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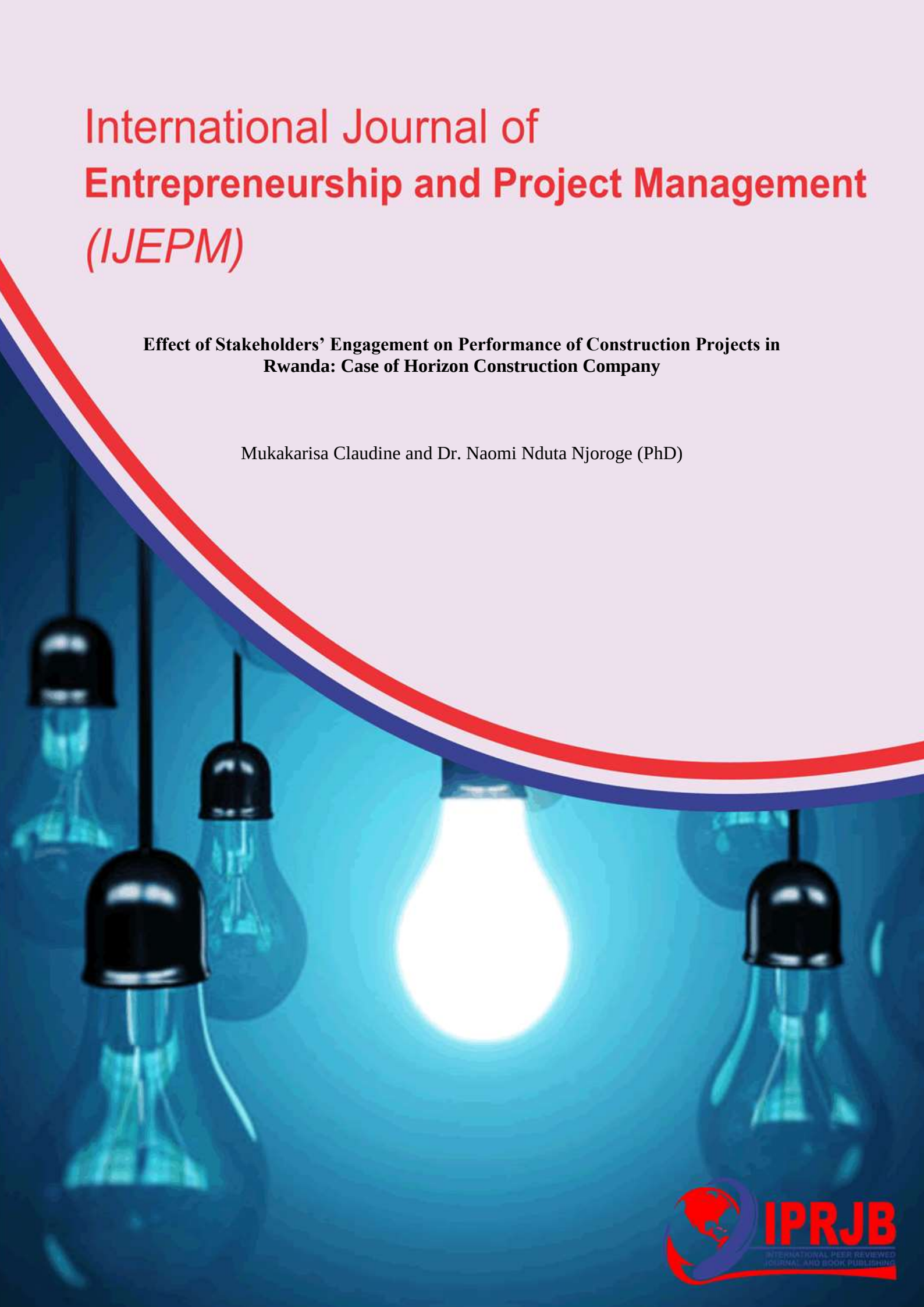

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Effect of Stakeholders' Engagement on Performance of Construction Projects in Rwanda: Case of Horizon Construction Company

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Abstract

Purpose: This research focused on the evaluation of the impact of stakeholder engagement on the performance of construction projects in Rwanda. The following specific objectives directed this study: to identify the impact of stakeholders' involvement in project planning on the performance of Horizon Construction Company's construction projects; to assess the impact of stakeholders' engagement in project implementation on the performance of Horizon Construction Company's construction projects; and to evaluate the impact of stakeholders' engagement in monitoring and evaluation on the performance of Horizon Construction Company's construction projects.

