ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE

Assessment of Project Stakeholder Management practices: The case of Addis Ababa Water and Sewerage Authority (AAWSA)

A Research Project Work Submitted to the School of Graduate Studies of AAU in Partial Fulfillment of the Requirements for the Degree of Master of Arts in Project Management

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ASSESSMENT OF PROJECT STAKEHOLDER MANAGEMENT PRACTICES: THE CASE OF ADDIS ABABA WATER AND SEWERAGE AUTHORITY (AAWSA)

By: Amanuel Negash

Approval Sheet

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Declaration

I, the under signed, declare that this Research Project is my original work and has not been presented for a degree in any other University, and that all sources of materials used for the Project Work have been duly acknowledged.

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Abstract

This study focuses on assessing the project stakeholder management practices of Addis Ababa Water and Sewerage Authority (AAWSA). The research emphasizes on assessing how the project stakeholders were being managed from the client side by assessing the practice of stakeholder management in water and sanitation infrastructure development projects, and evaluating the challenges encountered in managing project stakeholders. The study investigate the practices of project stakeholder identification, project stakeholder management planning, and the practice of engagement and communication with project stakeholders, and the associated challenges in project stakeholders management. The descriptive study is used to determine the existing conditions and practices in the case under study. Both quantitative and qualitative data were collected through questionnaire and semi-structured interview. The quantitative data from the survey questionnaire were sorted and analyzed with the help of SPSS software, and the qualitative data was analyzed by relating the results with literatures. The finding showed limitation in clearly identifying and analyzing stakeholders' interest and socio-cultural issues in sufficient detail at the project initiation phase, and in systematically prioritizing stakeholders based on important factors. The other drawback identified were inadequate stakeholders' involvement in project stakeholder planning process and absence of standardized communication system among stakeholders. The study result revealed that the main challenges encountered in project stakeholder management were conflicting requirements of stakeholders, late identification of stakeholders' interest, procedural issues, and communication gaps, respectively. Moreover, other challenges encountered involve inadequate allocation of financial resources and technical tools, inadequate project management capacity building trainings, reluctance due to compensation issues, right of way issues, difficulties in dealing with change of interest with time by stakeholders, integration and commitment issues, and lack of timely decisions. The study has also provided further recommendations for the improvement of project stakeholder management practices on the basis of the finding of the study results.

***Key words**: stakeholder management, identification, planning, engagement and communication.*

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Acronyms

AAWSA	-Addis Ababa Water and Sewerage Authority
AAU	-Addis Ababa University
APM	-Association for Project Management (APM)
EC	-Ethiopian calendar
GC	-Gregorian calendar
IFC	- International Financial Corporation
IT	-Information Technology
NGOs	-Non-governmental organizations
PMBOK	-Project Management Book of Knowledge
PMI	- Project Management Institute
PPP	-Public Private Partnership
SA	-Strongly Agree
SD	-Strongly Disagree
SPSS	-Statistical Package for Social Sciences
UNDP	-United Nation Development Program
UNIDO	-United Nations Industrial Development Organization

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

According to PMI (2013), a project is a defined as a temporary endeavor undertaken to create a unique product, service, or result. Wysocki (2014) described a project as a sequence of unique, complex, and connected activities that have one goal or purpose and that must be completed by a specific time, within budget, and according to specification.

Project management is the application of knowledge, skills, tools, and techniques to project activities to meet the project requirements. Project management is accomplished through the application and integration of the project management processes of initiating, planning, executing, monitoring and controlling, and closing. (PMI, 2013)

According to Roeder (2013), project management requires a robust skill set to effectively deal with key stakeholders and ensure the delivery of the project within the project's constraint. Effective project managers need to possess expert knowledge about the project scope and plans; they should know what need to be accomplished and what constraints they are going to have in getting it done. Furthermore, project managers must be able to work with people. Successful project managers are required to have good technical project management skills, the business acumen (i.e. knowing how one's project will help the organization achieve its goals and strategies), and the people skills (i.e. the ability to work with people for achieving results. (Roeder, 2013)

According to PMI (2013), a stakeholder could be an individual, or an entity that could affect, be affected by, or perceived itself to be affected by whatever decision or action undertaken due to the execution of the project. UNDP (2017) stated that stakeholders have an interest in the project, and they are influenced by or can influence the project in a positive or negative way. Therefore, a project could essentially involve a wide range of stakeholders that may directly or indirectly affect or be affected by the project. The project stakeholders may include the client, the contractors, the consultants, the suppliers, the customers, the beneficiary groups, the affected

communities, local and national government authorities, non-governmental organizations, private sector entities, donors, international institutions and so forth. Stakeholder identifications at the early phase of the project and to analyze their interest, their individual expectations, as well as their importance and influence are said to be critical for project success (PMI, 2013).

Different stakeholders may have different types and levels of interests and expectation which could be contradicting to each other depending on their attributes (Mitchell et al., 1997). As a result, project professionals should try to effectively manage the relationships with diversified stakeholders and stakeholder groups so as to accommodate conflicting stakeholder interests and concern (Asma and Sunny, 2018; Mok, et al., 2015).

Construction projects usually include multi-stakeholders from the very inception of the project through the construction process to the final completion and feedback stage. It also often affects different stakeholders before, during and after construction. A wide range of entities may directly or indirectly provide support or resistance to the accomplishment of the project objectives. As each stakeholder has different objectives and some conflicts might arise between the objectives and the actual situation, it is critically important to consider what risks are involved and the stakeholders that are associated with them. (Chinyio and Olomolaiye, 2010)

Moreover, a construction project may benefit one group and may have a negative impact on the other. Besides, each stakeholder may influence each other throughout the project stages. According to Cleland (1986), a stakeholder management process is essential to determine how the various project stakeholders will react to the project decisions, to better understand the reasons for a specific reaction and how different stakeholder groups will interact with each other to affect the outcome of a project (Chinyio and Olomolaiye, 2010). Accordingly, this study sets out to assess the project stakeholder management practices of Addis Ababa Water and Sewerage Authority (AAWSA).

1.2 Background of the organization

It was in 1886 that Addis Ababa was established as the capital city of Ethiopia. During its early years, the main sources of water were mentioned to be the numerous springs and hand dug wells that are located at the foot of Entoto Mountain ranges and various part of the city. It was since 1900 G.C. that the first water started to be supplied through the pipes. The first tap water was served to the palace of Emperor Menelik, and later on the larger springs were tapped and fed into a number of small water container for local distribution.

In the beginning, the authority to provide portable water was given to the then Ministry of Works. And later after the defeat of Fascist Italy in 1934, this responsibility was delegated to the newly re-established Municipal Office. To satisfy the growing demand for piped water, water treatment plant was constructed at the foot of Entoto to treat a number of spring waters and provide piped water services. Gefersa dam was the first dam that was constructed around the north west of Addis Ababa in 1944. (AAWSA, 2001)

Addis Ababa Water and Sewerage Service Authority was established in 1963 E.C. (1971G.C.) under the proclamation No. 68/1963, to accommodate the increasing need for water and waste water disposal services. In 1987 E.C. (1995 G.C.), the authority renamed as Addis Ababa Water and Sewerage Authority (AAWSA), and it has been delegated with more authority to be in charge of water and sewerage services to the city of Addis Ababa. As described in the brief profile of the authority, AAWSA is mandated for the Addis Ababa's portable water production, distribution and catchment management, for conserving and controlling the groundwater resources as well as preventing it from pollutions and also ensuring the sewerage disposal service development and reuse core process. The water supply service provides 608,000 m^3 of water/ day for Addis Ababa residents from surface and ground water sources. This incorporates Gefersa 30,000 m^3/day, Legedadi 165,000 m^3/day, and deep wells and other ground water sources 413,000m^3/day. The waste water disposal service is rendered through vacuum trucks as well as drainage and sewer lines. The sewerage services are primarily delivered to three main catchment plants (i.e. the Kality, Akaki and Eastern catchment), and they are said to have a varying level of waste water treatment capacities. (AAWSA, 2010; AAWSA, 2001)

AAWSA is led by a general manager who is currently accountable to the Mayor of Addis Ababa City Administration. Furthermore, Addis Ababa Water and Sewerage Authority (AAWSA) has set a project office under the authority to concentrates on developing and managing water and sanitation infrastructure development interventions and other development project works. Since 2019, the AAWSA project office has been renamed as AAWSA Water and Sanitation Infrastructure Development Division. The project office is currently running several large water and sewerage infrastructure construction projects such as construction of new water facilities projects, drainage project for condominium houses, water pollution control project, sewerage recycling projects, and many others. In managing those construction projects, the authority's project office work with a large number of key stakeholders who have direct or indirect impacts on the project implementations. Some of the relevant stakeholders involved in AAWSA construction projects include the project teams, the project contactors, consultants, donors/sponsors, suppliers, various government authorities, government financial institutions, non-governmental organizations, the beneficiaries/end users, general public, landowners/neighbors, and so forth. This study focuses, therefore, on assessing the project stakeholder management practices of AAWSA.

1.3 Statement of the problem

Projects are performed within an organization, within an industry and within a market (Burke and Barron, 2014). They usually involve a wide range of people, interested parties and organizational entities with different concerns, needs, expectations and sometimes conflicting interests that could in turn may have significant influence over the eventual success or failure of the project (PMI, 2013). It is, therefore, project management challenges to set out techniques that harness stakeholders' potential positive impact, find a way to minimize the effect of their negative influences, manage the process of influencing those tradeoffs, enhance area of support and negotiate area of concerns.

According to Lutchman (2011), the influence of various stakeholders on the project execution should not be underestimated as they could halt the implementation of the project execution if their expectations and interests are not properly managed. Chung and Crawnford (2016: 373) noted that stakeholder management is extremely crucial to the extent that "it can make the

projects go or stop." Many projects fail because the project manager fail to effectively manage the sometimes hidden and conflicting interest of the various project stakeholders (Bourne and Walker, 2005). According to the Standish Group 2010 Report, the most common root cause for project failure is associated with the lack of timely and clear people-to-people communications. Some of the factors were related to unrealistic expectations, unclear objectives, lack of users' inputs, lack of executive support, incomplete and changing requirements or specifications. (Wysocki, 2014)

Identifying stakeholders, understanding their relative degree of influence on a project, and balancing their demands, their needs, and their expectations are most critical to the success of the project (PMI, 2013). Many researchers (including Bourne and Walker (2006), Yang, et al. (2011), Pouloudi and Whitley (1997), and Rowlinson and Cheung (2008)) have identified that problems of stakeholder management in construction projects were caused by difficulty in properly identifying key stakeholders and their needs, assessing stakeholders impacts, inadequate engagement of stakeholders, project leaders having unclear objectives of stakeholder management, and inadequate communication with stakeholders.

Construction projects involve multiple stakeholders and each stakeholder may create certain risks in the course of carrying out the project (Ezeabasili, et al., 2015). According to the document review and preliminary interview conducted with the staffs AAWSA, the water and sanitation infrastructure development projects' of the authority are large and dynamic in nature, and involves a wide range of stakeholders. The problems mentioned in project stakeholder managements of AAWSA includes absence of common understanding about project requirements and project deliverables among stakeholders, lack of standard communication system between stakeholders, problem in undertaking quick decision with stakeholders, existence of diverse and conflicting interests, and the level of power and influence of the stakeholders on the performance of the projects are not assessed to the needed magnitude. These problem have been resulting major project delays, cost overrun, recurrent modification of project scope and design. However, to the best of the researcher's knowledge, no research work have been carried out concerning the project stakeholder management practices of the authority, and it effectiveness and influence on project performance never been evaluated. Accordingly, in view of the aforementioned problems, this study is aimed to

contribute in addressing this gap and offer some insights about how the project stakeholders are being managed by assessing the practice of stakeholder management in water and sanitation infrastructure development projects of AAWSA.

1.4 Research Questions

1.4.1 Basic Research Questions

Based on the above problem statement, this paper tries to answer the following key research question.

- What are the project stakeholder management practices of AAWSA looks like?

1.4.2 Sub - Research Questions

- How are project stakeholders identified in AAWSA?
- What are the practices of project stakeholder management planning in AAWSA?
- How are the general practices of stakeholder engagement and communication in AAWSA?
- What challenges are there in managing project stakeholder in AAWSA?

1.5 Research Objectives

1.5.1 General Objective

The main objective of the study is to assess the project stakeholder management practices in AAWSA.

1.5.2 Specific Objective

The specific objectives of this study are:-

- To examine the project stakeholder identification practice in AAWSA
- To assess the project stakeholder management planning process in AAWSA
- To examine the general practices of stakeholder engagement and communication in AAWSA

- To assess the challenges encountered in project stakeholder management and to provide relevant improvement recommendations

1.6 Scope of the Study

This study focuses on only one of the ten Project Management Knowledge areas which are stated in the PMI (2013), which is project stakeholder management, due to resource, time and skill constraints. And hence the remaining nine Project Management Knowledge areas are beyond the scope of the paper. Accordingly, this study particularly tries to examine how project stakeholder management is being generally practiced in AAWSA Water and Sanitation Infrastructure Development projects with the collection and analysis of data at a point in time. According to PMI (2013), project stakeholder management processes include the processes of identifying stakeholders, planning stakeholder management, managing stakeholder engagement, and controlling stakeholder engagement on a project. This study emphasizes on examining the practices of project stakeholder identification, project stakeholder management planning, and the practice of engagement and communication with project stakeholders in the case of AAWSA.

