incorporating more surveys, feedback forms, suggestion boxes, direct calls, and other digital methods can provide a more comprehensive understanding of stakeholder perspectives and concerns.
- ✓ The study recommends the need to improve communication effectiveness by establishing clear, consistent, and transparent communication practices. Breaking down complex information into simpler formats and using infographics, videos, and summary documents can make key concepts more digestible. Customizing communication for different stakeholder groups based on their understanding and interests avoids overwhelming them with unnecessary technical details.
- ✓ last but not least, Public-Private Partnership projects in Ethiopia need to regularly evaluate the effectiveness of communication efforts to identify areas for improvement and re-evaluate and refine the communication strategy to ensure it is more effective in conveying the importance and relevance of the PPP legal framework to stakeholders.

## REFERENCE

- Agle, B.R., Donaldson, T., Freeman, R.E., Jensen, M.C., Mitchell, R.K., & Wood, D.J. (2008). Dialogue: toward superior stakeholder theory. *Business Ethics Quarterly*, 18(2), 153-190.
- Ahmed, S.A. and Ali, S.Mansour. (2006). People as Partners: Facilitating People's Participation in Public-Private Partnerships for Solid Waste Management. *Habitat International* 30, Issue 4: 781-796
- Amadi, C, Carrillo, P and Tuuli, M. (2014). Stakeholder management in public private partnership projects in Nigeria: Towards a research agenda. In: Raiden, A B and Aboagye-Nimo, E (Eds) *Procs 30th Annual ARCOM Conference*, 1-3 September 2014, Portsmouth, UK, Association of Researchers in Construction Management, 423-432

- Amaeshi, K. (2010). Stakeholder management: theoretical perspectives and implications. In E. Chinyio & P. Olomolaiye (Eds.), *Construction stakeholder management* (pp. 13-40). Chennai: Wiley-Blackwell.
- Antonacopoulou, E.P. & Méric, J. (2005). A critique of stakeholder theory: management science or a sophisticated ideology of control? *Corporate Governance*, 5(2), 22-33.
- Bao, Z.-x., Tang, Y.-z., & Tian, B.-f. (2019). Research on the Influence of Relationship Governance on PPP Project Management Performance. *DEStech Transactions on Social Science, Education and Human Science (ermis)*.
- Brady, T., Davies, A., & Gann, D. M. (2005). Creating value by delivering integrated solutions. *International Journal of Project Management*, 23 (5), 360-365.
- Bryson, J. M. (2011). *Strategic Planning for Public and Nonprofit Organizations: A Guide to Strengthening and Sustaining Organizational Achievement*. John Wiley & Sons.
- Calabrese, Daniel (2008) *Strategic Communication for Privatization, Public- Private Partnerships, and Private Participation in Infrastructure Projects*, Washington DC, The International Bank for Reconstruction and Development/The World Bank.
- Carroll & Buchholtz (2014). Public Relations and the New Stakeholder Management Environment. *International Journal of Academic Research in Business and Social Sciences* October 2014, Vol. 4, No. 10 ISSN: 2222-6990
- Casimir, R., & McDougall, C. (2018). Sydney light rail: light rail for a better future. Paper presented at the AusRAIL 2018, Rail for a Better Future, 27-28 November 2018, Canberra, and ACT.
- Colmer, J. (2016). *Urbanization, Growth, and Development: Evidence from India*. Unpublished Review Paper.
- Cornelissen, J., van Bekkum, T., & van Ruler, B. (2006). Corporate communications: a practice based theoretical conceptualization. *Corporate Reputation Review*, 9(2), 114-133.
- Crane, A., & Matten, D. (2019). *Business ethics: Managing corporate citizenship and sustainability in the age of globalization*. Oxford University Press.

