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**Stakeholder Management and Loan Capital Project Performance by Edify Rwanda**

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### Stakeholder Management and Loan Capital Project Performance by Edify Rwanda

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#### Abstract

**Purpose:** The purpose of this project is to assess the influence of stakeholders' management on loan capital project performance by Edify Rwanda.

**Methodology:** A descriptive and correlational research design was employed for data collection. The sample included 201 participants: 60 head teachers, 60 school owners, 11 bank managers, and 70 Edify Rwanda staff. The sample size of 133 respondents, consisting of 126 for quantitative data and 7 for qualitative data, was determined using the Slovin formula.

**Findings:** The findings from the multiple regression analysis indicated that stakeholders' expectations and needs identification and stakeholder conflict resolutions had significant effect on loan capital project performance by Edify Rwanda. However, stakeholder communication and stakeholder involvement had insignificant effect on loan capital project performance by Edify Rwanda.

**Unique Contribution to Theory, Practice and Policy:** The study recommends that Edify Rwanda should implement mechanisms to ensure that community members have a more significant role in selecting projects. This could involve regular community meetings and consultations to gather input and prioritize projects based on local needs. In order to improve stakeholder engagement, Edify Rwanda should develop robust feedback mechanisms that allow stakeholders to voice their concerns and suggestions throughout the project lifecycle. This could include surveys, suggestion boxes, and regular follow-up meetings.

**Keywords:** *Stakeholder Management, Loan Capital, Project Performance, Edify Rwanda*

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## INTRODUCTION

The performance of projects is often directly correlated with the effectiveness of stakeholders' management. Projects that proactively manage stakeholders tend to perform better in terms of meeting their objectives, staying within budget, and adhering to timelines. According to a study by the Project Management Institute (Pauna, Lehtinen, Kujala & Aaltonen, 2023), organizations that excel in stakeholders' management are 40% more likely to deliver successful projects. This correlation underscores the importance of continuous communication, stakeholder engagement, and conflict resolution as key components of successful project management (Lin, Wang, Ning, Ma & Chen, 2024).

In recent years, the rise of complex, multi-stakeholder projects, particularly in sectors such as construction, IT, and healthcare, has further highlighted the importance of stakeholders' management. These projects often involve diverse groups with differing objectives and levels of influence, necessitating sophisticated strategies to manage their interactions effectively (Chenger & Woiceshyn, 2021). Global projects, in particular, face challenges such as cultural differences, time zone variations, and legal constraints, making robust stakeholders' management even more crucial.

Effective coordination and communication among stakeholders are essential to optimize the profitability and longevity of both the organization and the project. The notion of managing stakeholders is a crucial component of any successfully executed project, Endeavor, or initiative. Stakeholders encompass individuals, groups, or entities impacted by or invested in a project. They may range from suppliers, funding entities, proprietors, employees, and local communities (Saduakassova, 2023). Project stakeholder management involves continuously nurturing and enhancing stakeholder relationships to ensure the success of a project or program. Stakeholders are typically involved throughout the phases of planning, execution, monitoring, and controlling of project activities (Lin *et al.*, 2024).

In Africa, stakeholders' management is equally vital for the performance of projects, but it comes with its unique set of challenges and opportunities. The continent's diverse socio-economic and cultural landscape requires tailored approaches to stakeholders' management. Effective engagement of local communities, government bodies, and international donors is crucial for the success of projects, especially those related to infrastructure, healthcare, and education (Njiru & Thoronjo, 2024). These stakeholders often have varying expectations and levels of influence, necessitating inclusive and participatory management practices.

The performance of projects in Africa is often influenced by the degree of stakeholders' involvement. Projects that engage stakeholders from the planning stage through to implementation tend to achieve better outcomes. In community development projects, engaging local stakeholders in decision-making ensures that the initiatives reflect the real needs and preferences of the community. This involvement boosts the projects' sustainability and effectiveness by aligning them more closely with the community's expectations and priorities (Nimco & Kaumbulu, 2024). Furthermore, this inclusive approach helps in building trust and reducing resistance to change.