This study sets out to assess only the project stakeholder management practices from the client side (i.e. AAWSA project office), and therefore, the perspective of contractors and consultants regarding the project stakeholder management practices is not included in this study. Moreover, the study tried to examine only the Water and Sanitation Infrastructure Development projects in Addis Ababa by AAWSA by focusing on the stakeholder management processes stated above and what challenges are encountered with the collection of first hand and secondary data. This study did not consider Water and Sanitation Infrastructure Development projects by federal and regional governments or other administrative authorities.

1.7 Limitation of the Study

The study is limited in the sense that it only concentrate on assessing the project stakeholder management practices and challenges from the perspective of the client side, excluding the other nine project management knowledge area and without including the perspectives of the consultants, contractors or other stakeholders of Water and Sanitation Infrastructure Development projects. Hence, this study is conducted on the basis of the responses of the

AAWSA project office managers and experts, and they might be biased when providing responses concerning their projects.

1.8 Significance of the Study

This study is aimed to provide relevant insight about how the project stakeholders are being managed in Water and Sanitation Infrastructure Development projects in AAWSA. The study will also be significant by highlighting the stakeholder management challenge encountered by the authority and by providing possible suggestions for the improvement of project stakeholder management practices for AAWSA's projects. In addition, the result of the study could be used in other similar Water and Sanitation Infrastructure Development interventions which are also implemented in other regions and parts of the country that might also have similar nature. The study may help the concerned body to reassess and analyze their project stakeholder management practices, and improve upcoming project performance through effective stakeholder management, communication and service provision. On the other hand, this study may help other researchers as a stepping stone for further in-depth research in the areas of project stakeholder management in water and sanitation and other infrastructure development projects.

1.9 Organization of the Study

The research paper contains five chapters. Chapter one contains background of the study, background of the organization, statement of the problem, research questions, objectives of the study, scope, limitation and significance of the study. Chapter two is dedicated to review related theoretical and empirical literatures on the topic. Chapter three is about the research design and methodology that includes research design and approach, sources of data and method of data collection, population of the study, method of data analysis, validity and reliability analysis, and the ethical consideration of the research. Chapter four provides data presentation, analysis and discussion of the study results. Chapter five consists of conclusion and recommendation on the basis of the research findings and suggestion for further research.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

2.1 Theoretical Literature Review

2.1.1 Stakeholder Definitions

One of the earlier definitions of stakeholder that is often cited by most researchers was given by Freeman (1984). According to Freeman (1984: 49), stakeholders could be defined as "those groups who can affect or are affected by the achievement of the organization's purpose." Since then, several authors have also offered numerous definitions regarding what stakeholder means, and what it meant by stakeholder management (Cleland, 1985; Crawford, 2005). Cleland and Ireland (2002) described stakeholders as persons or groups who have got an interests, a claim, an ownership, or a rights in the project and the activities that is undertaken in it whether in the past, at the moment or in the future.

The definition and use of the term stakeholder in management literatures ranges from the narrow to the broad views. The narrow view describes the term stakeholder in management literature as individuals or groups (such as employees, shareholders, management, government, society, etc.) who have explicit stakes and/or vested interests in the organizations and with whom the organization engages in direct interaction (Carroll, 1993). Obtaining support from stakeholders could be so vital that it may determine whether the organization would continue to survive or cease to exist (Freeman and Reed, 1983). According to Starik (1994), the broad view of stakeholder incorporates not only those entities with explicit stakes or interests, but it is wide enough to take account of all those entities that could affect and/or affected by the activities of the organization. Savage, et al. (1991) agreed that stakeholders incorporate all those groups or entities that have an interest in the actions of an organization and they have the ability to influence it.

The term stakeholders could be defined in many different ways, and persons or groups internal or external to the organizations could be considered as stakeholders (Boonstra, 2006). The success of the organization is primarily determined by how it manage to establish and maintain an effectively cooperative relationships and communication with all key internal and external

entities that count and influence it organizational activities whether in positive or negative ways (Mitchell, et. al, 1997).

According to PMI (2013), a project stakeholder could be an individual, group, or organization who may affect, be affected by, or who have the perceptions of being affected by the decision passed in administering a project, by the activity undertaken in carrying out the project, or it could be as a result of the outcome of a project. Wysocki (2014) described project stakeholders as any person or group that has a vested interest in the project, such as those who are required to provide some input to the project, and those who are affected by the execution of the project. Stakeholders may be actively involved in the project or they may have their own interests, perspectives or conflicting expectations with respect to the project (Eskerod and Jepsen, 2013), and that in turn can positively or adversely impact a project's objective, the performance or the implementation of a project, its deliverables and/or the project team (PMI, 2013). Hence, aligning the project with the needs or objectives of stakeholders is of critical importance for the achievement of the organizational objectives and to successfully manage stakeholders' engagement.

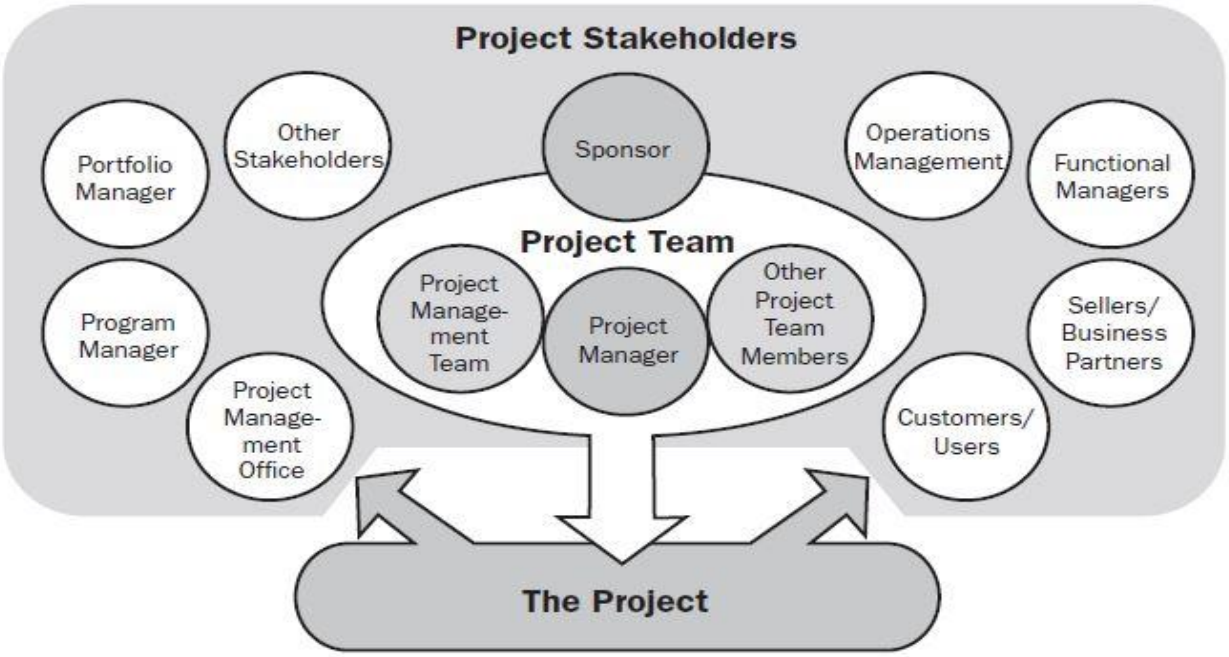
Project stakeholders consists of all members of the project team and all other interested group that are internal or external to the organization. It is necessary that the project team identify all the relevant internal and external stakeholders and assess what the project requirements are and what they expect from the project (PMI, 2013). According to Karim, et al. (2007), stakeholders could also provide their support to the project by sharing their experience and knowledge, and hence there is more insight to be gained from capturing their inputs.

Project management is concerned with in how to meet or exceed stakeholders' need and expectation (Eskerod and Heuman, 2013). Some stakeholders could have a limited power to influence the project, whereas other could have high power in significantly impacting the implementation of the project and its expected outcomes. The varying roles and authorities of the project stakeholders can change over the course of the project life cycle. The degree to which it

is possible to achieve the goal and objective of the project is affected by the strategies pursued by key stakeholders (Cleland and Ireland, 2002). These stakeholders, therefore, require the project manager's attention and engagement in continuously and properly identifying, planning and appropriately managing to address any issues that may arise (PMI, 2013).

The following figure is adopted from PMI (2013) to illustrate some of the different key stakeholders that are involved in project and how they relate with the project.

Figure 2-1: The relationship between stakeholders and the project



Source: Adapted from PMI (2013: P31)

2.1.2 Classification of Stakeholders

Stakeholders are not all the same. Each stakeholder has diverse sets of experiences, behaviors and insights. Therefore, adopting a one-size fits-all approach to all stakeholders might not work. Categorizing stakeholders is essential for developing appropriate stakeholder management strategy with regards to how much time to allocate for individual stakeholder, what are the most crucial issues for them and to what extent that each stakeholder's concerns are important.

Categorizing stakeholders will, therefore, enable the project manager to strategically manage and properly engage with each stakeholder. (Roeder, 2013)

According to Cleland and Ireland (2002), stakeholders have been classified as primary and secondary stakeholders. Primary stakeholders are those individuals and groups that have a legal contractual attachment to the project. Primary stakeholders incorporate, for instances, the project owner, suppliers, functional groups, investors, communities and institutions that provide infrastructures and markets. On the other hand, secondary stakeholders are those persons or entities with no formal contractual association to the project but can have a strong interest on the project, and they can influence or are influenced by the activity or outcome of the project. Some example of secondary stakeholders include social organizations, professional organizations, competitors, local communities, the general public, consumer groups, the media, and other religious, academic, and social institutions such as schools, hospitals, churches, civic groups, and so on. (Cleland and Ireland, 2002: P175-77)

Similarly, Newcombe (2003) and Lutchman (2011) classified stakeholders as internal and external groups. Internal stakeholders are those parties who are entrusted in using the project resource in order to fulfill the objective of the projects, whereas external stakeholders encompasses those external group who could influence, are affected or perceived to be affected by the project (Newcombe, 2003). According to Lutchman (2011), some example of internal stakeholders includes project leaders, business leaders, project planners, project workers, those who provide project support services; while external stakeholders may incorporates regulatory bodies, NGOs, funding organizations, community, contractors, and consultants. Moreover, another stakeholder classifications considered is supporter, neutral, versus resistor (PMI, 2013).

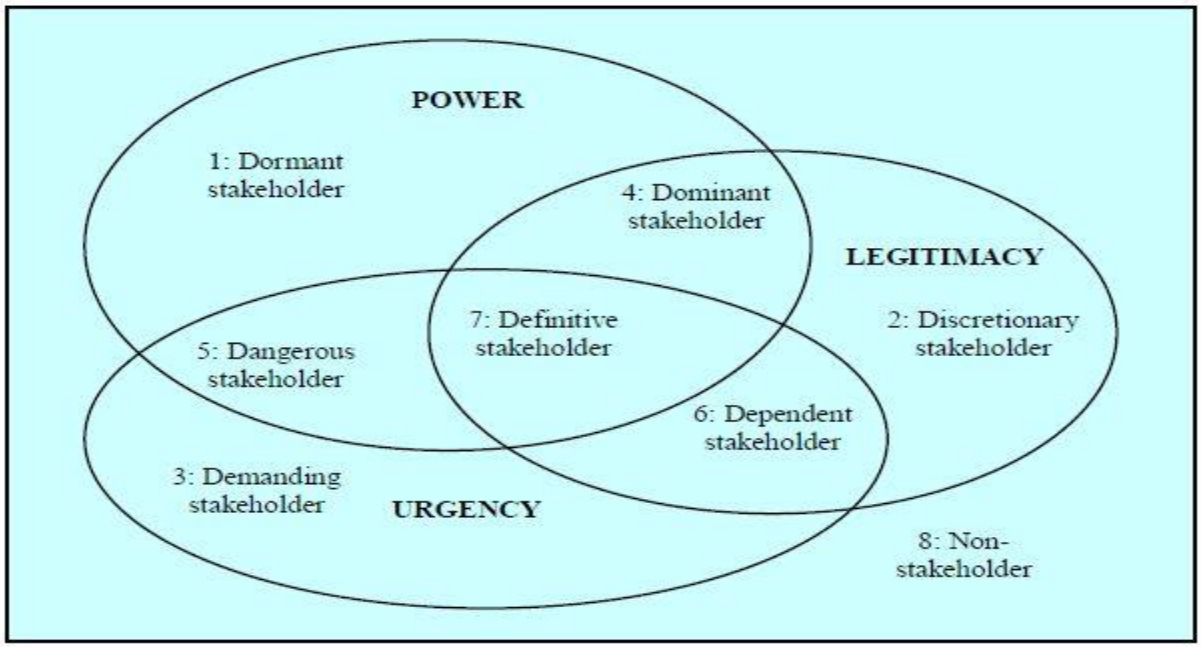
Stakeholders could also be classified as voluntary and involuntary stakeholders and actual versus potential (Clarkson, 1995). Those stakeholders who reside close to where the chemical plants are operating, for example, might engage in an involuntary relationship with those firms as their

immediate environment is exposed to risk, and they have moral rights to request for safety. An actual stakeholder could be an entity that complies with the conditions set for stakeholders at a given point in time, whereas the potential stakeholders involve those that fulfill those conditions in the future, often when there are some triggering events.

Olander and Landin (2005) proposed Power/Interest matrix to categorize their levels of power and interest on the project. Mitchell, et al. (1997) classified stakeholders on the basis of the possession attributes of power, urgency, and legitimacy. Based on the possession of these three attributes, stakeholders could also be categorized in to different types and there is a need to pay different level of attentions for each type of stakeholders. Mitchel, et al. (1997) and Clement (2005) suggested the following classification of stakeholders.