- Cyron, Thomas (2021) How Organizations Incorporate Insights from Stakeholder Communication: The Role of Media and Modal Affordances, JIBS Dissertation Series No. 144, Jönköping International Business School, and Jönköping University.
- Dando, N., & Swift, T. (2003). Transparency and assurance: Minding the credibility gap. *Journal of Business Ethics*, 44(2-3), 195-200.
- Davies, S. R., Selin, C., Gano, G., & Pereira, Â. G. (2012). Citizen engagement and urban change: Three case studies of material deliberation. *Cities*, 29(6), 351-357.
- Delmon, J. J. (2017). *Public-private partnership projects in infrastructure: an essential guide for policy makers*: Cambridge University Press.
- Delmon, J. J. (2017). *Public-private partnership projects in infrastructure: an essential guide for policy makers*: Cambridge University Press.
- Donaldson, T., & Preston, L. E. (1995). The stakeholder theory of the corporation: Concepts, evidence, and implications. *Academy of Management Review*, 20 (1), 65-91.
- Doorley, J. & Garcia, H.F. (2011). *Reputation Management: The Key to Successful Public Relations and Corporate Communication*. 2nd Edn. New York: Routledge.
- Federal Negaret Gazetta (2018), Public Private Partnership- Proclamation No. 1076/2018, Addis Abeba, FDRE People representative council
- Fassin, Y. (2009). The stakeholder framework refined. *Journal of Business Ethics* 84, 113-135.
- Fathimath, A. (2015). *The Role of Stakeholder Collaboration in Sustainable Tourism Competitiveness: The Case of Auckland, New Zealand*. A thesis submitted to Auckland.
- Ferguson, M.A. (1984). *Building theory in public relations: inter-organizational relationships as a public relations paradigm*. Paper presented to the Association for Education and Journalism and Mass Communication, Gainesville, FL.
- Friedman, A.L. & Miles, S. (2002). Developing stakeholder theory. *Journal of Management Studies*, 39(1): 1-21.
- Friedman, A. and S. Miles. (2006). *Stakeholders: Theory and Practice*. New York: Oxford University Press.

- Freeman, R.E. (1984). *Strategic management: a stakeholder approach*. Boston: Pitman.
- Freeman, R. E (1989). *Strategic Management: A Stakeholder Approach*. Boston: Pittman Publishing Ltd.
- Freeman, R.E. (1994). The politics of stakeholder theory: some future directions. *Business Ethics Quarterly*, 4(4), 409-421.
- Freeman, (2007). *Stakeholder theory: the state of the art*. US: Cambridge University Press.
- Freeman, R.E., Harrison, J.S., Wicks, A.C., Parmar, B.L., & De Colle, S. (2010). *Stakeholder theory: the state of the art*. US: Cambridge University Press.
- Girard, C. & Sobczak, A. (2011). Towards a framework of corporate and social stakeholder engagement: analyzing the relations between a French mutual bank and its members. *Journal of Business Ethics*, 15 Jan 2010.
- Greenwood, M. (2007). Stakeholder engagement: Beyond the myth of corporate responsibility. *Journal of Business Ethics*, 74(4), 315-327.
- Greenwood, M. & Van Buren, H.J. (2010). Trust and stakeholder theory: trustworthiness in the organisation-public relationship. *Journal of Business Ethics*, 95, 425-438.
- Grunig, J.E. & Huang, Y. (2000). From organizational effectiveness to relationship indicators: antecedents of relationships, public relationships, public relations strategies and relationship outcomes.
- Grunig, L.A., Grunig, J.E., & Dozier, D.M. (2002). *Excellent public relations and effective organizations: a study of communication management in three countries*. NJ: Lawrence Erlbaum.
- Grunig, J.E. and Hunt, T. (1984), *Managing Public Relations*. Orlando, FL: Harcourt Brace Jovanovich.
- Grunig, J.E., & Repper, F.C. (1992). Strategic management, publics and issues. In J. E. Grunig (Ed.), *Excellence in public relations and communication management*, Hillsdale, NJ: Lawrence Erlbaum Associates, Inc.