Challenges such as political instability, regulatory complexities, and resource constraints can complicate stakeholders' management in African projects. These factors often lead to delays, budget overruns, and project failures. However, successful cases demonstrate that strategic stakeholders' management can mitigate these risks. For example, in the energy sector, projects that foster strong partnerships with government entities and local communities have shown

higher success rates (AfDB, 2020). Such collaborations facilitate smoother regulatory approvals, better resource allocation, and community support, which are essential for project performance.

In Rwanda, the success of projects heavily depends on effective stakeholder management. Organizations must engage with stakeholders not as an option but as a necessity, focusing on the optimal timing and methods for involvement. This approach is based on the principle that communities should have opportunities to contribute and participate in decisions that affect them. In the current context, failing to proactively engage stakeholders will result in them seeking information later, underscoring the importance of early and proactive involvement (Nsengiyumva & Ogbe, 2022).

Edify Rwanda is a non-governmental organization (NGO) devoted to enhancing the quality and accessibility of education in Rwanda, with a specific emphasis on underserved communities. Born out of the urgent call for educational reform and the pursuit of equitable access to quality education in Rwanda, Edify Rwanda strives to narrow the disparity between educational resources and marginalized groups, particularly in rural regions where access to schooling and educational facilities is scant (Ishimwe, 2021). Through partnerships with different stakeholders like local schools, communities, and government agencies, Edify Rwanda implements innovative approaches to curriculum development, teacher training, and infrastructure improvement (Ataci, 2021) and Edify Rwanda emphasizes the importance of stakeholder engagement and community involvement in its educational interventions.

The loan capital project implemented by Edify Rwanda reflects the organization's innovative approach to addressing educational challenges and fostering sustainable solutions in Rwanda.

The loan capital project was initiated by Edify Rwanda as a tool to facilitate its mandate. Recognizing the significant barriers faced by schools in accessing financial resources for infrastructure development and improvement, Edify Rwanda conceptualized the loan capital project as a means to provide schools with the necessary capital to undertake essential upgrades and expansions and as strategic intervention to address the critical need for improved infrastructure and resources in Rwandan schools, particularly those serving marginalized and underserved communities with empowering schools to invest in infrastructure projects that enhance the learning environment, promote student engagement, and facilitate academic excellence (Mbarute&Ntivuguruzwa, 2023).

Schools receiving loans are required to develop comprehensive project proposals, establish clear timelines and milestones, and adhere to transparent financial management practices to ensure the responsible use of funds and the successful completion of projects (Elfert & Morris, 2022). Through its emphasis on infrastructure development, sustainability, and community participation, the project contributes to the advancement of educational equity, quality, and accessibility in Rwanda, ultimately empowering students to achieve their dreams. Therefore, this study would like to search the influence of stakeholders' management on the performance in Loan capital project, Edify Rwanda.

### **Problem Statement**

The loan capital projects aim to transform schools into safe and inspiring learning environments by addressing infrastructure gaps, mobilizing financial resources, promoting education access, and fostering sustainable impact. Despite these efforts, projects lacking stakeholder engagement in key decision-making are prone to failure (Nordahl-Pedersen & Heggholmen, 2023). Research underscores the importance of understanding the drivers and influences of

various interest groups throughout the project lifecycle, as these factors significantly affect project delivery time, budget, and quality (Gichimu & Mutuku, 2022).

Despite the implementation of loan capital projects, challenges persist in Rwanda's education sector. These include the ongoing lack of basic infrastructure, limited financial resources hindering further investment, and restricted access to quality education, particularly in remote areas. Creating a conducive learning environment is vital for student engagement and academic success. Edify Rwanda addresses these challenges through partnerships with local schools, communities, and government agencies, employing innovative approaches to curriculum development, teacher training, and infrastructure improvement. Emphasizing stakeholder engagement and community involvement is integral to Edify Rwanda's educational interventions (Prebanić & Vukomanović, 2023).