- **Dormant**: those stakeholders who assert themselves using only power, but who have no urgent demand or legitimate relationship with the firm.
- **Discretionary**: involve those stakeholders whose relationship is only legitimate, but who does not possess the power to influence or whose claims are not urgent.
- **Demanding**: include stakeholders who have an urgent demand, but who do not have a legitimate ground or power to influence in meeting their demand.
- **Dominant**: include those stakeholders who have an authority and whose claim is legitimate, but whose claim is not urgent.
- **Dependent**: those stakeholders with urgent demand and legitimate claim, but who have no power to influence whether their demand will be met.
- **Dangerous**: involves those stakeholders with an urgent claim and power, but who have no legitimacy to make those demand, and hence can finish being coercive/dangerous.
- **Definitive**: This includes those stakeholders who possess all the three attributes, i.e. the power, urgency and legitimacy. These stakeholders have considerable influence of all other stakeholders, and therefore, their claims should be dealt with the highest attention and priority for the organization.
- **Other**: those stakeholders who possess none of the attributes, but who could still be, in one way or another, be influenced by the activities/outcomes of the project.

Figure 2-2: Stakeholder Typology



Source: Mitchell, et al. (1997), Boonstra (2006)

2.1.3 Project Stakeholder Management Process

The project stakeholder management includes the process of what need to be done in identifying people, groups, or organizations that could impact or be impacted over the course of undertaking the project, analyzing what the stakeholders expectations are in relation to the project and assessing the extent of their impact on the project, and developing appropriate management strategies in order to effectively engage key stakeholders in the project decision and implementation. Stakeholder management essentially emphasizes on how to continuously communicate to stakeholders in project life cycle, taking in to account of their concern and expectations, addressing issues when they arises, managing conflict of interests and fostering proper project stakeholders' engagement and mitigation strategies in project decisions making and activities. Therefore, managing stakeholder satisfaction should basically be one key objective of the project. (PMI, 2013)

According to APM (2012), stakeholder management is the systematic identification, conducting analysis, planning and implementation of actions designed to engage with stakeholders. Therefore, project stakeholder management incorporates carefully identifying the people, the

group, or the organizational entity that could potentially impact or be in different way influenced by the project, to examine and analyze what they expect from the project and what their impact on the project will be, and formulating an appropriate strategies in order to effectively engage the relevant stakeholders in the project decision and implementation processes (PMI, 2008).

A negative perception by stakeholders can severely hamper the project's implementation, and inadequate management of the concerns of stakeholders may lead to controversy and conflict about the implementation of the project (Chinyio and Olomolaiye, 2010). Bourne (2005) added that to successfully manage the relationship with stakeholders, there is a need to correctly identify and prioritize who essentially are the project key players, and accordingly develop an appropriate engagement and communication plan that would be indispensable for ensuring that the needs and expectation of relevant stakeholders are well understood and managed.

Cleland and Ireland (2002) also noted that project stakeholder management process is an organized activity of identifying, and properly managing how we interact with key individuals and/or entities (i.e. probable stakeholders) that is/are going to affect or be affected by the project. It is one essential part of the management of project management which helps in assessing how the stakeholders will likely react to project activities and decisions, what influence the stakeholders' reaction, how the interactions of stakeholders among themselves and with the project team affect the successful accomplishment of the project. (Cleland and Ireland, 2002)

According to Eskerod and Jepsen (2013), project stakeholder management is purposeful activities that are carried out with respect to stakeholders so as to enhance project success. They said that the focus of project stakeholder management should be on how to increase the prospect of project to be a success. Project stakeholder management should facilitate and encourage the project stakeholders to provide their support and contribution when they are needed.

Bourne (2011) identified five steps in the process of stakeholder management as follows:-

- **Step 1** – identifying all stakeholders and documenting their expectations;

- **Step 2** – prioritizing stakeholders with the consideration of important factors
- **Step 3** – Outlining current stakeholders on the basis of their relative importance, power and influence;
- **Step 4** – engaging and developing communication with stakeholders by understanding their level of concern and attitudes to the activities of the project,
- **Step 5** – monitoring the effectiveness of our communication with stakeholders.

For the project goal to be realized there is always a need to carefully consider and deal with the project stakeholders (Eskerod and Jepsen, 2013). According to Eskerod and Jepsen (2013), the stakeholder management process incorporates finding out who can affect or will be affected by the project; assessing how and why they affect the project (i.e. examining their contribution and motivation) and prioritizing stakeholders so as to determine who should receive more management attention. They said that project stakeholder management should necessarily involve two main activities: firstly, conducting project stakeholder analyses to collect all the required information for stakeholder management; and secondly, on the basis of the results of the stakeholder analysis, communicating and dealing with the project stakeholders. (Eskerod and Jepsen, 2013)

According to PMI (2013), project stakeholder management processes include the processes of identifying stakeholders, planning stakeholder management, managing stakeholder engagement, and controlling stakeholder engagement on a project.

Figure 2-3: Stakeholder Management Processes

Source: PMI, 2013

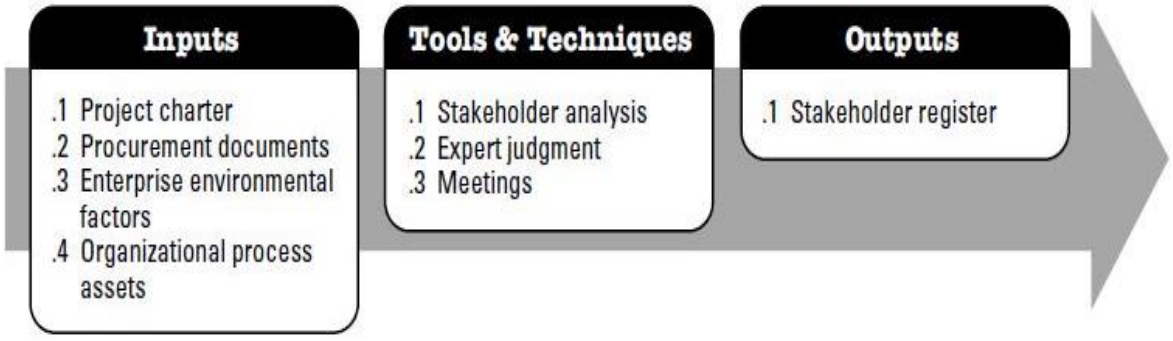
2.1.4 Project Stakeholder Identification

According to PMI (2013) and Karim, et al. (2007), the first task to be done in the process of project stakeholder management is identifying your stakeholders. PMI (2013) described stakeholder identification as the process of finding out the people, groups or organization that is going to either impact or be impacted by the decision, activity or outcomes of the projects. Moreover, it further stated that, stakeholder identification also entails the process conducting analysis and documentation of all essential information with respect to stakeholders' need, interests, concerns, their interrelationships, how they will be involved and what their potential impact will be on the performance of the project. PMI (2013) also noted that stakeholder identification is an activity that should be continuously undertaken throughout the life time of the project.

According to Orlander and Landin (2005), identifying and classifying project stakeholder should be among the most important issues that are essential for understanding what factors motivates the stakeholders and what are their different types of demand. PMI (2013) stated that identifying, analyzing and classifying project stakeholders' according to their interest, expectation, involvement, level of impact and supports from the project conception is very critical to the success of the project. Moreover, there is also a need for regularly reviewing the initial assessment and updating the stakeholder register accordingly.

The inputs, tools and techniques, and outputs of the process of stakeholder identification are shown below.

Figure 2-4: Identify Stakeholders: Inputs, Tools & Techniques, and Outputs



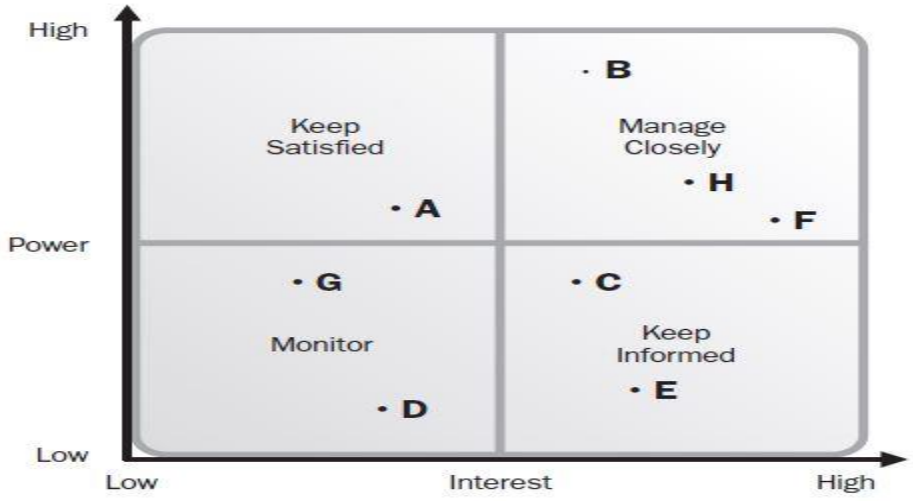
Source: PMI, 2013

As stated in the above figure, conducting stakeholder analysis is seen as one essential method used for identifying relevant stakeholders. Stakeholder analysis is basically a systematic ways of collecting and assessing quantitative and qualitative information about stakeholders in order to determine the potential impact or support that the relevant project stakeholders could generate, and consider how key stakeholders likely react to various situations (PMI, 2013)

PMI (2013) illustrated multiple classification models that could be used for stakeholder analysis:-

- **Power/influence grid**: grouping the stakeholders based on their degree of power/authority and their degree of influence on the project.
- **Influence/impact grid**: classify project stakeholders considering the level of influence (involvement) of stakeholders in the project and their extent of impact on the project's plan/execution.
- **Power/interest grid**: classifying project stakeholders on the basis of their magnitude of power and their level of interest/concern with respect to the project outcomes.

Figure 2-5: Power/Interest Grid with Stakeholders



Source: PMI, 2013

- **Salience model**: classify stakeholders on the basis of their power (authority to enforce their will), urgency (how they need for immediate attention), and legitimacy (the appropriateness of their involvement).

According to Vos and Achterkamp (2006), individual and group brainstorming are important stakeholder identification techniques. PMI (2013) noted that expert judgment from individual and group expertise is an important technique for comprehensively identifying and listing of stakeholders. Expert judgment can be obtained through individual consultations with the experts or through focus groups discussion, surveys, and so forth. The other essential technique is undertaking project meeting in order to clearly understand who are the major project stakeholders, what are their interests and expectations, what are their roles, etc. (PMI, 2013)

Key stakeholders should be identified first before trying to identify other stakeholders. Salam and Noguchi (2006) described key stakeholders as those who can have considerable impact on the project and whose interest must be accommodated for the project to be completed successfully. What's more, they added that, there is a need to recognize and come to a decision with respect to who is and who is not considered as a project stakeholder.

2.1.5 Planning Project Stakeholder Management

Stakeholder management planning is the process of formulating appropriate management strategies and tactics which will help for effectively engaging project stakeholders during the course of the project life cycle. Stakeholder management plan should be prepared on the basis of the result of assessment of stakeholders' interest, needs, what potential impact they might have on the performance of the project and how the project will affect stakeholders. It provides a detailed plan in how to work together and engage with project stakeholders for supporting the objective of the projects. Moreover, as the required level of engagement of the stakeholders might changes in the course of carrying out the project, stakeholder management plan should be taken as an iterative process that regularly be reviewed and updated. (PMI, 2013)

Eskerod and Jepsen (2013) described proactive versus a reactive stakeholder management strategy. A proactive stakeholder management strategy is a management strategy that takes the initiative in anticipating what could happen with respect to the project stakeholders, what their attitude and behavior will be, and that formulate a mitigation plan in advance before they take place. A reactive stakeholder management strategy is a strategy that wait stakeholders' initiative and taken in response to the actions, requirements or decision of the stakeholder. The authors recommend following a proactive strategy to better control, and to be on top of the situation instead of being responsive to the action of stakeholders. (Eskerod and Jepsen, 2013)

Eskerod and Jepsen (2013) further elaborate two essentially different approaches to stakeholder management: the collaborative approach and the power-based approach. They stated that collaborative approach involves frequent interaction among stakeholders in search of likely win–win situations or else in looking for options with minimal detrimental trade-offs for the parties involved. On the other hand, a power-based approach attempt using force or manipulating stakeholders to conform to your interest (Eskerod and Jepsen, 2013: P49 - 50). The authors advocate for the collaborative approach considering the fact that, at this moment in time, a power - based approach is not be acceptable from the ethical point of view.

According to PMI (2013), the project stakeholders' level of engagement could be categorized in to five:-

- **Unaware**: these stakeholders have no awareness about the project and what possible impacts it has.
- **Resistant**: they are informed about the project and its possible impacts, and they would like to resist effects of change that comes as a result of the implementation of the project.
- **Neutral**: those who are aware about the project, but who neither support nor oppose it.
- **Supportive**: they know about the project and what potential impact it will bring, and they would like to support change due to the project.
- **Leading**: those stakeholders who realize about the project and its potential impact and who actively engaged in ensuring that the project accomplished successfully.

Furthermore, as depicted in the following figure, the level of engagement of the project stakeholders could be documented using Stakeholders Engagement Assessment Matrix, where C signify the current engagement, and D indicates the desired engagement level. This Matrix can then be used to further identify if there is any gap between the current and desired engagement level of stakeholders.

Figure 2-6: Stakeholders Engagement Assessment Matrix

Stakeholder	Unaware	Resistant	Neutral	Supportive	Leading
Stakeholder 1	C			D	
Stakeholder 2			C	D	
Stakeholder 3				D C	

Source: PMI, 2013

The PMI (2013) have also identified important inputs, tools and techniques, and outputs of the process of plan stakeholder management as shown in the following figure.