Methodology: A combination of descriptive and correlational research survey design under a mixed method approach was used to guide the study. Participants in this research consisted of 182 individuals from Horizon Construction Company. Using stratified simple random sampling, this research sampled 125 people. A statistical Package for Social Sciences (SPSS) version 25 was used to analyze quantitative data along with thematic for qualitative data.

Findings: The coefficient for stakeholders in project planning is 0.325, suggesting that for each unit increase in stakeholder engagement during the planning phase, project performance is expected to increase by 0.325, with this relationship being statistically significant ($\beta = 0.325$, $t = 6.153$, Sig. = 0.000). Similarly, the coefficient for stakeholders in project implementation is 0.268, indicating that a one-unit increase in engagement during implementation correlates with a 0.268 increase in project performance, which is also statistically significant ($\beta = 0.268$, $t = 5.841$, Sig. = 0.000). Additionally, the coefficient for stakeholders in monitoring and evaluation is 0.409, revealing that improvements in stakeholder engagement in oversight can enhance project performance by 0.409 units, with a statistically significant impact ($\beta = 0.409$, $t = 8.030$, Sig. = 0.000).

Unique Contribution to Theory, Practice and Policy: it is recommended that Horizon Construction Company prioritize inclusive stakeholder engagement practices throughout all project phases.

Keywords: *Monitoring, Evaluation, Project Implementation, Project Planning, Project Performance, Stakeholders' Engagement*

INTRODUCTION

The concept of stakeholder participation in projects has its roots in the field of social and environmental activism. In the 1960s and 1970s, people became more aware of how their actions affected the natural environment. This led to the rise of a movement that called for more public involvement in making decisions about environmental issues. This movement led to the development of stakeholder theory, which says that organizations have a duty to consider the needs of all parties when making decisions. Individuals or organizations with a vested interest in a project's performance are considered stakeholders (Huzzard, 2021).

In Canada, Li and Zhang (2021) explored how stakeholder engagement impacts the performance of construction projects. They found that stakeholders' involvement in project planning and execution phases facilitates better alignment of project objectives with stakeholder expectations. The research pointed out that regular stakeholder meetings and feedback sessions significantly contribute to the performance of projects by minimizing misunderstandings and fostering a collaborative project environment.

Müller, Schneider and Weber (2020) performed a comprehensive analysis of construction projects in Germany, revealing that stakeholder engagement is pivotal to project performance. Their research demonstrated that active participation of stakeholders leads to improved project performance by mitigating risks and enhancing decision-making processes. They emphasized the role of transparent communication and stakeholder influence in achieving project milestones. The study concluded that stakeholder engagement should be integrated into the project management strategy from the outset.

A study conducted by Dlamini (2020) in South Africa looked at the value of stakeholder participation in building projects. By making sure that everyone's interests are taken into account and met, the research showed that strong stakeholder engagement tactics increase project results. The research also found that projects with effective stakeholder engagement practices experienced fewer conflicts and greater overall satisfaction among project team members and clients. Researchers Kihara and Ngugi (2020) looked at the building sector in Tanzania to see how stakeholder involvement affected project outcomes. Timely and cost-effective project completion was associated with high levels of stakeholder participation, according to the researchers. They highlighted the role of continuous stakeholder feedback and the integration of stakeholder inputs in improving project performance and client satisfaction.