While Edify Rwanda has made significant steps in addressing educational infrastructure challenges, the influence of stakeholders' management on project performance remains an area requiring further investigation. Effective stakeholder management is crucial for the success of development projects, as it ensures that the needs and expectations of all interest groups are met. The challenge lies in understanding the various drivers and influences of different stakeholders throughout the project lifecycle and how these impact project outcomes such as delivery time, budget adherence, and quality of work (Gichimu & Mutuku, 2022). Further research is needed to fill the existing gap in understanding how stakeholder management practices can be optimized to enhance the performance of educational infrastructure projects, ensuring that they are both effective and sustainable in the long term, hence the importance of this study.

This study is underpinned by the Expectancy theory, introduced by Vroom in 1964, explains how individuals' beliefs about the relationship between effort, performance, and outcomes influence their motivation. In the context of stakeholder management in loan capital projects, expectancy theory sheds light on how stakeholders' expectations, perceived project feasibility, and anticipated benefits impact their engagement and contributions. Stakeholders are more likely to participate actively when they see a clear link between their efforts and the desired outcomes, such as organizational growth or profitability. Effective communication, clear alignment of expectations, and the recognition of stakeholders' contributions are crucial to fostering commitment and ensuring project success. By applying expectancy theory, project leaders can better understand and motivate stakeholders, enhancing their involvement in loan capital projects.

Performance theory, introduced by Richard Schechner in 1977, explores how individuals and organizations manage their behaviors, appearance, and interactions to shape perceptions in various contexts, including theater and everyday life. When applied to stakeholder management in loan capital projects, performance theory offers insights into how project goals, stakeholder engagement, and feedback influence outcomes. Clear objectives, constructive feedback, and alignment with organizational goals are crucial for guiding activities and improving project performance. The theory also highlights motivation, resource allocation, and the role of leadership in enhancing performance. By integrating performance theory into stakeholder management, project leaders can foster engagement, improve resource use, and create a culture conducive to project success.

Systems theory was introduced by Bertalanffy in the 1940s and further developed by W. Ross Ashby and George Bateson, provides an interdisciplinary framework for understanding complex systems and their interdependent components. It emphasizes the interconnectedness and feedback mechanisms within systems. Applied to stakeholder management in loan capital projects, systems theory helps project leaders view projects as dynamic systems with interconnected elements, where changes in one part affect the whole. By recognizing stakeholder roles, expectations, and external influences, and establishing continuous feedback loops, systems theory fosters adaptability, collaboration, and improved project performance. It also highlights the emergent properties of systems, emphasizing how the collective efforts of stakeholders contribute to project success.

### **Research Objectives**

#### **General Objectives**

The general objective was to assess the effect of stakeholder management on loan capital project performance by Edify Rwanda.

#### **Specific Objectives**

- i. To assess the effect of stakeholders' expectations and needs identification on loan capital project performance by Edify Rwanda
- ii. To determine the effect of stakeholder conflict resolutions on loan capital projects performance by Edify Rwanda
- iii. To examine the effect of stakeholder communication on loan capital project performance by Edify Rwanda
- iv. To evaluate how stakeholder involvement influence on loan capital project performance by edify Rwanda.

### **Empirical Review**

#### **Stakeholders' Expectation and Needs Identification and Project Performance**

A study by Klaus-Rosińska and Iwko (2021) explored stakeholder management as a crucial yet often underestimated factor in achieving sustainable project management, particularly within small construction companies. The study utilized a sample population of 237 small construction companies. Based on the conducted quantitative research, small construction companies showed low maturity in managing stakeholder's needs and expectation identification whereas it is ascertained that effective stakeholder management is critical for project success and sustainability. As a conclusion, improved stakeholder management in terms of managing stakeholder's needs and expectation identification is essential for project success in small construction firms. According to the study, small construction companies should enhance their managing practices in stakeholder's needs and expectation identification to improve project outcomes and sustainability. McLoughlin, S. and Wijesinghe

Scheepers, Loughlin, and Wijesinghe, (2022) conducted a study on aligning stakeholders' perceptions of project performance. The study utilized a sample population of 500 various project stakeholders across different industries. Qualitative analysis and case studies, it investigated how aligning stakeholders' perceptions of project value can improve project performance. The findings suggest that clear communication and understanding of stakeholder expectations significantly enhance project outcomes. This study underscored the importance of early and continuous engagement with stakeholders to ensure their needs and expectations

are met, ultimately leading to better project performance. As conclusion, projects should focus on clear communication and ongoing engagement with stakeholders to ensure their needs and expectations are met, thereby improving overall project performance.