Figure 2-7: Plan Stakeholder Management: Inputs, Tools & Techniques, and Outputs

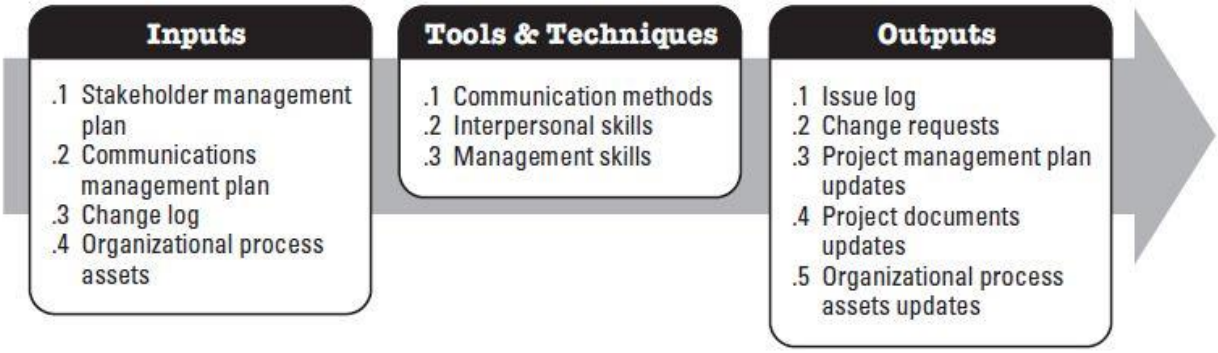
Source: PMI, 2013

2.1.6 Managing Project Stakeholder Engagement

Managing stakeholder engagement involves the process of communicating and working with stakeholders so as to meet and cope up with their needs, their expectations, address issues as they occur, and promote appropriate stakeholder involvement in project activities in the course of carrying out the project (PMI, 2013). The process of managing stakeholder engagement is very essential to enhance their support and minimize oppositions from the stakeholders, and this in turn have substantial contribution for the successful completion of the project.

The inputs, tools and techniques, and outputs of the process of manage stakeholder engagement are shown in the following diagram.

Figure 2-8: Manage Stakeholder Engagement: Inputs, Tools & Techniques, and Outputs



Source: PMI, 2013

Beringer, et al. (2013) stated that stakeholder management basically incorporates understanding stakeholders' behaviors and concern during the project life cycle in consideration of meeting their expectations. According to Alladi and Iyyunni (2015), managing stakeholder engagement require understanding and putting an efforts to address stakeholders' need and requirements, engaging in recurring interaction with stakeholders, providing stakeholders with regular updates about the project status, issues and concerns. They stated that there is a need to employ convenient communication mode for making sure that the right information reaches to the right stakeholders at the right time.

PMI (2013) add that managing stakeholder engagement involves activities such as involving relevant stakeholders at appropriate project stages to gain or maintain their commitment to the success of the project; negotiating and communicating with stakeholder to manage their expectation; identifying and discussing potential concern, analyzing associated project risk, and addressing potential concerns; and clarifying and resolving issues.

Wysocki (2014) stressed there is a need to establish early communication among all key stakeholders. He agrees that meetings and face-to-face discussions with key stakeholders are among best ways to set our clear expectation, capture stakeholders' concerns with respect to the project activities and its deliverables, and to gain a mutual understanding regarding the project requirements and expected project's performance.

According to Eskerod and Jepsen (2013), much communication is involved when managing stakeholders' engagement. They noted that some of the important communication and engagement methods with stakeholders involves dealing individually on a face-to-face communication with each stakeholder, using mass-communication to numerous stakeholders via project newsletter or a project website, delegating stakeholder to a particular role or responsibilities (e.g. as a project steering committee member), and/or negotiate contractual or other form of agreement regarding project-related exchanges to satisfy the project's need. Alladi and Iyyunni (2015) study have also tried to consider different stakeholders engagement strategies

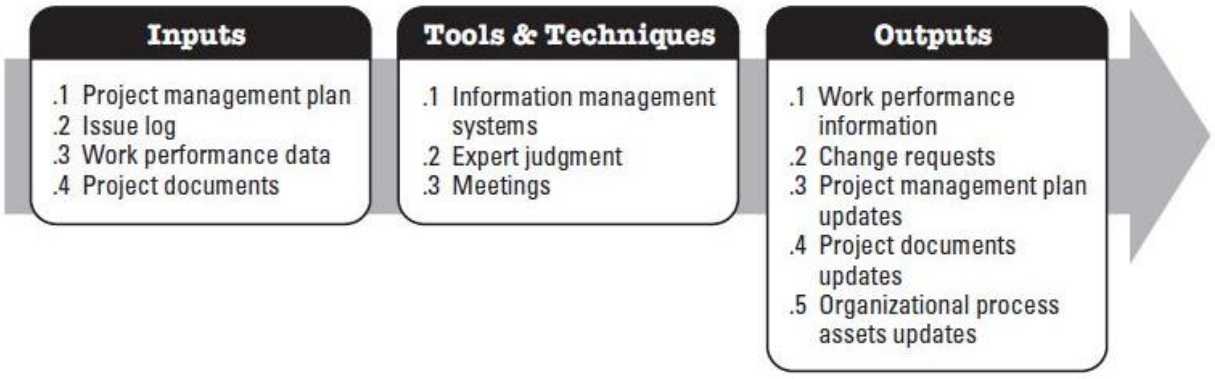
such as engaging in partnership with stakeholders, empowering them, and monitoring strategies on the basis of project stakeholders' power and influence on the project.

2.1.7 Controlling Project Stakeholder Engagement

Controlling stakeholder engagement incorporates the process of monitoring the overall relationships and communication with project stakeholders, and performing stakeholder management plan review, modification and updates so as to effectively engage with project stakeholders. According to PMI (2013), stakeholder management plan should incorporate stakeholder engagement activities, and there is a need to make a regular stakeholder engagement control throughout the project life cycle. Controlling stakeholder engagement is considered as a very essential process for maintaining and making sure that the stakeholder engagement activities are being effective and efficient while the project evolves in the face of changing environment. (PMI, 2013)

As shown in the following figure, important tools and methods for controlling stakeholders engagement includes taking use of information management systems, applying the insight from expert judgments, and undertaking meetings with project stakeholders. Various information management systems could be employed for collecting, documenting, distributing project status information and reports to project stakeholders. Taking use of expert judgment through individual consultations or panel form could be used for listing out stakeholders and reassessing the current status of stakeholders. Holding status review meetings is also another method for exchanging and analyzing information concerning stakeholder engagement.

Figure 2-9: Control Stakeholder Engagement: Inputs, Tools & Techniques, and Outputs



Source: PMI, 2013

2.1.8 Significance of project stakeholder management

According to Khan, et al. (2019), a skillfully designed and properly implemented stakeholder management and engagement will help to ensure the attainment of the project goal within allocated budget, time frame and other constraints, and reduce or eliminate the existing opposition of project implementations. Cleland and Ireland (2002) stated that stakeholder management is very essential in creating the needed collaboration amongst stakeholder for enhancing the project objective achievement, whereas not giving enough attentions to stakeholder management might create difficulties in achieving the intended goal of the project.

Stakeholder identification and analysis is useful to understand the focus of each stakeholder or group of stakeholders and help the project manager to emphasize on the important relationships that is necessary for ensuring the success of the project (PMI, 2013). Failure to identify or deal well with adverse stakeholders may hold back a successful project outcome (Cleland and Ireland, 2002). On the other hand, effective stakeholder management might help to reduce the occurrence of frequent need for modification of the project (such as scope creep), to ensure that project deliverable will be completed on time and enable us to quickly resolve issues with key stakeholders that could otherwise delay the project (Cooper, 2014 as cited in Amoatey and Hayibor, 2017).

Alladi and Iyyunni (2015) have noted that in today's rapidly changing technological and higher innovative conditions where multiple stakeholders are involved, engaging stakeholders is gaining importance among project managers due to the many challenges project teams have been facing when managing complex projects. According to IFC (2007), effective stakeholder involvement is useful for establishing consensus among stakeholders in relation to project requirements and to quickly resolve conflict that may arise while implementing the project. Engaging stakeholders in the course of carrying out the project could be used for constructing a feedback mechanism that provides the opportunity to receive useful feedback and ideas for corrective actions. Moreover, improving the participation of the affected stakeholder in the project could be useful to reduce potential resistance and increase the reliability and acceptance of the project deliverables.

PMI (2013) also stated that engaging with stakeholders have a benefit of gaining their supports and minimize resistance from stakeholders. Managing stakeholder engagement helps to increase the chance of project success by creating awareness and clarification about the aim, objective and benefits of the project to the project stakeholders. The process might enable the stakeholders to engage in facilitating and supporting the project activities and decisions. By anticipating how key stakeholders will responds to the project outcomes and activities, and proactive management of stakeholder engagement might help in winning their supports or minimizing negative impacts. (PMI, 2013)

According to Cleland and Ireland (2002), project stakeholder management could be used to foster the use of proactive project management for restraining stakeholder activities that might adversely affect the project, for maintaining better control and for facilitating the project team's ability in making the most out of opportunities to encourage stakeholders in supporting the project's goal. These objectives can be achieved only by integrating stakeholder perspectives into the project's formulation processes and developing the best possible project stakeholder management strategy that in turn will put the project team in a better position to influence the actions of the stakeholders on project outcome. Cleland and Ireland (2002) further highlighted that project stakeholder management is emphasized on:

- Identifying the possible strategies that will be pursued by the stakeholders.

- Ensuring the availability of timely, credible, and comprehensive information with regard to the capabilities and the alternatives open to each stakeholder.
- Assessing how the strategies of key stakeholders might affect the project interests.
- Continuously monitoring and providing organized information with respect to what possible actions of stakeholders could likely affect the interest of the project.
- Collecting, analyzing, and distributing comprehensive stakeholder information for the project team.

According to Khan, et al. (2019), there are several fundamental objectives for employing project stakeholder management processes. For primary stakeholders, effective stakeholder management is used to ensure the delivery of the project goals within the constraints of time, budget, and other parameters, and to finally gaining the final acceptance and satisfaction of the client. For secondary stakeholders, it aimed in reducing or preventing the possible act of opposition toward the project, and to facilitate obtaining practical support from secondary stakeholders whether it is in the form of gaining their goodwill, their assistance, or any knowledge or experience they would like to share.

Karlsen (2002) stated that stakeholder management process could have a number of benefits. It primarily helps to find out about and get familiarized with the project's stakeholders. Moreover, it could help to confirm whether the balance between contribution and benefits from engaging with stakeholders are being met. In addition, the author stated that undertaking stakeholder management process is important for carefully planning about how to deal with stakeholders' interest and concern; and it could serve as a basis for determining which stakeholders need to be involved in setting out the project goals and measuring the success of the project.

2.1.9 Project Stakeholder Management Challenges

According to Eskerod and Jepsen (2013), stakeholder management process is not just a one-time activity. Stakeholder management should not solely rely on the early assessment made at the initial phases of the project. Going through the stakeholder management process only once at the very start of the project may lead to overlooking important stakeholders or misinterpreting their behavior. As the project evolve, new stakeholders might take part in and the existing one might

also change their need, expectations, concerns, requirements, and their perception about the project. The influence of each stakeholder and the required level of engagement may also vary at different phases of the project life cycle, and it could be very difficult to clearly and completely anticipate how the project stakeholder will likely react at the project planning stage. PMI (2013) also noted that stakeholder management plan should be an iterative process that needs to be continuously reviewed and regularly updated for further changes during the course of the project.

Stakeholder management is concerned with creating and maintaining the relationships between the project team and stakeholders. It requires carefully examining how the project will be affected or affects project stakeholder, and developing detailed plan in order to manage the need and expectation of stakeholders, and to effectively engage stakeholders in the project. According to Kerzner (2009), stakeholder management entails establishing an effective communication, trust and cooperation among stakeholders. The project manager and the project teams should find out which processes to use for ensuring that stakeholder have confidence in the quality of activities and outcome of the project. Moreover, the project should work in accordance with the requirements of all relevant legal rules and regulations (Kerzner, 2009).