In the early years of project management in Rwanda, stakeholder participation was limited and often focused on political elites and other influential stakeholders. However, it is important to remember that engaging stakeholders is an ongoing process, and their participation is still very important throughout the project's lifecycle. Planning should involve community groups, nonprofit entities, business entities, and regulatory bodies, implementation, and monitoring of projects can lead to better results, more ownership, and sustainability. Over the years, stakeholder participation in donor-funded projects in Rwanda has changed a lot. People are becoming more aware of how important it is to work with stakeholders to make sure that development projects are successful (Ishimwe & Hategekimana, 2022).

In their study Dusingizimana and Kalimba (2023) employed Horizon construction Company as an illustration to examine the correlation between Rwandan construction projects' performance and leadership capabilities. The performance of a project also depends on the leadership's ability to foster an atmosphere that is good for business in the construction industry

and among construction firms. It is advised that construction businesses use a combination of democratic and authoritarian leadership styles to guarantee the performance of their projects.

Problem Statement

Building better infrastructure and more jobs are two ways in which the construction sector helps countries prosper. However, due to insufficient stakeholder participation, the sector often encounters problems including project delays, budget overruns, and quality concerns. One of the critical, yet often overlooked, issues is the insufficient engagement of stakeholders throughout the project lifecycle, which significantly impacts project outcomes (Mok, Shen & Yang, 2020).

While the importance of stakeholder engagement is widely acknowledged, there is inadequate empirical research specifically focused on the Rwandan construction industry that quantifies the impact of stakeholder engagement on project performance. Existing studies on stakeholder engagement in construction projects tend to be global in scope or focus on developed economies. A study by Gakwaya (2020) investigating construction projects in Kigali City found that 72% of projects experienced cost overruns. The study identified factors such as poor communication, unclear project scope, and inadequate risk management as contributing to these overruns. Effective stakeholder engagement, particularly with clients and project designers, can help to ensure clear communication of project goals and expectations, leading to more accurate budgeting and cost control.

Delays are another major challenge for construction projects in Rwanda. A study by Mukiza, Hanbin and Li (2021) analyzing public construction projects in Rwanda found that 68% of projects experienced schedule delays. The study attributed these delays to factors such as material shortages, changes in project scope, and poor coordination between stakeholders. Proactive stakeholder engagement, including involving key stakeholders in planning and scheduling decisions, can help to identify potential issues early on and develop mitigation strategies, ultimately minimizing delays.

Deficiencies in quality are a persistent problem for construction projects in Rwanda. Uwiringiyimana, Geng and Li (2022) conducted a survey of construction professionals in Rwanda and found that 82% reported encountering quality issues on projects. The study identified factors such as a lack of skilled labor, inadequate supervision, and poor communication between contractors and subcontractors as contributing to these issues. Effective stakeholder engagement, including involving qualified professionals and fostering open communication channels, can help to ensure that quality standards are met throughout the construction process. By addressing these challenges through improved stakeholder engagement, construction projects, Horizon Construction Company, among the many, in Rwanda can achieve greater project performance.

General Objective

The general objective of this research was to assess effect of stakeholders' engagement on performance of constructions firms in Rwanda.

Specific Objectives

i. To determine the effect of stakeholders' engagement in project planning on performance of construction projects of Horizon Construction Company.
ii. To assess the effect of stakeholders' engagement in project implementation on performance of construction projects of Horizon Construction Company.

iii. To analyze the effect of stakeholders' engagement in monitoring and evaluation on performance of construction projects of Horizon Construction Company.

Research Hypotheses

H_{01}: There is no significant effect of stakeholders' engagement in project planning on performance of construction projects of Horizon Construction Company.

H_{02}: There is no significant effect of stakeholders' engagement in project implementation on performance of construction projects of Horizon Construction Company.

H_{03}: There is no significant effect of stakeholders' engagement in monitoring and evaluation on performance of construction projects of Horizon Construction Company.

LITERATURE REVIEW

Theoretical review

The theoretical perspective of this study on role of stakeholders on performance of construction projects approached from the lens of the Stakeholder Theory, Agency Theory, and Theory of Change.