Blais and agbodoh-Falschau (2023) synthesized findings from multiple studies across different industries and project types in Canada. By analyzing means and correlation coefficients from a diverse range of projects, they identified common trends linking stakeholder needs identification with project success. The meta-analysis revealed that projects with higher levels of stakeholder involvement at the early stages tend to exhibit better performance throughout the project lifecycle. This includes aspects such as clearer communication, reduced rework, and improved stakeholder satisfaction.

These studies collectively underscore the significance of proactive stakeholder engagement and needs identification in enhancing project performance across diverse contexts. By understanding and addressing stakeholder expectations early in the project lifecycle, organizations can mitigate risks, improve decision-making processes, and ultimately deliver value to all involved parties. The findings highlight the need for project managers and practitioners to adopt comprehensive stakeholder management strategies, leverage stakeholder feedback mechanisms, and integrate stakeholder perspectives into project planning and execution processes.

### **Stakeholder Conflict Resolutions and Loan Capital Project Performance**

Assessing stakeholder conflict resolution in loan capital projects is crucial for ensuring project success and sustainability. Several studies have explored this area, shedding light on the dynamics of stakeholder conflicts and their impact on project performance. Li and Zhang (2021) investigated stakeholder conflict resolution in loan capital projects within the construction industry. They sampled 128 stakeholders, including project managers, contractors, financiers, and regulatory authorities. Through regression analysis and surveys, they found that effective conflict resolution strategies, such as mediation and negotiation, positively correlated. The study emphasized the importance of fostering a collaborative environment and implementing structured conflict resolution mechanisms to mitigate risks and enhance project outcomes.

A study by Chen (2021) focused on stakeholder conflict resolution in loan capital projects in the renewable energy sector. They surveyed 300 stakeholders, including energy developers, investors, environmentalists, and local communities. Through network analysis and thematic analysis, they identified stakeholder conflicts related to land use, environmental impact, and economic benefits sharing. The study recommended implementing participatory decision-making processes, stakeholder engagement forums, and conflict mediation mechanisms to foster consensus-building and enhance project performance.

Moreover, Yang and Liu (2021) synthesized findings from various studies on stakeholder conflict resolution in loan capital projects across different industries. By analyzing means and correlation coefficients, they identified common strategies for resolving conflicts, such as communication, negotiation, mediation, and arbitration. The meta-analysis revealed that projects with proactive conflict resolution mechanisms tended to achieve better performance outcomes, including improved project efficiency, reduced delays, and enhanced stakeholder relationships. The study emphasized the importance of addressing conflicts early, promoting open dialogue, and fostering a culture of collaboration and trust among stakeholders.

Lastly, a study conducted by Shekareet al conducted a study in 2022 on the influence of conflict factors on performance of construction projects. Data from 125 construction professionals were gathered via a questionnaire, with 83 returned and properly filled. Both descriptive and inferential statistics were employed for analysis. Conflict factors' impact on project performance was assessed using mean and standard deviation, revealing moderate to high influence across 21 factors. Specifically, 15, 13, and 13 factors significantly influenced some aspects of performance. Statistical analysis showed no significant variation. The study brought to a close that 13 elements greatly impact project performance across time, cost, and quality, recommending proactive measures to mitigate conflict occurrences for optimal performance.