According to PMI (2013), stakeholder management is more than communicating with stakeholders. The very different and conflicting objective of diversified stakeholders makes managing their interest and expectations very difficult and challenging. Project managers are responsible for making sure that the stakeholder interest are balance and the project teams interact with the stakeholders in a more cooperative and proficient manner. Project managers may be required to work in collaboration with project's sponsor and other project team members from different locations anywhere around the globe in properly identifying and managing project stakeholders. Underestimating the negative interest of stakeholders might results delays, cost overrun, unexpected issues, and other negative consequences including project failures. Different stakeholders could have different perceptions about the project. For example, business leaders could have positive perceptions about the industrial expansion project due to the positive economic benefits as a result of business opportunities, additional job opportunities to the communities, infrastructure development, and tax incomes. On the other hand, other

stakeholders, such as homeowners, land owners or small business owners, who may lose their property or those who would be forced to relocate to different location, might be interested in halting the progress of the project. (PMI, 2013)

Khan, et al. (2019) also stated that stakeholder predisposition concerning project might not necessarily remain static. Their behavior, concern, expectations, attitude about the project and commitment to the project could often change, and these make putting up with the stakeholder management processes more demanding and challenging. Those stakeholders who might initially be supportive of the project may later become hostile towards it as the project evolves and the project circumstance changes often. Accordingly, the author suggested conducting an early and careful assessment of the management and engagement of project stakeholders, if possible even before the initiation phase of the project. As the project advance to the planning stage, the stakeholder analysis will be focusing on in bringing more comprehensive information about the identified stakeholders, and the stakeholder management and engagement plan and strategies should be more refined, wide enough, and emphasize on essential matter. To understand stakeholder behavior, there is a need to properly monitor their attribute on a regular manner throughout the course of the project life cycle. They added that the project engagement strategies should emphasizes on how to influence the disposition of stakeholders during the project life cycle by putting an effort to maintain their support in favor of the project. (Khan, et al., 2019)

According to Eskerod and Jepsen (2013), in the project initiation stage, the first stakeholder analysis should be undertaken, and this serve as a ground for the upcoming activities of the project team to inaugurate the early elements of the interaction with the major stakeholders. As shown in the next table, the important tasks to be performed at the project formation period involves creating clarification about the aim of the project, building relationships with key stakeholders and negotiation that focus on the benefits, scope and constraints. During the project planning phase, the focus will be on identifying new stakeholders that demand management attention, negotiating expectations on contributions, creating awareness and establishing relationships with the new stakeholders. At the project execution phase, there is a need to

monitor the engagement of the stakeholders, engage with possible new stakeholders and work on maintaining the established relationships. The project closure phase is the time when the project activities will be closed, and thus established relationships will be dissolved, and the stakeholders' role in the project will be disengaged, meanwhile some important contributors might be remaining to obtain further specified project benefits. (Eskerod and Jepsen, 2013)

Table 2-1: Stakeholder management challenges and important tasks across project life cycle

Project Management Phases	Project Formation	Project Planning	Project Execution	Project Close-down
Challenge	Engage key stakeholders.	Engage stakeholders.	Follow-up on engagement and engage possible new stakeholders.	Disengage the stakeholders.
Important tasks	Knowledge sharing with key stakeholders. Negotiate aimed-for benefits, scope, and constraints.	Negotiate expectations on contributions. Create relationships. Create awareness.	Sustain relationships.	Close-down activities.

Source: Eskerod and Jepsen, 2013

According to Khan, et al. (2019), big and complex infrastructure development projects usually involves a wide-range of heterogeneous stakeholders with diverse interests, goals, roles and responsibilities, experiences, needs, dread, outlook, authority and influence, and so on. It is often not feasible to efficiently and effectively manage or engage every stakeholder with just all-encompassing one-size-fits-all strategy as each stakeholder might have different attributes. It, therefore, often requires employing a combination of methodologies and action plans, some might need to focus on every single powerful stakeholder, in the meantime others might need to emphasize on specific groups of stakeholders. Hence, stakeholder management strategies should

not be cast in stone and they have to be regularly monitored and accommodate important change and need to be modified with new strategies. (Khan, et al., 2019)

2.2 Empirical Literature Review

An empirical study results conducted by Nauman and Piracha (2016) on project stakeholder management showed that exploring stakeholders' needs and constraints to projects is found as the most critical factor for successful project stakeholder management whereas keeping and promoting a good relationship by building trust and commitment among stakeholders stood second. Some of the other influential factors contributing to the success of stakeholder management were shown to be: identifying stakeholders; communicating with the engaging stakeholders properly and frequently; analyzing conflicts and forming coalitions among stakeholders; formulating appropriate strategies to cope up with different stakeholders; negotiating conflicts among stakeholders effectively to make decisions which are mutually accepted; and other related factors.

Bakens, et al. (2005) stressed the importance of having an effective communication with stakeholders for effective stakeholder engagement. They noted that appropriate stakeholders need to be communicated with the right messages using a suitable means of communication, and it is very important to clearly communicate the project value and benefits to the critical stakeholders. According to the authors, there is a need to facilitate collaboration amongst stakeholder through effective communication, and strategies and actions that could facilitate the desired outcomes need to be adopted to deliver the right messages to the right stakeholders.

Rogers, et al. (2019) undertook a cross-sectional and quantitative approach to assess the stakeholder management antecedents in public private partnership (PPP) projects in Uganda. All the items were measured on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The results from the study revealed that the key antecedents of stakeholder management were identified to be communication, engagement, commitment and trust. Communication was found to be the strongest antecedent of stakeholder management. The study result indicated there is a significant positive relationship between communication and

stakeholder management with a path coefficient of 0.426, $t = 3.710$, $p < 0.05$. This implies that when there is effective, clear and timely communication among the project stakeholders, stakeholder management is enhanced in PPP projects in Uganda. The study finding also highlighted that there is a positive and significant relationship between stakeholder engagement and stakeholder management with a path coefficient of 0.296, $t = 2.024$, $p < 0.05$, and the result implied that when stakeholders are fully engaged in the project, managing their interests and expectations become easier. The research results noted that addressing stakeholder communication and engagement should be given a priority for the project stakeholder management to be effectively performed. (Rogers, et al., 2019)

Worku (2018) has conducted a survey on the relationship between stakeholder engagement practices and project performance in the case of Ethiopian Road Authority. The research assessed the practice of project stakeholder engagement practices in managing the road projects in the country. The survey used a Likert type scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree) on the practice of the development of stakeholder identification and analysis, the practice of disclosing information to stakeholders, undertaking consultation with stakeholders, conflict management system, stakeholder participation in the project monitoring process, how the reporting system looks like, the practice of engaging with stakeholders through negotiation and partnership, the extent of management involvement in the stakeholder engagements, and project performance. The study results revealed that, project performance were found to have statistically significant association with the development of stakeholder identification and analysis, the practice of disclosing information to stakeholders, undertaking stakeholders' consultations, grievance management, reporting to stakeholders, engagement with stakeholders in negotiation and partnerships, and involving management in the stakeholder engagement.

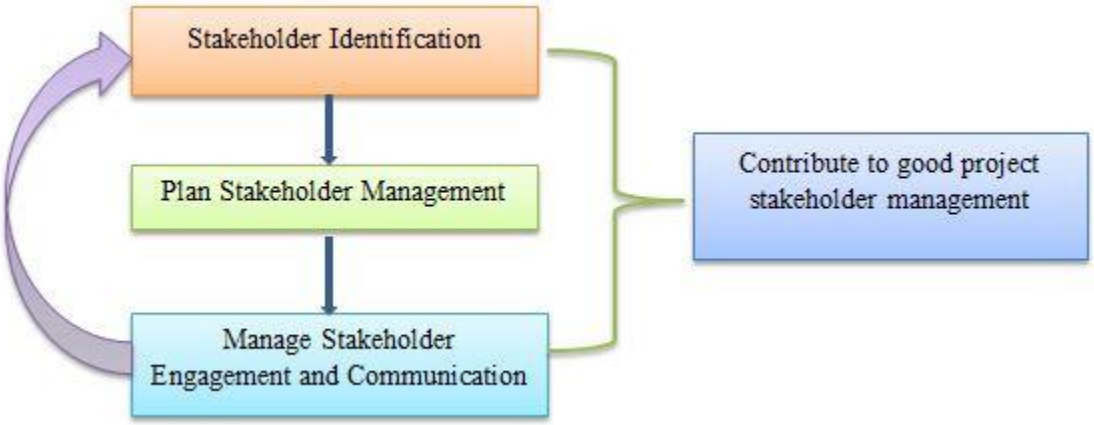
Bezuneh (2019) has studied the effective approach to analyze stakeholders' need and concerns, and what effective methods could be used for engaging with stakeholders of housing development project in Addis Ababa. The study results shows that employing personal past experience of project teams, provision of professional service, conducting workshops with stakeholders, and undertaking surveys, on the respective order, were found to be the effective approach in assessing stakeholders need and concern. On the other hand, the most effective

methods for engaging with stakeholders in the studied housing development projects were engaging with stakeholders in workshops, meeting, conducting interview, engagement through contractual agreement, and negotiations.

Gedamu (2019) has undertaken a study on how the practice of stakeholder engagement looks like and what stakeholder engagement challenges were encountered in managing UNIDO projects as in the case of Addis Ababa. The study finding regarding stakeholder engagement challenges reveals that communication gap was found to be the most encountering challenges while operating in a multi-stakeholder project setting. The other prominent challenges faced were highlighted to be incompatibility with the interest of partners, difficulties in coping up with cultural difference, late identification of stakeholder's interest; challenges in identifying all relevant stakeholders and not giving them adequate attention, in respective orders, and others factors.

2.3 Conceptual framework

Based on the literature reviewed in PMI (2013) and the study objective, the processes of the project stakeholder management this study have taken into consideration are Stakeholder Identification, Stakeholder Management Planning, and Engagement and Communication with Stakeholders.



CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This part of the paper is devoted to describe the research methods and procedures that were used for acquiring and analyzing the required data to answer the research questions. Accordingly, this part discusses the research design and approach, sources of data and the data collection methods, the population of the study, method of data analysis, the validity and reliability analysis, and the ethical considerations for the study. And in the next chapters, the findings of the study are presented and elaborated.

3.2 Research Design and Approach

According to Singh (2006), research design is a framework that is used as a guideline for how to collect the research data, analyze the collected data and present the findings. The research design should involve a systematic procedure that is feasible with in the limit of the available resources.

As stated in the previous section, this study is aimed to assess and describe the project stakeholder management practices. To achieve this objective, this study employ descriptive research design framework. According to Saunders et al. (2009), descriptive study is useful to produce an accurate representation of the situations under consideration. The descriptive study is used to determine the existing conditions and practices in the case under study and helps in describing and demonstrating the characteristics and nature of a particular phenomenon.

The study used a cross sectional survey methods for collecting both qualitative and quantitative data from primary and secondary sources. A cross sectional survey is chosen for assessing the stakeholder management practices of AAWSA in consideration of the fact that it is time and cost effective. This study followed a mixed research approach. This is because, as stated in Creswell (2009), employing a combination of quantitative and qualitative data has an advantage of enhancing the strength of the study, and provide us with better understanding of the research problem and the perceptions of the participants under study in contrast to using only mono research approach (Creswell, 2009).

3.3 Source of Data and Method of Data Collection

This study used both primary and secondary data. The primary data are collected through questionnaire and conducting key informant semi-structured interview. The questionnaire is comprised of both closed and open ended questions. The survey questionnaire is partly constructed on the basis of previously tested work of Ankukumah (2016), Gedamu (2018), and the reviewed literature from PMI (2013). Moreover, some of the questions were partly adopted from another research work by Kelbessa (2017) who studied what effect project stakeholder management have on the public sector projects' performance in Ethiopia. The closed ended questions have a five scored Likert scales to provide respondents a wider range of alternatives with the statement strongly agree to strongly disagree. The secondary data are collected through document analysis reports, projects' record, books, journals and online information.

3.4 Population of the Study

The population of the study is the AAWSA's Water and Sanitation Infrastructure Development project staffs. The targeted population consists of project personnel that are project coordinators, technical experts, technical specialists, project team members and administration staffs. The project office is comprised of different departments managing a number of projects. This study consider the data collected from the entire project personnel who are currently directly engaged in the responsibility of planning, executing, coordinating, managing, and monitoring projects implementation of the authority.

This study attempted to get the necessary information regarding the project stakeholder management practice of the case under study by trying to approach project personnel of AAWSA's project office who are currently involved in stakeholder management process of the water and sanitation infrastructure development projects to fill out the survey questionnaire. Those employees with the service year less than 3 months, those who are not willing to participate in the survey, or not available at work due to annual leave, sick leave or other personal/organizational reason during the data collection period are not included in the study. In addition, purposely selected five key informants from technical managers, administration staff, and technical experts were engaged in a semi-structured interview to further gain additional

insights about the project stakeholder management activities and help to triangulate with the data collected through questionnaire.

3.5 Method of Data Analysis

The study used both qualitative and quantitative method of data analysis to meet its objectives. The quantitative data from the survey questionnaire were sorted and analyzed by using descriptive statistics as a tool to help data analysis with the help of SPSS software. Meanwhile, the qualitative part were analyzed based on the content matter of the responses by grouping responses with common themes together, using description, relating with literature and checking its consistency with the quantitative data set. The data are presented and elaborated by using descriptive statistical tools such as frequency, percentages and mean scores.

3.6 Validity and Reliability Analysis

Validity of a research indicates whether the study instruments were actually relevant to measures the problem under investigation, whereas the reliability consider if an instrument could also be interpreted consistently across different situations (Field, 2013). The validity of the research was considered by developing the questionnaire and semi-structured interviews on the basis of construct scales and items from the existing related literature and studies. The validity of the study instrument was also checked by receiving feedback from colleagues to ensure that it is explicit and comprehensible, and by consulting my advisor before proceeding to conduct the data collection.

The study has examined the reliability statistics of the data collected for the constructs using Cronbach's Alpha, as shown in the table below. The reliability of the instrument of the study was assessed through Cronbach's Alpha which is used for measuring the internal consistency of the study instrument. As shown in the tables below, the Cronbach's Alpha value for the scales indicates the presence of good internal consistency among the items and considered to have adequate reliability as its value exceeds a cut-off point of 0.70 (Kline, 1999; Leary, 2012). Moreover, the reliability of data collected through questionnaires was cross checked during the session with the key informant interviews.

Reliability Statistics

Cronbach's Alpha	N of Items
.819	29

Source: survey data, 2020

Reliability scores of the major dimensions

Construct	N of Items	Cronbach's Alpha
Stakeholder identification practices	6	.808
Stakeholder management planning practices	7	. 809
Stakeholder engagement and communication practices	7	.760

Source: survey data, 2020

3.7 Ethical Consideration

According to Saunders, et al. (2009), there are key ethical issues that should be maintained in the process of undertaking a research project. They stated that the ethical consideration involves keeping the privacy, anonymity and consent of the study participants, and preserving the confidentiality of data. Accordingly, this survey maintained the aspects of the research ethical principles of participants' privacy and anonymity, voluntarism, objectivity, confidentiality and informed consent. Therefore, the respondents were informed about the purpose and intended uses of the research, and assured about the anonymity and confidentiality of information provided by the survey participants will be maintained. The respondents were being requested to participate voluntarily, and they were informed that all the data obtained from the survey would only be used for academic purpose. Accordingly, the research was independent and the analysis was conducted on the basis of the results of the study.