Stakeholder Theory

Stakeholder Theory, gaining prominence in the 1980s, posits that organizations function within a network of interconnected stakeholders whose interests are crucial for long-term success. These stakeholders include individuals or groups impacted by the organization's activities, such as government agencies, local communities, private sector actors, and beneficiaries. Effective stakeholder engagement strengthens collaboration, transparency, and accountability, ultimately leading to improved project outcomes (Ramoglou, Zyglidopoulos & Papadopoulou, 2023).

According to Ramachandran (2020), Freeman first proposed stakeholder theory as a framework for managers to take into account all the relevant parties while setting goals for their organizations. After years of development and many uses, stakeholder theory is currently seen as a foundational theory that, when used and integrated with other theories, may provide new insights into stakeholders (Freeman, Dmytriyevm & Phillips, 2021). The influence of a company's actions on all of its identified stakeholders is the central idea in stakeholder theory.

For instance, a recent study by Munyuli, Ombeni, Mushagalusa, Kubuya, Irenge and Heradi (2022) on diagnostic of The Current Livelihood Evolution, Farming Practices, Production Constraints, Post-Harvest Processing, Trading and Value-Chain Systems of Sweetpotato in North-Kivu Province, Eastern of DR Congo. They found that projects with strong collaboration between government agencies, agricultural research institutions, and local farmer organizations achieved significantly higher adoption rates of the new orange-fleshed potato variety among smallholder farmers. This collaboration strengthened trust, addressed farmer concerns, and provided vital training and resources, ultimately leading to improved dietary diversity and vitamin A intake in participating communities. This aligns with Stakeholder Theory, highlighting the positive impact of inclusive stakeholder engagement on project impact and community behavior change.

In the context of construction projects in Rwanda, Stakeholder Theory indicate the importance of involving diverse stakeholders throughout the project lifecycle. This includes engaging government agencies for policy support, local communities for project design and implementation, private sector actors for resource mobilization, and beneficiaries for project ownership and sustainability.

Agency Theory

Agency Theory, emerging in the 1980s, examines the relationship between principals (those who delegate tasks) and agents (those who carry out the tasks). It focuses on potential conflicts of interest and information asymmetry between these parties. Stakeholder engagement is crucial in Agency Theory to ensure that agents (project implementers) act in the best interests of the principals (donors, government) and beneficiaries (Mukamba, Ali & Kariger, 2023).

According to the agency theory proposed by Jensen and Meckling, conflicts of interest arise when a company's management, stockholders, and major financiers all have different goals. Issues with governance may arise when these parties have competing goals, which they addressed. This theory examines the ways in which companies deal with situations when one party (the primary) employs another (the agent) to carry out a job, such as in the administration of contracts with suppliers. The principle in this arrangement employs agents to carry out the principal's incompetent duties. Conflicts may arise, according to the idea, since the principal and the agent are both motivated by self-interest. Issues emerge and the partnership may end when the agent puts their own interests ahead of the principal's objectives.

In the context of construction projects in Rwanda, Agency Theory emphasizes the importance of engaging stakeholders to monitor and evaluate project performance. Stakeholders like beneficiary communities can provide valuable feedback on project effectiveness and identify potential issues with project implementation. Additionally, stakeholder involvement can help identify and address potential conflicts of interest that might hinder project performance.

Theory of Change

The Theory of Change (ToC) has evolved over the years through contributions from fields such as program evaluation, social change, and development. Developed in the 1990s by the Aspen Institute Roundtable on Community Change, its purpose was to model and assess the impacts of complex networks. The Theory of Change offers a detailed explanation and rationale for how and why an anticipated change is supposed to occur. Since planning entails establishing desired modifications or determining desired outcomes, methods, and timelines, the Theory of Constraints (ToC) is an essential component of project management procedures (Retief, 2022).

Indicators of modifications that you have planned are used to assess the project's performance

Project management may seem overwhelming even when the issue is well understood and the desired outcome is crystal clear. The Theory of transformation (ToC) lays forth the rationale and steps for a specific transformation process (Reinholz & Andrews, 2020).