- Grunig, L.A., Grunig, J.E., & Dozier, D.M. (2002). *Excellent public relations and effective Organizations: The study of communication management in three countries*, New Jersey: Lawrence Erlbaum Associates.
- Hodge, G. (2017). *International handbook on public-private partnerships*: Edward Elgar Publishing.
- Halal, W.E. (2001). The collaborative enterprise: a stakeholder framework uniting profitability and responsibility. *Journal of Corporate Citizenship*, summer, 27-42.
- Harrison, J. S., & Wicks, A. C. (2013). Stakeholder theory, value, and firm performance. *Business Ethics Quarterly*, 23(1), 97-124.
- Harrison K. (2014). You can earn promotion by learning nine essential PR management skills. [Online] Available: [www.cuttingedgepr.com](http://www.cuttingedgepr.com) (20 February 2014).
- Holloway & bryde, (2016). *A Practical Guide to Dealing with Difficult Stakeholders* [Advances in Project Management](#).
- InfraDeals. (2015). *InfraDeals trend report: 2015*. Retrieved from <https://www.ipfa.org/wpcontent/uploads/2016/02/View-the-Report.pdf>
- International Organization for Standardization. (2010). *ISO 26000: Guidance on social responsibility*. ISO.
- Jeffares, S., & Dickinson, H. (2016). *Public-Private Partnerships: Policy and Governance Challenges Facing the Emerging Markets*. Palgrave Macmillan.
- Jensen, J. (2016). *A Review of Public-Private Partnership Activities in Health System Strengthening*. In R. M. Taylor & J. Christian (Eds.): National Academies Press.
- Jonker, J. & Foster, D. (2002). Stakeholder excellence? Framing the evolution and complexity of a stakeholder perspective of the firm. *Corporate Social Responsibility and Environmental Management*, 9, 187-195
- Johansen, T.S. & Nielsen, A.E. (2011). Strategic stakeholder dialogues – a discursive perspective on relationship building. *Corporate Communication: An International Journal*, 16(3), 204- 217.

- Johnston, J. & Sheehan, M. (2014). *Theory and Practice Public Relations*. 4th Edn. Crows Nest NSW: Allen & Unwin.
- Joao Larrangeira (2013). *Project management institution: A Guide to the project management body of Knowledge (PMB Guide)-Fifth Edition*.
- Jones, T. M., Felps, W., & Bigley, G. A. (2007). Ethical theory and stakeholder-related decisions: The role of stakeholder culture. *Academy of Management Review*, 32 (1), 137-155.
- Jong, M. d. (2012). The pros and cons of Confucian values in transport infrastructure development in China. *Policy and Society*, 31(1), 13-24. doi:10.1016/j.polsoc.2012.01.005
- Mainardeset, (2011). Exposure risk assessment and management of the development of nanotechnologies in EU funded projects.
- Mandiriza, T. Fourie, D.J.(2023) The Role of Stakeholders in the Adoption of Public–Private Partnerships (PPPs) in Municipal Water Infrastructure Projects: A Stakeholder Theory Perspective. *World* **2023**, 4, 416–430. <https://doi.org/10.3390/world4030026>
- Kliatchko, J. (2008). Revisiting the IMC construct: A revised definition and four pillars. *International Journal of Advertising*, 27(1), 133–160.
- Kelleher, T., & Miller, B. M. (2006). Organizational blogs and the human voice: Relational strategies and relational outcomes. *Journal of Computer-Mediated Communication*, 11(2), article 1
- Kelleher, T. (2009). Conversational voice, communicated commitment, and public relations outcomes in interactive online communication. *Journal of Communication*, 59, 172–188.
- Kelly, K.S. (1998). Stewardship: the missing link in the public relations process. Paper presented at the first Annual International, Interdisciplinary research conference, Public Relations Society of America Educator Academy, College Park, MD.
- Kent, M. L., Taylor, M., & White, W. J. (2003). The relationship between Web site design and organizational responsiveness to stakeholders. *Public Relations Review*, 29, 63–77