### **Stakeholder Communication and Project Performance**

Effective communication among stakeholders is crucial for project success, and numerous studies have explored the dynamics of stakeholder communication in relation to project performance. One such study by Smith (2018) investigated stakeholder communication in construction projects. They sampled 300 stakeholders, including project managers, contractors, and clients. Through means and correlation coefficient analysis, they found a positive correlation between clear and timely communication among stakeholders and project performance metrics such as meeting deadlines, staying within budget, and resolving conflicts efficiently. The study emphasized the importance of establishing regular communication channels and fostering an environment of openness and transparency to enhance project outcomes.

Similarly, a study by Johnson and Brown (2020) examined stakeholder communication in software development projects. Their sample population consisted of 200 software engineers and project managers. Through qualitative analysis and regression modeling, they identified effective communication practices such as regular status meetings, clear documentation of requirements, and active engagement of stakeholders in the development process. The findings highlighted the role of communication in mitigating misunderstandings, managing expectations, and facilitating collaboration among team members and stakeholders.

Chen (2020) explored stakeholder communication in infrastructure projects. They surveyed 250 stakeholders, including government officials, contractors, and community representatives. Through network analysis and content analysis, they identified communication barriers such as language barriers, hierarchical structures, and conflicting interests among stakeholders. The study recommended implementing communication protocols, training programs, and technology-enabled platforms to improve information sharing and decision-making processes in infrastructure projects.

Martinez (2018) synthesized findings from multiple studies across different industries. By analyzing means and correlation coefficients, they identified common trends linking effective stakeholder communication with project success. The meta-analysis revealed that projects with clear communication channels, proactive stakeholder engagement, and conflict resolution mechanisms tend to achieve better performance outcomes. The study underscored the importance of fostering a culture of open communication, trust, and collaboration among stakeholders to mitigate risks and ensure project success.

Furthermore, a study by Brown (2020) investigated stakeholder communication in international development projects. Their sample population included 300 stakeholders from non-profit organizations, government agencies, and local communities. Through thematic analysis and structural equation modeling, they identified communication challenges such as



cultural differences, power dynamics, and resource constraints. The study emphasized the need for culturally sensitive communication strategies, participatory approaches, and capacity-building initiatives to enhance stakeholder engagement and project sustainability. Effective stakeholder communication is essential for project success across diverse domains. By fostering open channels of communication, addressing communication barriers, and promoting collaboration among stakeholders, organizations can improve decision-making processes, mitigate risks, and enhance project outcomes. Moving forward, it is imperative for project managers and practitioners to prioritize communication strategies, leverage technology-enabled platforms, and invest in capacity-building initiatives to build trust, foster collaboration, and ensure the success of projects.

### **Stakeholder Involvement on Project Performance**

A study by Zhang (2021) examined stakeholder involvement in renewable energy projects, sampling 300 stakeholders including government officials, investors, and environmental activists. Through regression analysis and surveys, they found that projects with active stakeholder engagement from inception to execution stages demonstrated higher levels of project success, including timely completion, cost-effectiveness, and environmental sustainability. The study emphasized the importance of integrating stakeholder perspectives into project planning, decision-making processes, and risk management strategies.

Wang and Li (2022) explored stakeholder involvement in healthcare infrastructure projects. Their sample population comprised 200 stakeholders, including healthcare professionals, administrators, and community representatives. Through qualitative interviews and statistical analysis, they identified effective stakeholder communication, collaboration, and alignment of project goals as critical factors influencing project performance. The study highlighted the need for healthcare institutions to establish multi-stakeholder partnerships, leverage technology for communication, and prioritize patient-centric approaches to ensure successful project outcomes.

A study by Liu (2021) investigated stakeholder involvement in urban development projects. They surveyed 250 stakeholders, including city planners, developers, and residents. Through network analysis and content analysis, they identified communication gaps, conflicting interests, and power dynamics among stakeholders as key challenges impacting project performance. The study recommended fostering trust, transparency, and inclusivity in stakeholder engagement processes, establishing clear communication channels, and promoting community participation to address urban development challenges effectively.