In the context of Newbould (2022) state that the justification sets forth the assumptions that support the intervention proposal and shows how the short-, intermediate-, and long-term outcomes are related. Important changes a project wants to make, potential ways to get there, and why one path is better than another should all be considered in a theory of change. Thus, project management and performance are directly tied to change theory. The reason for this is because in management, setting goals and implementing strategies to achieve them are two sides of the same coin. When the goal is attained, the dream, change, or influence that resulted from the plan's perfect execution becomes a reality.

Theory of change was relevant to this study as emphasized on how planning for desired changes in a project can improve its performance. In the study of resource planning's impact on project of construction projects, understanding why and how changes occur guides effective management.

Empirical Review

The research conducted by Mutu (2023) evaluated Kirinyaga County, Kenya, water project stakeholder participation and performance. Water project performance depends on stakeholder involvement. The research used a descriptive methodology, a general system hypothesis, and cross-sectional data collecting. The 29 water projects in Kirinyaga County, Kenya were the intended recipients. A total of 87 project supervisors, assistant project managers, and three managers were chosen by the researcher. To gather primary data, a questionnaire was administered. The surveys were disseminated and gathered. The data analysis made use of statistical tools such as correlation, standard deviation, regression, percentages, and frequencies. The report proposes increasing public engagement in all project phases. Public engagement improves efficiency by increasing responsibility.

In their study Gatumi, Ngugi and Kinoti (2022) explored how stakeholder participation affects Kenya's drylands food security projects' long-term sustainability. This work fits positivism. The plan is to conduct a descriptive cross-sectional survey. A total of 203 participants from 8 arid areas in Kenya were surveyed on 413 food security initiatives run by different United Nations agencies. Stratified sampling and a self-administered survey provided the main data. In order to comprehend the distribution, the group calculated the standard deviation and mean. Finally, the study aimed to contribute significantly to the literature for future researchers and lay the groundwork for project sustainability discussions. Donors and sponsors of the project received critical information on sustainable practices that will be useful for future food projects. Relevant UN agencies also gained knowledge that will help them shape their projects by identifying important issues to address that could make them unsustainability.

Fiore, Galati, Gołębiewski and Drejerska (2020) investigated how Polish dairy cooperatives' stakeholders were involved in developing long-term economic strategies. Building on theoretical assumptions and research into three large cooperatives in an ecologically agricultural area of Poland called the In "Green Lungs of Poland," the writers lay out a plan for the future of their company that puts an emphasis on getting everyone involved in making something of worth. Economics, society, and the environment all benefit from cooperatives, as this research shows how their involvement of many stakeholders leads to innovations that meet consumer requirements. This article examines the literature review's theoretical assumptions and uses them to construct a business model that incorporates operational data, collaborative principles of innovation, accountability, and sustainability, and the responsibilities of different stakeholders.

In his study Huzzard (2021) looked at the research on making an effect: tackling the problem of stakeholder involvement. Projects in the domains of working life and policy research, among others, are being asked by research funding agencies to show how their study will influence policy and practice. Stakeholder participation, according to many, may have an effect beyond that of scientific research. However, when we talk about stakeholders becoming involved in the study of working life, what exactly do we mean? In big, multidisciplinary initiatives, what are the difficulties of including stakeholders? How does stakeholder engagement relate to effect in this domain? This article examines the Horizon 2020 project QuInnE, which sought to address these questions by analyzing a work package that sought to investigate stakeholder involvement in working life research and the potential effects of this involvement. But the project's lessons taught us that these kinds of things are easier stated than done. Several takeaways for researchers who work in teams are discussed in detail in the article. last but not

least, that results may be seen even with less participation than anticipated and, moreover, that spontaneous participation can be a more practical and fruitful goal than systematic and pre-planned participation.

Regardless of these results, research on the effects of stakeholder involvement in the review and monitoring phase on the performance of building projects is lacking, especially in Rwanda. This research aims to fill these gaps by examining the specific roles of stakeholders in planning, executing, and monitoring constructions projects, providing valuable insights and practical recommendations for enhancing the performance of similar projects in comparable contexts.