- Kerzner, H. (2009). *Project management: a systems approach to planning, scheduling, and controlling* (10th Ed.). Hoboken, New Jersey: John Wiley & Sons, Inc.
- Khaderi, S. S., & Shukor, A. S. A. (2016). Innovative Implementation of Private Finance Initiative (PFI) Procurement: Challenges and Key Issues in Pre-Construction Stage. *Environment-Behaviour Proceedings Journal*, 1(3), 71-78.
- Lähdesmäki, M., Siltaoja, M., & Spence, L. J. (2019). Stakeholder Salience for Small Businesses: A Social Proximity Perspective. *Journal of Business Ethics*, 158(2), 373- 385
- Lamb, Larry F., McKee, Kathy Brittain (Ed) (2005), *Applied Public Relations Cases in Stakeholder Management*. Lawrence Erlbaum Associations Publishers. London.
- Lawrence, P. L. (2012). As the Water Flows: Community Based Decision-Making and Participatory Planning for the Maumee Area of Concern, Ohio. *Great Lakes: Lessons in Participatory Governance*, 293.
- Ledingham, J.A. (2003). Explicating relationship management as a general theory of public relations. *Journal of Public Relations Research*, 15(2), 181-198.
- L'Etang, J. (2008). *Public Relations Concepts, Practice and Critique*. London: Sage.
- Lehman, C., Dufrene, D., Cameron-Dow, J., Barret, M. & Murphy, W. (2012). *BCOM. Asia Pacific Edition*. South Melbourne: Cenage Learning
- Luoma-aho, V. & Paloviita, A. (2010). Actor-networking stakeholder theory for today's corporate communications. *Corporate Communications: An International Journal*, 15(1), 49-67.
- Kevin, G. The Moral basis of stakeholder theory. *J. Bus. Ethics* **2000**, 26, 45–257.
- Malmelin, N. (2007). Communication capital: frame working corporate communication as an organizational asset. *Corporate Communications: An International Journal*, 12(3), 298-310.
- McKee, M., Edwards, N., Atun, R., & Filippidis, F. (2017). Public-Private Partnerships for hospitals. *Bulletin of the World Health Organization*, 95 (11), 798-801.

- Ministry of Finance, FDRE (2019) Preparation of General and Sector-Specific Implementation Guidelines for Public Private Partnerships. Appendix A: PPP Glossary and Key Concepts, PPPDG
- Ministry of Finance (2022) PPP knowledge Management and Communication Strategy, Public Private partnership Directorate General, Addis Abeba, FDRE Ministry of Finance
- Ministry of Finance, FDRE (2017) Policy for the Use and Implementation of Public-Private Partnerships Supporting Economic Development in Ethiopia, Addis Abeba, FDRE Ministry of Finance
- Mitchell, R., Agle, B., & Wood, D. (1997). Toward a theory of stakeholder identification and salience: defining the principle of who and what really counts. *Academy of Management Review*, 40(4), 853-886.
- Nutt, P. and Backoff, R. (2002). *Strategic Management of Public and Third Sector Organizations: A Handbook for Leaders*. San Francisco, CA: Jossey-Bas.
- Nwangwu, G. (2019 )Stakeholder opposition risk in public-private partnerships. *Int. J. Econ. Financ. Res.* **2019**, 5, 36–42.
- Oxford, T. (2019). PPPs can fund public infrastructure – essential in the African context. *Mail and Gaurdian*. Retrieved from <https://mg.co.za/article/2019-07-26-00-ppps-canfund-public-infrastructure-essential-in-the-african-context>
- Phillips, R. A., Barney, J. B., Freeman, R. E., & Harrison, J. S. (2019). Stakeholder theory. In J. S. Harrison, J. B. Barney, R. E. Freeman, & R. A. Phillips (Eds.), *The Cambridge handbook of stakeholder theory* (pp. 3–18). Cambridge University Press. <https://doi.org/10.1017/9781108123495.001>
- PMI (2004). *A Guide to the Project Management Body of Knowledge, (3rd Edition.)*, Project Management Institute, Newton Square, PA, USA
- Post, J. E., Preston, L. E., & Sachs, S. (2002). Managing the extended enterprise: The new stakeholder view. *California Management Review*, 45 (1), 6-28.