CHAPTER FOUR: RESULT AND ANALYSIS

4.1. Introduction

This chapter presents the result of the analysis of the data collected from the respondents in assessing the project stakeholder management practice of the case under study. The analysis was undertaken through descriptive statistics and the study findings are presented in the form of mean value, frequency, and percentage by using descriptive statistics. The discussion of the outcome is performed on the basis of the output obtained from Statistical Package for Social Sciences (SPSS) software version 20.

The questionnaire was developed by using a 5 point Likert rating scale (from 1 to 5); where 1 denoted Strongly Disagree, 2 Disagree, 3 Neutral, 4 Agree and 5 Strongly Agree. Out of 66 questionnaires distributed, a total of 54 questionnaires were returned contributing to 82% response rate. From 54 respondents, 3 questionnaires were partially filled in and hence not used in the study analysis. Therefore, only 51 properly filled responses were used for the analysis. The results are presented by using descriptive statistics. The mean scores of the study results from 1.00-1.49 were represented as very low, 1.50-2.49 signified as low, 2.50-3.49 represented as medium, 3.50-4.49 denoted as high, and from 4.50-5.00 represented as very high (Bezuneh, 2019). In addition, the result obtained from the interview also analyzed by grouping responses with similar content together, describing and relating with literatures.

This chapter is divided into five sections. The first section describes the general characteristics of the research participants in terms of their gender, age, educational level, service year and position in the project office. The second section presents the study finding regarding the project stakeholder identification practice. The third section discusses the analysis and interpretation of the data with respect to the practice of project stakeholder management planning. The fourth section presents the study finding about the stakeholder engagement and communication practice. In the fifth section, the practices of the project stakeholder management challenges encountered are presented.

4.2 General Information about the Respondents

Table 4-1 provides the general information about the employee research participants in terms of their gender, their age in years, educational level, service year and position in the organization.

Table 4-1: Respondents gender, age, educational level and service year

Variable	Description	Frequency	Percent	Valid Percent
Gender	Male	44	86	86
	Female	7	14	14
	Total	**51**	**100**	**100**
Age in years	21-30 years	7	14	14
	31-40 years	22	43	43
	41-50 years	17	33	33
	Above 50 years	5	10	10
	Total	**51**	**100**	**100**
Educational Level	Diploma	4	8	8
	BA/BSc	25	49	49
	MA/MSc	22	43	43
	Total	**51**	**100**	**100**
Service year	1 to 5 years	19	37	37
	5 to 10 years	18	35	35
	Above 10 years	14	27	27
	Total	**51**	**100**	**100**
Position in the Project	Project coordinator	13	25	25
	Technical specialist	11	22	22
	Technical expert	14	27	27
	Project team member	7	14	14
	Project administration	6	12	12
	Total	**51**	**100**	**100**

Source: Own Survey, 2020 SPSS version 20 outputs

As depicted in table 4-1, the majority of the respondents (86%) were male and 14% of them were female implying that the numbers of male staffs were considerably higher than that of female. Among the total of 51 participants, 7 of them (14%) were in 21 – 30 years age group, 22 respondents (that constitute 43%) were in 31 – 40 years age group, 17 of them (that comprises 33%) were within 41-50 age category, and the remaining 5 participants (21%) were above 50

years of age. This shows that the majority of the research participants (43%) were 31-40 years of age followed by employee respondents who belong within the age group of 41-50 years.

As shown in table above, the highest number of research participants acquired their bachelor's degree (accounts 49%), followed by those who acquired their master's degree (constitute 43%), and the remaining 8% of the participants earned their diploma. According to the result in table 4.1, 37% of the respondents have from 1 up to 5 years of work experience in the organization, 35% of the respondents have 5-10 years of experience, while the remaining 27% participants have more than 10 years of work experience in the organization. In their current work, the study respondents hold different positions. As shown in table 4-1, 27% of the respondents were technical experts, 25% were project coordinators, 22% of them work as technical specialist, 14% were project teams, and 12% of them were working in project administration.

4.3 Stakeholder Identification Practice

According to the reviewed literatures, stakeholder identifications are considered as the first task of the stakeholder management process. In this part, the study tried to assess the practice associated with the on time identification of relevant project stakeholders, the practice of analyzing stakeholders' interest and influence, and the participation of project teams in the identification process. As per the interview with key respondents, the relevant project stakeholders of AAWSA water and sanitation infrastructure development projects involve the project teams, the project contactors, consultants, donors/sponsors, suppliers, various government authorities, financial institutions and insurance companies, non-governmental organizations, the beneficiary communities/end users, general public, and landowners/neighbors.

As shown in the below table 4-2, several issues were raised to assess the project stakeholder identification activities of the case under study. The grand mean response concerning the identification activities was 2.97. The highest mean score concerning the identification practices was project team experience in participating in identification activities (3.90). On the contrary, the lowest mean value were shown in prioritizing stakeholders on the bases of important factors (2.57), followed by adequate consideration of stakeholders' interest identification and

undertaking analysis (2.59). Moreover, further elaborations on the study results concerning the identification practices are presented as follows.

Regarding identifying all relevant stakeholders as early as the initial stage of the project, the result on table 4-2 shows the average response was 2.78. 33.3% of the participants responded disagreed, 13.7% strongly disagreed, and 21.6% were not sure that proper identification of each and every relevant stakeholders of project at the very early stages of the project were undertaken. The remaining 23.5% agreed and 7.8% strongly agreed. The finding shows gap in formally and properly identifying all relevant project stakeholder right from the very start of the project, and in consequence this in turn might result to overlooking the interest and requirement of stakeholders and affect the on time project decision making.

Table 4-2: Stakeholder Identification Practices

Stakeholder Identification Activities	Category	Indicator					Total	Mean
		1	2	3	4	5		
All relevant stakeholders were identified at the initial stage of the project.	Frequency	7	17	11	12	4	51	2.78
	Percent	13.7	33.3	21.6	23.5	7.8	100	
Stakeholders' interests have been clearly identified and analyzed with enough details.	Frequency	3	26	14	5	3	51	2.59
	Percent	5.9	51.0	27.5	9.8	5.9	100	
Project team members participated in identifying stakeholders.	Frequency		5	9	23	14	51	3.90
	Percent	-	9.8	17.6	45.1	27.5	100	
The socio-cultural factors of stakeholders were analyzed at the initial stage of the project.	Frequency	3	24	12	9	3	51	2.71
	Percent	5.9	47.1	23.5	17.6	5.9	100	
Stakeholders' influence was predicted.	Frequency	4	9	13	20	5	51	3.26
	Percent	7.8	17.6	25.5	39.2	9.8	100	
All identified stakeholders are prioritized.	Frequency	6	23	13	5	4	51	2.57
	Percent	11.8	45.1	25.5	9.8	7.8	100	
Grand mean								2.97

Source: Own Survey, 2020 SPSS version 20 outputs, Note: 1=SD, 5= SA

As far as clearly identifying and analyzing stakeholders' interests with enough details are concerned, the mean response obtained was 2.59. In this respect, 27.5% were undecided, however, majority of them (56.9%) were disagreed and strongly disagreed in undertaking clear and adequate stakeholders' interest identification and analysis. The result shows that the stakeholder identification practice had limitation in clearly identifying, conducting analysis and documentation of essential information in sufficient detail with respect to stakeholders' need, interests, concerns, and what their potential impact will be on the performance of the project.

The other issue raised was project team participation in identifying stakeholders. In this respect, the average response was 3.90 implying project team were mostly involved (27.5% strongly agreed, 45.1% agreed) in the identification process. Meanwhile 17.6% of the responses were neutral, and 9.8% of participants disagreed on the proper involvement of project team members in the process of identifying project stakeholders. Indeed, the adequate involvements of project team members are one essential element in properly identifying and managing project stakeholders and their requirements and expectations.

Concerning the consideration of the socio-cultural differences of stakeholders during the initial stage of the project, the mean score was 2.71. In this respect, the result indicates that 52.9% disagreed and strongly disagreed on the incorporation of socio-cultural factors in the initial stakeholder assessment. Meanwhile, close to 24% of them accorded, and 23.5% of them were not sure if it was considered. The finding shows that there were glitch in adequately considering the socio-cultural issues during the initial assessment of the project cycle, and this in turn might affect the project performance in due course of implementation.

The other issue the study sought to investigate was the practice of predicting stakeholders influence on the project. The result shown in table 4-2 reveals that the mean score was 3.26, and around 49% of them responded undertaking predications, whereas 25.5% were neutral and 25.5% stated no prediction were made with respect to how project would be affected by project stakeholders. Furthermore, concerning prioritizing stakeholders on the bases of important factors, the average mean responses were 2.57. The majority of the respondents (56.9%) felt not

prioritizing stakeholders based on important factors that could impact the performance of the projects implying that systematic prioritization approach were often not employed in determining who should receive more attention (Eskerod and Jepsen, 2013). Bourne (2005) stated that to successfully manage the relationship with stakeholders, there is a need to correctly identify and prioritize who essentially are the project key players, and accordingly developing an appropriate engagement and communication plan.

Furthermore, as depicted in table 4-3 below, the study sought to investigate what tools and techniques frequently employed in stakeholder identification. The majority (51%) of the participants responded employing combination of multiple tools and techniques for the process of stakeholder identification. Meanwhile, 21.6% of the respondents stated that they used stakeholder forums or meetings, 17.6% of them used expert judgments, and the remaining 9.8% of them used project team brainstorming. The interview results were in sync with the results obtained from the questionnaire, and the key informants confirmed that combination of methods (open discussion/forums with stakeholders, meetings, expert judgment, and project team brainstorming) were used. The key interview respondents stated frequently using meetings/stakeholder forums and expert judgments for identifying relevant project stakeholders.

Table 4-3: Tool and Technique used in stakeholder identification

Tool and Technique used in stakeholder identification	Responses	
	N	Percent
Project team brainstorming	5	9.8
Stakeholder forums/meetings	11	21.6
Expert Judgments	9	17.6
Combination of all	26	51.0
Total	51	100.0

Source: Own Survey, 2020

In an effort to find out what were the grounds for stakeholder identification activities, the study asked respondents what factors were considered in stakeholder identification. Table 4-4 indicates that combination of multiple factors were mostly (41.2%) used as a bases for stakeholders identification, followed by interest based (21.6%), influence (15.7%), geographic/location reason (11.8%), and mission and vision based (9.8%). The interview results also confirmed that various factors (such as stakeholders' influences, location, interest, and consideration of mission and visions) were used as bases for identifying the relevant stakeholders. As far as the bases of stakeholder identification are concerned, the key interview respondents stated that the interest and influence of stakeholders on project operations, resources, and finance were considered as the most important factors.

Table 4-4: The bases for stakeholder identification

The bases for your stakeholder identification	Responses	
	N	Percent
Influence	8	15.7
Mission and vision based	5	9.8
Interest based	11	21.6
Geographic reasons	6	11.8
Combination of all	21	41.2
Total	51	100.0

Source: Own Survey, 2020

Moreover, as shown in table 4-5, the research participants were asked at which stage of the project life cycle they conduct stakeholder identification. The majority of the respondents (35.3%) responded that stakeholders were identified at the implementation stage, followed by prefeasibility stage (31.4%). Meanwhile, 21.6% of the study participants reported identifying stakeholders throughout the project life cycle, whereas the remaining 11.8% of them undertook identification at the initiation phase. In this respect, the interview results revealed that stakeholders were mostly identified at the implementation and prefeasibility stages.

Table 4-5: Stakeholder identification timing

Project life cycle	Responses	
	N	Percent
Prefeasibility stage	16	31.4
Initiation stage	6	11.8
Implementation stage	18	35.3
Throughout project life	11	21.6
Total	51	100.0

Source: Own Survey, 2020

4.4 Stakeholder Management Planning Practice

As depicted in table 4-6, multiple issues regarding stakeholder management planning practices were asked to the study respondents. The grand average response on the planning activities was 3.23. The lowest mean score on this regards (2.45) was on the practices of obtaining the affirmation and support of the project stakeholders in the planning activities. Further elaborations on the finding of the study with respect to project stakeholder management planning activities are presented below.

The first issue analyzed was if stakeholder management plans were prepared as part of the project plan. In view of this, the mean score was 3.51, and most of the respondents (61%) agreed and strongly agreed that stakeholder management plan were being considered in the project management plan. However, 23.5% of the participants were uncertain, and the remaining 11.8% of respondents disagreed and 3.9% of them were in strong disagreement that the stakeholder management plan were being considered and incorporated as part of the project management plan.