Yang and Wu (2021) synthesized findings from various studies across industries and project types. By analyzing means and correlation coefficients, they identified common trends linking stakeholder involvement with project success. The meta-analysis revealed that projects with higher levels of stakeholder engagement tended to exhibit better project performance, including increased stakeholder satisfaction, reduced conflicts, and enhanced project outcomes. The study underscored the importance of proactive stakeholder management, effective communication strategies, and stakeholder alignment in achieving project success.

Chen and Zhang (2022) investigated stakeholder involvement in educational projects. Their sample population included 300 stakeholders, including educators, students, parents, and policymakers. Through mixed-methods research and factor analysis, they identified collaborative decision-making, shared vision, and mutual accountability as key drivers of project success in the education sector. The study recommended fostering a culture of

collaboration, establishing participatory governance structures, and leveraging stakeholder feedback to drive continuous improvement in educational projects. The findings from these studies underscore the critical role of stakeholder involvement in project performance across diverse domains. By fostering effective communication, collaboration, and alignment of interests among stakeholders, organizations can mitigate risks, enhance decision-making processes, and achieve successful project outcomes. Moving forward, it is imperative for project managers and practitioners to prioritize stakeholder engagement, tailor communication strategies to meet stakeholder needs, and establish mechanisms for feedback and continuous improvement to ensure the success and sustainability of their projects.

### **Critical Review and Research Gap Identification**

The studies reviewed shed light on the crucial role of stakeholder involvement, communication, and conflict resolution in project performance across diverse sectors. While they provide valuable insights, there are several areas where further research could contribute to a deeper understanding of these dynamics and their implications for project management.

First of all, concerning methodology, the studies employ various research methodologies, including surveys, regression analysis, qualitative interviews, and meta-analysis. While this diversity enriches the understanding of stakeholder dynamics, it also makes direct comparisons challenging. Future studies could benefit from adopting mixed-methods approaches, combining qualitative and quantitative techniques to provide a more comprehensive understanding of stakeholder behaviors and their impact on project outcomes.

In addition, the studies cover a wide range of sectors, including construction, software development, renewable energy, and finance. While this breadth offers insights into diverse contexts, it also raises questions about the generalizability of findings across industries.

Future research could explore the nuances of stakeholder dynamics within specific industries or project types, allowing for a deeper understanding of context-specific challenges and opportunities.

Also, while the studies emphasize the importance of stakeholder engagement, they provide limited insights into specific strategies or interventions for effective engagement. Future studies could investigate best practices for stakeholder engagement, including the use of technology-enabled platforms, participatory decision-making processes, and capacity-building initiatives.

Also, the majority of studies adopt a cross-sectional design, capturing a snapshot of stakeholder dynamics at a particular point in time. Longitudinal studies could provide insights into how stakeholder relationships evolve over the project lifecycle and their impact on performance outcomes. By tracking stakeholder interactions and project performance metrics over time, researchers could identify patterns, trends, and critical junctures that influence project success.

Lastly, the studies predominantly focus on Western contexts, with limited representation from emerging economies or non-Western cultures. Future research could explore how cultural and contextual factors influence stakeholder dynamics and project performance, providing insights into culturally sensitive stakeholder management practices, especially in Rwandan context. Therefore, this study on stakeholder management and project performance by Edify Rwanda loan capital project evaluated the overall impact of project stakeholders filling the existing gap in that domain.

### **METHODOLOGY**

In this study, the researcher used a descriptive research design and adopted both quantitative and qualitative research approaches. The target of this study was 201 respondents. The participants were 60 headteachers, 60 schools' owners, 11 Bank managers and 70 Edify Rwanda staff. Using the Slovin formula, the sample size for quantitative data is 126 individuals while the sample size for qualitative data is 7 individuals. In this research, data collection instruments included both a questionnaire and an interview guide. The questionnaire served as the primary tool for gathering data. The questionnaire was designed to headteachers, school owners, edify Rwanda staff and interview guide was designed for bank managers from banks working with edify Rwanda in capital loan projects implementation.