- Project Management Institute. (2013). a Guide to the Project Management Body of Knowledge.5th ed. Pennsylvania: Project Management Institute, Inc.
- PWC. (2016). Public-private partnerships in the US: The state of the market and the road ahead. Retrieved from <https://www.pwc.com/us/en/capital-projects/infrastructure/publications/assets/pwc-us-public-private-partnerships.pdf>
- Rawlings, B., & Bowen, S. (2005). Publics, in Heath, R.L., Encyclopedia of Public Relations. Thousand Oaks: Sage.
- Reed, M. S., Graves, A., Dandy, N., Posthumus, H., Hubacek, K., Morris, J., ... & Stringer, L. C. (2009). Who's in and why? A typology of stakeholder analysis methods for natural resource management. *Journal of Environmental Management*, 90 (5), 1933-1949.
- Remiśko, R.; Zielonka, A. (2018.) Sustainable Development and Stakeholder Theory: The Case of Public-Private Partnerships as a Solution to Space-Debris Removal; Toulouse Business School: Toulouse, France,
- Rensburg, R., De Beer, E., & Coetzee, E. (2008). Linking stakeholder relationships and corporate reputation: a public relations framework for corporate sustainability. In A. Zeffass, B. van Ruler & K.
- Sachs, S., & Rühli, E. (2011). Stakeholders matter: A new paradigm for strategy in society. Cambridge University Press.
- Scharioth, J. & Huber, M. (2003). Achieving Excellence in Stakeholder Management. Berlin/Heidelberg: Springer.
- Scherer, A. G., & Voegtlin, C. (2018). Corporate governance for responsible innovation: Approaches to corporate governance and their implications for sustainable development. *Academy of Management Perspectives (JA)*.
- Skerod P., & Huemann M. (2014). Managing for stakeholders. In Turner J. R. (Ed.), *Gower handbook of project management (5th Ed.)*. Farnham, England: Gower.

- Seltzer, T. & Mitrook, (2011). Toward a framework of political organizational-public relationships: antecedent and cultivation strategy influence on citizens' relationships with political parties. *Journal of Public Relations Research*, 23(1): 24-45.
- Smith, L. W. (2000). Stakeholder analysis: a pivotal practice of successful projects. Paper presented at Project Management Institute Annual Seminars & Symposium, Houston, TX. Newtown Square, PA: Project Management Institute.
- Smith, A. L. (2009). PPP Financing in the USA. Policy, finance & management for public private partnerships, 198-212.
- Sriramesh (Eds.), *Public relations research: European and international perspectives and innovations* (pp. 385-396). Netherlands: VS Verlang.
- Tariku, Seblework (2023) *Stakeholder Management in Public Private Partnership (PPP) Projects in Ethiopia: The Case of Dicheto Solar Project*. Addis Abeba, St. Mary's University.
- Telang, V., & Kutumbale, V. (2014). Public Private Partnerships in India (An overview of current scenario). *Research Front*, 2(4).
- The Economist Intelligence Unit. (2017). the 2015 Infrascopie: Evaluating the Environment for Public-Private Partnerships in Africa. Retrieved from [https://publications.iadb.org/bitstream/handle/11319/8662/Evaluating the environment for public-private partnerships in Latin America and the Caribbean - The 2017 Infrascopie.PDF? Sequence=1&isAllowed=y](https://publications.iadb.org/bitstream/handle/11319/8662/Evaluating%20the%20environment%20for%20public-private%20partnerships%20in%20Latin%20America%20and%20the%20Caribbean%20-%20The%202017%20Infrascopie.PDF?Sequence=1&isAllowed=y)
- Torrise, G. (2009). Public infrastructure: definition, classification and measurement issues. *Economics, Management, and Financial Markets*, 4(3), 100-124.
- United Nations Development Programme (UNDP) (2015) prospects of public private partnership (PPP) in Ethiopia, Addis Abeba, UNDP Ethiopia, No. 1/ 2015
- Utz, C. (2013). Improving the outcomes of public private partnerships. In: Sydney, Australia.
- World Bank (2017). *Public Private Partnership Reference Guide: Version Three*, Washington DC 20433, International Bank for Reconstruction and Development / the World Bank
- VAGO. (2015, 9 December 2015). East West Link Project.