Table 4-6: Stakeholder management planning practices

Stakeholder Management Planning Activities	Category	Indicator					Total	Mean
		1	2	3	4	5		
Stakeholder management plan is prepared as part of the project plan.	Frequency	2	6	12	26	5	51	3.51
	Percent	3.9	11.8	23.5	51.0	9.8	100	
The stakeholder management plan has obtained agreement and support from all stakeholders.	Frequency	6	23	15	7		51	2.45
	Percent	11.8	45.1	29.4	13.7		100	
Stakeholder management plan is prepared based on the analysis of stakeholders' needs, interests, and potential impact.	Frequency	5	6	15	20	5	51	3.27
	Percent	9.8	11.8	29.4	39.2	9.8	100	
Efforts were made to involve project stakeholder in project planning.	Frequency	3	4	7	29	8	51	3.69
	Percent	5.9	7.8	13.7	56.9	15.7	100	
The roles and responsibilities of the project stakeholders participating in the stakeholder management plan were clearly established.	Frequency	7	9	11	19	5	51	3.12
	Percent	13.7	17.6	21.6	37.3	9.8	100	
There is a conflict resolution plan in place and communicated among the relevant stakeholders.	Frequency	6	8	12	22	3	51	3.16
	Percent	11.8	15.7	23.5	43.1	5.9	100	
Analysis of the change in stakeholders' influence, reactions and relations was done.	Frequency	2	9	14	19	7	51	3.39
	Percent	3.9	17.6	27.5	37.3	13.7	100	
Grand mean								3.23

Source: Own Survey, 2020 SPSS version 20 outputs, Note: 1=SD, 5= SA

Regarding obtaining the agreement and support from all stakeholders, the mean value obtained was 2.45 implying that there were limitation in coordinating and obtaining the affirmation and support of various institutions and other affected stakeholders. In this regards, 29.4% of the study participants were undecided, however most of the respondents (56.9%) were disagreed and strongly disagreed that the stakeholder management plan had managed to obtain the affirmation of stakeholders. The interview results were in sync with the result obtained through questionnaire in showing that all stakeholders were not able to participate and affirm the stakeholder planning activities.

As far as preparing the stakeholder management plan based on analysis of stakeholders' needs, interests, and potential impact are concerned, the average response was 3.27. 21.6% of the survey respondents responded disagree and strongly disagree, 29.4% of them were neutral, while 39.2% were agreed and the remaining 9.8% of the respondents were strongly agreed. The interview results by a researcher revealed that stakeholders' needs, interests, and potential impact were considered in stakeholder management plan; however, those factors might be overlooked or not analyzed at the expected magnitude.

Concerning whether efforts were made in involving project stakeholder when preparing project planning, the mean score was 3.69. 13.7% of the participants were uncertain, while 13.7% of the responses reported disagree and strongly disagree that necessary effort were undertaken to involve stakeholders in the planning activities. According to IFC (2007), effective stakeholder involvement is useful for establishing cooperation among stakeholders with respect to project requirements and to quickly resolve conflict that may arise while implementing the project.

The further issue the study sought to investigate was whether the roles and responsibilities of the project stakeholders participating in the stakeholder management plan were clearly established. In this respect, the mean score was 3.12. 47.1% of the employees felt that the roles and responsibilities of stakeholders were clearly established, 21.6% were not sure, and the remaining 17.6% were disagreed and 13.7% were strongly disagreed.

Regarding whether conflict resolution plan among the relevant stakeholders were placed in and communicated among stakeholders, the average response shows 3.16. In this respect, 27.5% of the study participant responded disagreed and strongly disagreed, 23.5% were not sure, but most of employee participants (49%) responded agreed and strongly agreed that conflict resolution plan were placed and communicated with relevant stakeholders. The interview results revealed that grievance resolution mechanism were placed in settling conflict during the course of project implementation.

As far as analyzing the change in stakeholders' influence, reactions and relations in the course of carrying out the project are concerned, the average response was 3.39. In this regard, 27.5% of the respondents were neutral, 21.6% of them were disagreed and strongly disagreed, and the remaining 51% of the research participant agreed and strongly agreed in undertaking analysis of changes in stakeholders' influence, reactions and relations. PMI (2013) also highlighted that stakeholder management plan should be an iterative process that needs to be continuously reviewed and accommodate important change during the course of the project.

Table 4-7: Input used in stakeholder management planning

Input used in stakeholder management planning	Responses	
	N	Percent
Project Management Plan	14	27.5
Stakeholder Register	16	31.4
Enterprise Environmental Factors	12	23.5
Organizational Process Assets	9	17.6
Total	51	100.0

Source: Own Survey, 2020

Furthermore, the study has also sought to investigate what inputs were frequently used in stakeholder management planning. Table 4-7 illustrates that the majority of the research participants (31.4%) stated that stakeholder register was used as primary input for stakeholder management planning. According to PMI (2013), stakeholder register incorporates project document that includes the identification, assessment, and classification of project stakeholders. The next frequently used inputs for stakeholder management planning were project management plan (27.5%), followed by enterprise environmental factor (e.g. organizational culture, government standards that accounts 23.5%), and organizational process assets (such as the organization plan, policies, procedure which comprises 17.6%).

According to study results shown in table 4-8, meetings were most frequently (47.1%) used in stakeholder management planning. 35.3% of the employee respondents used expert judgments as

a tools and techniques for planning stakeholder management, and the remaining 17.6% of them reported using analytical techniques. The interview with key informants also revealed that meeting and expert judgment were often used in stakeholder management planning, however, the respondents confirmed that a combination of tools and technique were employed in stakeholder management planning depending on the project type and complexity.

Table 4-8: Tool and Technique used in stakeholder management planning

Tool and Technique used in stakeholder management planning	Responses	
	N	Percent
Expert Judgments	18	35.3
Meetings	24	47.1
Analytical Techniques	9	17.6
Total	51	100.0

Source: Own Survey, 2020

4.5 Stakeholder Engagement and Communication Practices

Bakens et al. (2005) highlighted the relevance of having an effective communication with stakeholders for effective stakeholder engagement and facilitating collaboration among stakeholders. As shown in table 4-9, several issues were raised concerning the practice of engagement and communication with the project stakeholders. In view of this, the grand average response was 3.03. The highest mean score (3.55) was shown in organizational flexibilities in implementing strategy based on stakeholders' reactions. On the contrary, the lowest mean scores were engagement with stakeholder on scheduled plan (2.75), and defining the communication and engagement strategies (2.80 and 2.75, respectively). Moreover, further elaborations on the finding of the study are presented below.

As shown in the below table, regarding clearly defining the project communication strategy as part of the project document, the mean score was 2.80. 17.6% of the respondents were uncertain, but most of the participant (49%) were disagreed and strongly dis-agreed that project communication strategies were clearly defined as part of the project document. The study results

on this issue indicate that there were limitation in clearly defining and incorporating project communication strategy as part of the project document.

Table 4-9: Stakeholder engagement and communication practices

Stakeholder Engagement and Communication Activities	Category	Indicator					Total	Mean
		1	2	3	4	5		
Communication strategy clearly defined as part of the project document.	Frequency	8	17	9	11	6	51	2.80
	Percent	15.7	33.3	17.6	21.6	11.8	100.0	
Having proper and frequent communication with all stakeholders.	Frequency	6	18	7	16	4	51	2.88
	Percent	11.8	35.3	13.7	31.4	7.8	100.0	
Appropriate strategies were clearly developed to effectively engage with stakeholders.	Frequency	6	19	11	12	3	51	2.75
	Percent	11.8	37.3	21.6	23.5	5.9	100.0	
Does the communication strategy consider cultural diversity?	Frequency	4	6	19	14	8	51	3.31
	Percent	7.8	11.8	37.3	27.5	15.7	100.0	
Stakeholder engagement was done based on scheduled plan.	Frequency	8	17	10	12	4	51	2.75
	Percent	15.7	33.3	19.6	23.5	7.8	100.0	
Stakeholder engagement and management activities were synchronized with project master plan.	Frequency	3	13	15	14	6	51	3.14
	Percent	5.9	25.5	29.4	27.5	11.8	100.0	
There was organizational flexibility in implementing strategy based on stakeholders' reactions.	Frequency	2	8	11	20	10	51	3.55
	Percent	3.9	15.7	21.6	39.2	19.6	100.0	
Grand mean								3.03

Source: Own Survey, 2020 SPSS version 20 outputs, Note: 1=SD, 5= SA

Regarding having proper and frequent communication with all stakeholders, the average response was 2.88. 13.7% of the participants were uncertain, but most of the employees (47.1%) disagreed and strongly disagreed on undertaking proper and frequent communication with every project stakeholders. The interview results shows that there were lacks of standardized communication system among stakeholders, and the inadequate engagement of stakeholders in

turn might be resulting in delays in decision making, project time and cost overrun. Bourne (2011) noted that engaging and communicating with stakeholders by understanding their level of concern and attitudes with respect to the activities of the project are one essential elements of project stakeholder management process.

On the next issue, the study sought to investigate whether appropriate strategies were clearly developed to effectively engage stakeholders throughout the project life cycles. In view of this, the mean response was 2.75. 21.6% of the responses were neutral, but the majorities (49%) were disagreed, while the remaining 23.5% were agreed and 5.9% were in strong agreement. The interview result revealed that there were limitations in developing appropriate and clear strategies to effectively engage with stakeholders, in establishing organizational procedures and policies for guiding the project teams through a standardized stakeholder management processes.

The other aspect the study investigated was if the communication strategy considers cultural diversity. The mean score on this issue was 3.31. In view of this, 37.3% of respondents were undecided, 43.1% of them agreed and strongly agreed, the remaining 11.8% were disagreed, and 7.8% of them were in strong disagreement. The interview result shows that there were drawbacks in the practice of adequately considering the socio-cultural matters and this in turn might create conflict among stakeholders' interest and expectations, and affected implementation of the infrastructure development projects.

Moreover, the research respondents were also asked whether stakeholder engagement was done based on scheduled plan. In this regards, the average response was 2.75, and the majority of the employees (49%) responded disagree and strongly disagree that the engagement with stakeholders were carried out based on scheduled plan. Meanwhile, 19.6% of the participants were not certain in undertaking it on scheduled plan, 31.4% reported being engaged on schedule. Further to the questionnaire responses the interview results revealed that there were often problems of not planning ahead and engaging with all stakeholders according to scheduled plan.

The other issue raised was if stakeholder engagement and management activities were synchronized with project master plan. In this respect, the result shows that the mean score was

3.14; and there were 31.4% disagreement, 29.4% undecided, and 39.2% of them were agreed and strongly agreed. The interview results revealed that stakeholder engagement and management activities were undertaken in line with the project plan.

As far as the organizational flexibilities when it comes to implementing strategy on the bases of stakeholders' reactions, the research result illustrates that most of the respondents (58.8%) felt the presence of organizational flexibility in coping up with the stakeholders' reactions, 19.6% of the respondents were disagreed and strongly disagreed, 21.6% were uncertain. The results obtained from key informants also shows organizational flexibility were there in considering the stakeholders' reaction during the project implementations.

In addition, the interview result shows that there was no standardized stakeholder management protocol placed within the project office. The study respondents mentioned that that there is no single responsible unit in the project organizational structure for stakeholder communication affairs and engagement; hence, all departments were being involved in these tasks.

Table 4-10: Stakeholder engagement timing

Project life cycle	**Responses**	
	N	**Percent**
Prefeasibility stage	7	13.7
Initiation stage	9	17.6
Implementation stage	17	33.3
Completion stage	3	5.9
Throughout project life	15	29.4
Total	51	100.0

Source: Own Survey, 2020

Regarding stakeholder engagement timing, as shown in table 4-10, the majority of the research respondents (33.3%) engage with stakeholders during the project implementation phase, followed by 29.4% of the participants who responded that they engaged with stakeholder

throughout the project life cycle. Meanwhile, 13.7% of the participants stated that stakeholder engagement activities were undertaken at prefeasibility stage, 17.6% of them reported having engaged with stakeholder at the initiation phases, whereas the remaining 5.9% of the employees engaged with stakeholders at the project completion phase. The interview results confirmed that engagements with stakeholders were mostly carried out prior and during project implementation phases.

Table 4-11: Tool and Technique used in stakeholder engagement

Tool and Technique used in stakeholder engagement	Responses	
	N	Percent
Communication methods (like reporting, face-to-face discussion)	20	39.2
Interpersonal skills	4	7.8
Management skills (such as negotiation)	13	25.5
Contract (Agreement)	14	27.5
Total	51	100.0

Source: Own Survey, 2020

As shown in table 4-11, various tools were employed with project teams to engage with their stakeholders. The majority of the employee research participants (nearly 39%) indicated that various communication methods (like reporting, face-to-face discussion in meeting, workshops, conferences) were widely used as a tool and technique to engage with stakeholders. 27.5% of the respondents used contractual agreements, while 25.5% of the research participant used management skill (such as negotiation) in engaging with stakeholders. The remaining 7.8% of them stated they applied interpersonal skills in dealing with their stakeholders. In addition, the study results showed that other communication methods including electronic communication (like emails), memo and letters, visual communication (video conference) and phone calls were also other means used to communicate with stakeholders. The interview results also confirmed that various tools and techniques were used to engage and communicate with stakeholders depending on the type, location, complexity of the project, and benefit from the project.

As shown in the study results, the grand mean values for the practices of stakeholder identification, the practices of stakeholder management planning, and the practices of stakeholder engagement and communication were 2.97, 3.23, and 3.03, in respective order. The results highlights that the major drawbacks were in the practices of stakeholder identification process, followed by the process of engagement and communications with stakeholders. As the obtained results shows, the higher drawbacks shown in the project stakeholders identification process involves limitations in properly identifying every project stakeholders accompanied with the systematic assessment and prioritization of their interests, influences, needs, and concerns to determine their effect on the performance of the project. The next issues were drawbacks in clearly defining appropriate communication and engagement strategies to effectively engage with project stakeholders in the course of the projects. Furthermore, inadequate involvement of key stakeholders in the stakeholder management planning activities and obtaining their affirmation were the other main issues identified from the finding of the study.