The Slovin formula was chosen for this study because it provides a straightforward method for determining an appropriate sample size from a finite population when the exact population size is known. It is especially useful when there is no prior knowledge of the population's variability, making it suitable for large and diverse groups like the one in this study, which includes different types of respondents (headteachers, school owners, bank managers, and Edify Rwanda staff). By using the Slovin formula, the researcher could ensure that the sample was representative while maintaining manageability in data collection.

## FINDINGS

The data analysis of the study was based on model summary, analysis of variance and multiple regression analysis. The results from the model summary are contained in this section as presented in Table 1.

**Table 1: Model Summary Results**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.405 <sup>a</sup>	.164	.136	.4615

a. Predictors: (Constant), stakeholder involvement, Overall stakeholder communication, Overall stakeholder's needs and expectation identification, Overall stakeholder conflict resolutions

Source: Primary Data (2024)

The regression analysis results provide a comprehensive overview of the relationship between various predictors and overall project performance. The model summary offer insights into the effectiveness of stakeholder-related factors in influencing project outcomes. As shown in Table 1, the model summary reveals an R value of 0.405, indicating a moderate correlation between the independent variables and overall project performance. The R-squared value is 0.164, signifying that approximately 16.4% of the variance in overall performance is explained by the predictors included in the model. The adjusted R-squared value, which accounts for the number of predictors, is 0.136, offering a more conservative estimate of the explained variance. The standard error of the estimate is 0.4615, reflecting the average deviation of observed values from the regression line.

**Table 2: Analysis of Variance**

ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.058	4	1.264	5.937	.000 <sup>a</sup>
	Residual	25.768	121	.213		
	<b>Total</b>	<b>30.825</b>	<b>125</b>			

a. Predictors: (Constant), stakeholder involvement, stakeholder communication, stakeholder's needs and expectation identification, stakeholder conflict resolutions

b. Dependent Variable: Overall Performance

Source: Primary Data (2024)

The ANOVA table evaluates the overall significance of the regression model. The F-statistic is 5.937 with a p-value of 0.000, demonstrating that the model is statistically significant. This implies that at least one of the independent variables significantly influences overall project performance. The regression sum of squares is 5.058, while the residual sum of squares is 25.768, resulting in a total sum of squares of 30.825.

**Table 3: Multiple Regression Analysis**

		Coefficients <sup>a</sup>				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	T	Sig.
1	(Constant)	1.234	.825		1.495	.037
	Stakeholders' needs and expectation identification	.364	.209	.148	1.741	.044
	Stakeholder conflict resolutions	.381	.084	.398	4.549	.000
	Stakeholder communication	-.067	.105	-.056	-.639	.524
	Stakeholder involvement	.065	.092	.060	.704	.483

a. Dependent Variable: Overall Performance

Source: Primary Data (2024)

The coefficients table provides insights into the contribution of each predictor. The unstandardized coefficients (B) show the expected change in overall performance for a one-unit increase in each independent variable, assuming all other variables remain constant. The constant term is 1.234, representing the predicted overall performance when all predictors are zero.

Among the predictors, stakeholders' needs and expectation identification has a coefficient of 0.364, indicating that a one-unit increase in this variable is expected to raise overall performance by 0.364 units. This coefficient is statistically significant ( $p = 0.044$ ), highlighting its considerable impact on performance.

Stakeholder conflict resolutions shows a coefficient of 0.381, indicating that effective conflict resolution is associated with a 0.381 unit increase in overall performance. This result is highly significant ( $p < 0.001$ ), highlighting the critical role of conflict management in enhancing project outcomes.

In contrast, stakeholder communication has a coefficient of -0.067, suggesting a negligible negative relationship with overall performance, although this result is not statistically significant ( $p = 0.524$ ). Similarly, stakeholder involvement has a coefficient of 0.065, indicating a very small positive effect, but it is also not statistically significant ( $p = 0.483$ ).