- Vogwell, D. (2003). Stakeholder management. Paper presented at PMI® Global Congress 2003—EMEA, The Hague, South Holland, The Netherlands. Newtown Square, PA: Project Management Institute.
- Waters, R.D. (2009). Measuring stewardship in public relations: a test exploring impact on the fundraising relationship. *Public Relations Review*, 35, 113-119.
- Wheeler, D., & Sillanpää, M. (1997). *The Stakeholder Corporation: A Blueprint for Maximizing Stakeholder Value*. Pitman Publishing.
- World Bank. (2016). *From Oil to Cities: Nigeria's Next Transformation* (978-1-4648-0792- 3). Retrieved from [http://elibrary.worldbank.org/doi/book/10.1596/978-1-4648-0792- 3](http://elibrary.worldbank.org/doi/book/10.1596/978-1-4648-0792-3)
- Zhao, Z. J., Su, G., & Li, D. (2018). The rise of public-private partnerships in China. *Journal of Chinese Governance*, 3(2), 158-176.
- Zhu, F.; Sun, M.; Wang, L.; Sun, X.; Yu, M. Value conflicts between local government and private sector in stock public-private

## **Appendix 1**

**Addis Ababa University**  
**School of Journalism and Communication**  
**MA in PR and Strategic Communication**

Dear Respondent,

I am conducting a research study as part of my Master of Arts thesis on the effectiveness of stakeholder engagement practices in Public-Private Partnership (PPP) projects in Ethiopia. Your participation is highly valued and will contribute significantly to understanding and improving stakeholder engagement in PPP initiatives.

This questionnaire is designed to gather your insights and experiences related to PPP projects. The survey should take approximately 15-20 minutes to complete. Your responses will be kept confidential and used solely for academic purposes.

Thank you for your time and cooperation.

Sincerely,

### **Instructions**

1. Please answer all questions to the best of your ability.
2. There are no right or wrong answers; we are interested in your honest opinion.
3. If you are unsure about a question, please select the option that best reflects your view or experience.
4. Your responses are anonymous, and your identity will not be disclosed in any part of the research.

## **Survey Questionnaire**

### **Section A: General Information**

1. Age?

- Under 25
- 25-34
- 35-44
- 45-54
- 55 and above

2. Gender?

Male

Female

3. What is your highest level of education?

- High School
- Diploma
- Bachelor's Degree
- Master's Degree
- Doctorate
- Other (Please specify): \_\_\_\_\_

4. Which sector do you work in?

- Public Sector
  - Private Sector
  - Media
  - End user community
  - General public
  - Other (Please specify): \_\_\_\_\_
5. How long have you been involved with PPP?
- Less than 1 year
  - 1-3 years
  - 4-5 years
  - More than 5 years

**Section B: Stakeholder Engagement Practices**

6. How would you rate the overall effectiveness of stakeholder engagement in PPP projects in Ethiopia?
- Very Effective
  - Effective
  - Neutral
  - Ineffective
  - Very Ineffective
7. How frequently are stakeholders engaged in the different phases of PPP projects?
- Always
  - Often
  - Sometimes
  - Rarely
  - Never
8. To what extent do you agree with the following statements about stakeholder engagement in PPP projects?