4.6 Stakeholders Management Challenges

This section sought to determine the main challenges of stakeholder management on water and sanitation infrastructure development projects. All of the research participants were asked to rate the stakeholder management challenges on a five point rating scale (1 to 5), where 1 denoted Strongly Disagree, 2 Disagree, 3 Undecided, 4 Agree and 5 Strongly Agree. Table 4-12 shows the finding of the study results.

Table 4-12: Challenges in project stakeholder management activities

Stakeholder management challenges	Mean	N
Conflicting requirements of stakeholders	4.00	51
Late identification of stakeholders' interest	3.88	51
Procedural issues (related to legal and administration laws)	3.86	51
Communication gaps (e.g. different language, preference in utilization of communication tools)	3.71	51
Poor engagement of stakeholders	3.57	51
Challenges due to cultural difference	3.31	51

Stakeholder management challenges	Mean	N
Difficulty in identifying all relevant stakeholders and not giving them enough attention.	3.27	51
Knowledge gaps about a particular issue	3.06	51
Incompatible interests of partners	2.94	51

Source: Own Survey, 2020 SPSS version 20 outputs, Note: 1=SD, 5= SA

As shown in table 4-12, conflicting requirements of stakeholders (with a mean score of 4.00) were the most frequently encountered stakeholder management challenges. This was followed by other challenges namely late identification of stakeholders' interest (mean score of 3.88), procedural issues related to legal and administration laws (mean score of 3.86), and communication gap caused by , for instance, difference in the medium of language used or due to difference in preference in utilization of communication tools (mean score of 3.71). On the other hand, stakeholder management challenges due to incompatibility among interests of partners (mean score of 2.94), knowledge gaps about a particular/ technical issue (mean score of 3.06), and difficulty in identifying all relevant stakeholders and not giving them enough attention (mean score of 3.27) were relatively accorded as the less ranked challenges as compared to the other encountered stakeholder management challenges.

Furthermore, the study result also shows that there were several other stakeholder management challenges mentioned. The study participants indicated that there were problem in relations to allocating adequate financial resources and technical tools for the project stakeholder management activities, and provision of inadequate capacity building trainings related to project stakeholder management to manage project in a more professional and systematic manners, and for the improvement of project stakeholder management and engagement activities. Moreover, other problem mentioned were challenges in dealing with reluctance due to compensation issue for the affected/relocated stakeholders, right of way issues, inaccuracy in data collection and task time estimates, difficulties in dealing with change of interest with time by stakeholders, integration issues amongst stakeholders who engage in infrastructure development interventions, low commitment of stakeholders, poor work flow management, difficulties of keeping regular meeting schedule and lack of timely decisions.

CHAPTER FIVE: CONCLUSION AND RECOMMENDATION

5.1 Conclusion

The main objective of the study was to assess the project stakeholder management practices of AAWSA in managing the water and sanitation infrastructure development projects. In this regard, the practice of project stakeholder identification, stakeholder management planning process, and the practices of stakeholder engagement and communication were assessed by raising different issues and collecting both quantitative and qualitative data through questionnaire and semi-structured interview. The study also tries to examine the main challenges encountered in project stakeholder management.

Regarding the project stakeholder identification practices, the finding shows that the stakeholder identification practice has limitation in clearly identifying and analyzing stakeholders' interest in sufficient detail at the initiation phase, and this in turn might lead to overlooking the interest and requirement of stakeholders and affect the timely decision making. The study participants highlighted that the socio-cultural issues were inadequately considered at the initial stage of the project, and there were limitation in systematically prioritizing stakeholders based on important factors to determine who should receive more management attention. The study finding presents that combination of various tools and techniques (such as stakeholder forums/meetings, expert judgments and project team brainstorming, respectively) were used in the process of stakeholder identification, and different factors (such as stakeholders' interest, influences, location) were used as bases for identifying the relevant stakeholders.

The result obtained from the assessment of project stakeholder management planning shows that inadequate involvements of key stakeholders in the stakeholder management planning activities and obtaining their affirmation were the other main issues identified from the finding of the study. Moreover, the study results revealed that stakeholder register/ project documents were primarily used as input for stakeholder management planning followed by project management plans, enterprise environmental factor (e.g. organizational culture, government standards) and organizational process assets (such as the organization plan, policies, procedure), respectively.

Expert judgments and meeting were the most frequently used tools and techniques in stakeholder management planning process.

The finding obtained from the assessment of project stakeholder engagement and communication practices revealed that there were limitations in clearly defining appropriate communication strategies as part of the project document to effectively engage stakeholders throughout the project life cycles. The result obtained from the assessment shows that there were no single project unit that were responsible for stakeholder management and communication affairs. To engage with project stakeholders, communication methods (such as reporting, face-to-face discussion in meeting, workshops) were most frequently used followed by contractual agreements and management skill (such as negotiation). In addition, the study result shows that the project teams mostly engage with their stakeholders during and pre-implementation phases.

Regarding the challenge encountered in stakeholder management, conflicting requirements of stakeholders was the most frequently encountered challenges followed by other challenges such as late identification of stakeholders' interest, procedural issues (related to legal and administration laws), and communication gaps, respectively. Furthermore, other challenges encountered includes inadequate allocation of financial resources and technical tools, inadequate project management capacity building trainings, reluctance due to compensation issue, right of way issues, difficulties in dealing with change of interest with time by stakeholders, integration and commitment issues amongst stakeholders, and lack of timely decisions.

5.2 Recommendation

Based on the findings of the study, the following recommendations are forwarded:

- Allocating adequate financial resources and technical tools for stakeholder management processes, and providing project teams with adequate capacity building on project management training to fill the knowledge gap about project management system and issues.
- Giving more emphasizes in carefully identifying current stakeholders, assessing their interest and degree of influence on project performance at the initiation phase of projects.

- Proper participation of project teams in stakeholders' identification and analysis process and in the preparation of stakeholder management plan and strategy at the earliest stage of the projects is very essential.
- Setting reasonable expectations, preparing a viable stakeholder management plan and effective implementation strategic plan need to be set up at the outset and put in place for effectively managing stakeholders engagement to minimize resultant bottleneck during project implementations.
- Involving key stakeholders who could influence the project implementation in the stakeholder management planning, and discussing most important matter with them (e.g. right of way issues, project master plan, end users, financers, and so forth) could be used to create common understanding about the project deliverable, benefits and requirements, building positive relationships with stakeholders, and help to reduce conflict of interest and requirement during the course of project life cycle..
- Being transparent with stakeholders and involving stakeholders in the decision making according to their interest could be used for developing sense of ownership, encourage commitment, build trust, create common understanding about the project requirement, and these in turn might enhance integration among infrastructure development intervention stakeholders.
- Assigning separate organizational stakeholder management unit to ensure effective employment of stakeholder management process and establishing sufficient organizational procedures and policies for guiding the project teams through a standardized stakeholder management protocol.
- Appropriate project stakeholder engagement and communication plan with the consideration of socio-cultural differences, and maintaining proper and frequent communication and consultation with key stakeholders. Besides, modernizing the communication and engagement with stakeholders with the application of IT systems might help for enhancing the effectiveness of the engagement with stakeholders.

- Regularly monitoring and evaluating how effective the project stakeholder management process are throughout the implemented projects, and carrying out proper documentation of lesson learnt on due time.

5.3 Future area of research

This study recommends other researcher to engage in further in depth research on the project stakeholder management practices in infrastructure development interventions in other regions and organizations, and it effectiveness and influence on project performance.

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ANNEX

Questionnaire

ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

SCHOOL OF COMMERCE

PROJECT MANAGEMET DEPARTMENT

Dear Respondents,

My name is Amanuel Negash, I am an MA graduate student in Project Management at AAUSC. As part of my study, I am conducting a project work entitled "Assessment of Project Stakeholder Management practices at Addis Ababa Water and Sewerage Authority (AAWSA)". I kindly request you to participate in this research by completing the attached questionnaire. This is an academic research and the information you provide will be anonymous and strictly confidential. Therefore, I kindly request you to complete the questionnaire with honesty and genuinely.

Thank you in advance for taking your precious time to fill out this questionnaire.

If you have any questions or comments, please don't hesitate to contact me.

Instruction:

- Please answer this questionnaire with reference to your experience about stakeholder management of AAWSA in the project you participated.
- Please answer the question by ticking (✓) the appropriate box,
- If you have any further experiences or points to share, please write your opinion on the space provided.
- For the multiple choice questions, please put a tick (✓) to one or more of your chosen box (boxes).

PART I: GENERAL INFORMATION ABOUT RESPONDENTS

1. **Gender:**

☐ Male ☐ Female

2. Age:

☐ 21-30 years ☐ 31-40 years ☐ 41-50 years

☐ Above 50 years

3. Educational Level:

☐ BA/BSc ☐ MA/MSc ☐PhD

☐ Other (please specify) _____

4. Service year (s) or months in the organization: _____

5. Your position in the Project:

☐ Project Coordinator ☐ Technical Specialist ☐ Technical Expert

☐ Project team member ☐ Project Administration

☐ Other (please specify) ……

PART II: PROJECT STAKEHOLDER MANAGEMENT PRACTICES

- To what extent do you agree to the following statements regarding project stakeholder management practices in your organization?

SECTION A: STAKEHOLDER IDENTIFICATION

	Questions	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
1	All relevant stakeholders are identified at the initial stage of the project.					
2	Stakeholders' interests have been clearly identified and analyzed with enough details					
3	Project team members participate in identifying stakeholders.					
4	The socio-cultural differences of stakeholders are analyzed at the initial stage of the project.					
5	Stakeholders' influence was predicted					
6	All identified stakeholders are prioritized.					

7. What tools and techniques is/are used in your stakeholders' identification?

A. Project team brainstorming ☐ B. Stakeholder forums/meetings ☐

C. Expert Judgments ☐ D. Combination of all ☐

E. Other (please specify) ……

8. What is/are the bases for your stakeholder identification?

A. Influence ☐ B. Mission and vision based ☐ C. Interest based ☐

D. Geographic reasons ☐ E. Combination of all ☐

E. Other (please specify) ……..

9. At which stage of your project life do you identify stakeholders?

A. Prefeasibility stage ☐ B. Initiation stage ☐

C. Implementation stage ☐ D. Throughout project life ☐

SECTION B: STAKEHOLDER MANAGEMENT PLANNING

	Questions	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
1.	Stakeholder management plan is prepared as part of the project plan.					
2.	The stakeholder management plan has obtained agreement and support from all stakeholders.					
3	Stakeholder management plan is prepared based on the analysis of stakeholders' needs, interests, and potential impact					
4	Efforts were made to involve project stakeholder in project planning					
5.	The roles and responsibilities of the project stakeholders participating in the stakeholder management plan is clearly established					
6.	There is a conflict resolution plan in place and communicated among the relevant stakeholders					
7.	Analysis of the change in stakeholders' influence, reactions and relations was done.					

8. What input is used in stakeholder management planning?

A. Project Management Plan ☐ B. Stakeholder Register/ project document ☐

C. Enterprise Environmental Factors (e.g. organizational culture, government standards) ☐

D. Organizational Process Assets (e.g. the organization plan, policies, procedure) ☐

E. Other (please specify) ……

9. What tools and technique is used in stakeholder management planning?

A. Expert Judgments ☐ B. Meetings ☐ C. Analytical Techniques ☐

D. Other (please specify).....

SECTION C: STAKEHOLDER ENGAGEMENT AND COMMUNICATION

	Questions	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
1	There is a clearly defined project communication strategy as part of the project document					
2	There is proper and frequent communication with all stakeholders.					
3	Appropriate strategies are clearly developed to effectively engage stakeholders in project life cycles					
4	Does the communication strategy considers cultural diversity					
5	Stakeholder engagement was done based on scheduled plan.					
6	Stakeholder engagement and management activities were synchronized with project master plan					
7	There is organizational flexibility in implementing strategy based on stakeholders' reactions.					

8. At which stage of your Project life cycle do you carry out Stakeholder engagement?

A. Prefeasibility stage ☐ B. Initiation stage ☐ C. Implementation stage ☐

D. Completion stage ☐ E. Throughout the project life ☐

9. What tools and technique is used for stakeholder engagement?

A. Communication methods (like reporting, face-to-face discussion) ☐

B. Interpersonal skills ☐ C. Management skills (such as negotiation) ☐

D. Contract (Agreement) ☐ E. Other (please specify).....

SECTION D: STAKEHOLDERS MANAGEMENT CHALLENGES

1. How do you rate the following challenges in AAWSA projects?

	Possible Challenges	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
A	Difficulty in identifying all relevant stakeholders and not giving them enough attention.					
B	Late identification of stakeholders' interest					
C	Conflicting requirements of stakeholders					
D	Poor engagement of stakeholders					
E	Incompatible interests of partners					
F	Challenges due to cultural difference					
G	Procedural issues (related to legal and administration laws)					
H	Communication gaps (e.g. different language, preference in utilization of communication tools)					
I	Knowledge gaps about a particular issue					

ADDITIONAL INFORMATION

2. Please mention any other challenges in project stakeholder management practices in your organization that might not have been covered above?

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3. What recommendations would you give to help improve the project stakeholder management system of similar projects?

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THANK YOU FOR YOUR COOPERATION!

Interview Questions

1. Who are the stakeholders of water and sanitation infrastructure development project of AAWSA?
2. Do you have a standardized/formal stakeholder management protocol for Projects?
3. Is there a separate unit in your organization that is responsible for project stakeholder management?
4. How does the project stakeholder management practices in your organization looks like?
5. What tools and techniques are used in stakeholders' identification?
6. What is/are the bases for your stakeholder identification?
7. Do you involve stakeholders during stakeholders' management planning?
8. What challenges are there regarding to practices on stakeholders management and engagement?

THANK YOU FOR YOUR COOPERATION!