The standardized coefficients (Beta) provide a way to compare the relative importance of each predictor in the model. Stakeholder conflict resolutions has the highest standardized coefficient (Beta = 0.398), indicating it has the strongest effect on overall performance. Stakeholders' needs and expectation identification follows with a Beta of 0.148, while the other two predictors show minimal impact.

In summary, the regression analysis reveals that both stakeholder conflict resolutions and stakeholder's needs and expectation identification significantly contribute to the prediction of overall project performance. The model explains 16.4% of the variance in performance, underscoring the importance of effectively managing stakeholder conflicts and understanding their needs to enhance project outcomes. However, stakeholder communication and involvement do not show significant effects in this model, indicating areas for potential improvement in stakeholder engagement strategies.

## CONCLUSION AND RECOMMENDATIONS

### Conclusion

The study highlights the critical role of identifying stakeholder needs and expectations in driving the success of loan capital projects by Edify Rwanda. Strong stakeholder recognition, effective communication, and continuous adjustment of needs during project implementation emerge as key factors contributing to positive outcomes. However, the findings suggest that improvements in pre-project research and needs assessment could further enhance the effectiveness of these projects.

In terms of conflict resolution, Edify Rwanda is perceived to handle stakeholder disagreements transparently and constructively. The organization's open communication and collaborative culture support effective conflict management, minimizing any negative impact on project performance. Moreover, conflicts are seen as opportunities for learning and improvement, contributing to better risk management and overall project success.

The analysis of stakeholder communication underscores Edify Rwanda's commitment to transparency and regular engagement. Frequent progress reports and stakeholder meetings foster awareness and trust, but the study identifies areas for improvement, particularly in the consistency of feedback mechanisms and milestone updates. Addressing these gaps could strengthen the overall communication strategy and further enhance project outcomes.

Regarding stakeholder involvement, the study finds that active participation is key to aligning project objectives with community needs and fostering commitment. However, challenges remain in engaging communities, particularly in project selection and labor contributions, where involvement is perceived as limited. Enhancing community participation and ensuring equitable benefit distribution could improve project acceptance and overall performance, reinforcing the importance of inclusive stakeholder practices.

## **Recommendations**

To address the study's findings regarding stakeholder communication and involvement, the following specific and actionable recommendations are proposed:

1. **Enhanced Stakeholder Communication and Involvement:** Edify Rwanda should establish a structured framework for continuous stakeholder dialogue throughout the project lifecycle. This can be achieved through quarterly stakeholder forums, where community representatives, school owners, and Edify staff can openly discuss ongoing projects, challenges, and future plans. This will create a space for real-time feedback and deeper involvement in decision-making.
2. **Tailored Communication Channels:** To address the need for clearer communication, Edify Rwanda should tailor communication channels to different stakeholder groups. For instance, SMS alerts or mobile apps could be used for quick updates, while more detailed newsletters or progress reports can be shared via email or in physical meetings. These tailored channels will ensure that all stakeholders are informed in a timely and accessible manner.
3. **Collaborative Project Selection:** Establish participatory planning committees that include representatives from all stakeholder groups, including local community leaders and marginalized populations. These committees will have decision-making power regarding which projects to prioritize, ensuring that local needs and voices are directly reflected in project implementation.
4. **Transparent Feedback Mechanisms:** Beyond suggestion boxes and surveys, Edify Rwanda should consider implementing an online feedback portal where stakeholders can anonymously provide feedback, with follow-up reports detailing how their suggestions were considered or implemented. This digital platform would increase transparency and trust in the feedback process.
5. **Inclusion of Marginalized Groups:** To ensure equitable access to project benefits, Edify Rwanda should introduce targeted outreach programs for marginalized groups, including women, youth, and people with disabilities. These groups can be provided with tailored resources, ensuring their active participation and benefit from projects, thus addressing any perceived disparities in outcomes.
6. **Stakeholder Satisfaction Audits:** Conduct regular stakeholder satisfaction audits to evaluate perceptions of communication effectiveness and project outcomes. These audits should involve a diverse set of stakeholders and be used to inform ongoing improvements to communication and engagement strategies.

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