METHODOLOGY

The researcher adopted both descriptive and correlational designs. Descriptive analysis simplifies and presents key aspects of a dataset, assisting in pattern recognition and understanding data trends. Correlation analysis examines the relationships between variables to determine their degree of association or independence.

The population of this study was 182 people including Project coordinators, Field officer and Project Consultants of Horizon Construction Company. To find out how big of a sample was required, the researcher applied Slovin's formula to calculate a convenient sample size. Using stratified simple random sampling, this research sampled 125 people from Horizon Construction Company along with purposive sampling for the key informants. Quantitative data were gathered using questionnaires, while the qualitative data were gathered through interview guide. Using the Cronbach alpha method and peer review, the researcher verified the questionnaire's reliability and content validity within the framework of this study's instruments.

Stratified simple random sampling was used in this research. With a random technique, every member of the population has an equal chance of being chosen. In other words, the odds of being included in the sample are identical for everyone who takes part in the research. The fundamental objective of stratified simple random sampling is to guarantee that the sample faithfully represents the whole population.

FINDINGS AND DISCUSSIONS

During data collection 125 questionnaires were distributed, 114 were filled and returned, yielding a response rate of 91.2%. This high response rate is considered well above the acceptable threshold of 70%, indicating that the majority of respondents actively participated, enhancing the reliability of the data. The high rate indicates strong engagement and interest in the research topic, which increases the validity of the findings.

Inferential Statistics

Inferential statistics aim to derive conclusions from a statistical sample. Tools utilized in this process include correlation analysis, hypothesis testing, confidence intervals, and regression analysis.

Table 1: Correlation Matrix

		Stakeholders in project planning	Stakeholders in project implementation	Stakeholders in monitoring and evaluation	Project performance
Stakeholders in project planning	Pearson Correlation	1	.441**	.503**	.719**
	Sig. (2-tailed)		.000	.000	.000
	N		114	114	114
Stakeholders in project implementation	Pearson Correlation		1	.277**	.590**
	Sig. (2-tailed)			.003	.000
	N			114	114
Stakeholders in monitoring and evaluation	Pearson Correlation			1	.708**
	Sig. (2-tailed)				.000
	N				114
Project performance	Pearson Correlation				1
	Sig. (2-tailed)				
	N				

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

Source: Field Data, 2024

The correlation matrix in Table 1 presents strong positive relationships between each aspect of stakeholders' engagement (stakeholders in project planning, stakeholders in project implementation, stakeholders in monitoring and evaluation) and project performance. Specifically, stakeholders in project planning exhibit a strong positive relationship ($r = 0.719$, $p=0.000 < 0.05$), implying that increased involvement of stakeholders in project planning is linked with improved performance of construction projects at Horizon Construction Company. Similarly, stakeholders in project implementation demonstrate a moderate positive relationship ($r =0.590$, $p=0.000<0.05$), signifying that enhanced stakeholder engagement in implementation is associated with higher levels of project performance. Stakeholders in monitoring and evaluation display a notably strong positive relationship ($r = 0.708$, $p=0.000 < 0.05$), indicating that greater involvement of stakeholders in monitoring and evaluation corresponds to heightened performance of construction projects.

The findings are consistent with Li and Zhang (2021), who emphasized that stakeholder engagement during project planning and execution significantly enhances project performance by aligning goals and fostering collaboration. This aligns with the results at Horizon Construction Company, where stakeholders' involvement in planning, implementation, and monitoring is strongly associated with improved project outcomes. Regular engagement and feedback from stakeholders contribute to reducing misunderstandings and promoting effective communication, which, in turn, positively impacts overall project performance and success.

The results are in complement with Dusingizimana and Kalimba (2023) employed Horizon construction Company as an illustration to examine the correlation between Rwandan construction projects' performance and leadership capabilities. Building a positive work environment is essential to the performance of construction projects and the construction industry as a whole. The performance of a project also depends on the leadership's ability to foster an atmosphere that is good for business in the construction industry and among construction firms.