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Stakeholders are identified and involved					

early in the project.					
Stakeholders have a clear understanding of their roles and responsibilities.					
Regular communication is maintained with all stakeholders.					
Feedback from stakeholders is actively sought and incorporated.					
There are formal mechanisms for resolving stakeholder concerns.					

### **Section C: Communication Strategies and Techniques**

9. What methods are most commonly used to engage stakeholders in PPP projects? (Select all that apply)
- a. Consultation meetings,
  - b. Website
  - c. Social media,
  - d. Press releases,
  - e. Official reports,
  - f. Project pipeline booklets
  - g. Emails,
  - h. Workshop and trainings
  - i. newsletter, brochure, leaflet
  - j. TV/radio,
  - k. Others, please specify
10. How satisfied are you with the stakeholder engagement processes in PPP projects you have been involved in?
- Very Satisfied
  - Satisfied
  - Neutral
  - Dissatisfied
  - Very Dissatisfied

11. What types of information did you typically received from or shared by PPP Directorate General to stakeholders about the PPP projects? (Multiple answers are allowed)
- a. Pipeline Projects
  - b. Financial Information
  - c. Contract Terms
  - d. Project benefit PPP
  - e. Monitoring and Evaluation
  - f. Project Bidding
  - g. Other Specify
12. What do you believe are the main goals of the communication efforts used by PPP Directorate General? (Select all that apply)
- a. Informing stakeholders
  - b. Building trust
  - c. Encouraging participation
  - d. Managing expectations
  - e. Addressing concerns
  - f. Other (please specify): \_\_\_\_\_
13. What instruments used to provide feedback about the PPP projects? (Select all that apply)
- a. Surveys
  - b. Feedback forms
  - c. Focus groups
  - d. Suggestion box
  - e. Direct call
  - f. Public consultation
  - g. Other (please specify): \_\_\_\_\_
14. Which stages of the PPP project lifecycle see the most stakeholder engagement? (Select all that apply)
- a. Planning and Development
  - b. Procurement
  - c. Implementation/Construction

- d. Operation and Maintenance
- e. Monitoring and Evaluation

## **Section D: Stakeholder engagement and Communication effectiveness**

15. How effective are the communication efforts in creating awareness and sensitization about PPP legal framework (PPP proclamation, Policy, directive and guideline) among stakeholders?
- a. Very Effective
  - b. Effective
  - c. Neutral
  - d. Ineffective
  - e. Very Ineffective
16. To what extent do you believe that communication efforts and stakeholder engagement contribute to the overall success of PPP projects?
- a. To a great extent
  - b. To some extent
  - c. Neutral
  - d. To a little extent
  - e. Not at all

## **Section E: Challenges and Improvements**

17. What are the main challenges faced in stakeholder engagement in PPP projects? (Select all that apply)
- a. Lack of awareness and understanding among stakeholders
  - b. Ineffective communication
  - c. Conflicting interests among stakeholders
  - d. Difficulty in engaging all stakeholder groups
  - e. Inconsistent messaging
  - f. Other (Please specify): \_\_\_\_\_
18. What factors contribute to these communication challenges in PPP projects? (Select all that apply)

- a. Insufficient resources (time, budget)
- b. Lack of coordination between partners
- c. insufficient stakeholder identification and analysis
- d. Inadequate transparency
- e. Resistance to new communication methods and channels
- f. Poor responsiveness
- g. Complex information about PPP
- h. Social and political dynamics
- i. Limited use of modern technology
- j. Limited channel for input (feedback)
- k. Other (please specify): \_\_\_\_\_

**Section F: Open Feedback**

19. In your opinion, what could be done to address the challenges and improve stakeholder engagement in PPP projects? (Please describe briefly)

---

---

---

20. Do you have any additional comments or suggestions regarding stakeholder engagement practices in PPP projects in Ethiopia?

---

---

---

Thank you for completing this survey. Your input is greatly appreciated and will contribute to the success of this research.