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.868[a]	.754	.747	.14532

a. Predictors: (Constant), Stakeholders in monitoring and evaluation, Stakeholders in project implementation, Stakeholders in project planning

Source: Field Data, 2024

Table 2 presents the Model Summary for the regression analysis. The R value of 0.868 indicates a strong positive correlation between the predictors (stakeholders in project planning, stakeholders in project implementation, stakeholders in monitoring and evaluation) and the dependent variable (performance of construction projects at Horizon Construction Company). The R Square value of 0.754 signifies that approximately 75.4% of the variability in the performance of construction projects can be explained by the independent variables in the model.

The findings align well with Dlamini (2020), who emphasized that effective stakeholder engagement significantly enhances project outcomes. This strong correlation between stakeholder involvement in planning, implementation, and monitoring and the overall performance of construction projects highlights the necessity for Horizon Construction Company to prioritize stakeholder participation. By enhancing inclusive practices, the company can minimize conflicts and improve satisfaction among project teams and clients, ultimately leading to successful project delivery.

In line with Naker and Sagwa (2020) studied how stakeholders in project monitoring and assessment affect Kwanza Sub- County water project sustainability. SPSS helped analyze data. Descriptive and inferential statistics were used for the analysis of quantitative data. A somewhat favorable correlation was found between stakeholder participation in monitoring and evaluation and the sustainability of water projects (Spearman's rho(r) = 0.496, p=0.010, CL=95%). For water projects to be sustainable and help Kenya reach its Vision 2030 targets faster, the report suggests that development agencies and the government should include stakeholders more in monitoring and evaluating the projects.

Table 3: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	7.111	3	2.370	112.247	.000[b]
	Residual	2.323	110	.021		
	Total	**9.434**	**113**			

a. Dependent Variable: Project performance

b. Predictors: (Constant), Stakeholders in monitoring and evaluation, Stakeholders in project implementation, Stakeholders in project planning

Source: Field Data, 2024

The Analysis of Variance (ANOVA) results in Table 3 indicate a highly significant F-statistic of 112.247 ($p = 0.000$). The F-statistic assesses the overall significance of the regression model, testing whether there is a significant difference between the model with predictors (stakeholders in project planning, stakeholders in project implementation, stakeholders in monitoring and evaluation) and the performance of construction projects at Horizon Construction Company. In this case, the small p-value ($p = 0.000 < 0.05$) associated with the

F-statistic indicates that the predictors jointly have a significant effect on explaining the variance in the dependent variable (the performance of construction projects).

The findings are supported by Kihara and Ngugi (2020), who emphasized that high levels of stakeholder participation led to timely and cost-effective project completion. This significant effect of stakeholder involvement on project outcomes underscores the importance of integrating continuous feedback and stakeholder inputs in construction projects. Such practices at Horizon Construction Company can enhance overall performance, ensuring that projects meet both timelines and client expectations effectively.

The outcome of the study supported by Chow and Leiringer (2020) Stakeholder engagement describes the methodical approach of involve all parties whose interests are either directly or indirectly impacted by a project at any point in time. Finding the right people to talk to, learning what they want, and keeping lines of communication open are all part of this process. Effective stakeholder engagement fosters trust, facilitates information exchange, and ensures that stakeholder interests are addressed in decision-making processes.

Table 4: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	**Std. Error**	**Beta**	**t**	**Sig.**
1	(Constant)	.025	.242		.105	.916
	Stakeholders in project planning	.325	.053	.361	6.153	.000
	Stakeholders in project implementation	.268	.046	.309	5.841	.000
	Stakeholders in monitoring and evaluation	.409	.051	.441	8.030	.000

a. Dependent Variable: Project performance

Source: Field Data, 2024

Table 4, the coefficients offer valuable insights into the relationships between the predictors (stakeholders in project planning, stakeholders in project implementation, stakeholders in monitoring and evaluation) and the dependent variable (project performance) at Horizon Construction Company. The significant p-values for all predictors underscore their individual impact on project performance, reaffirming their significance in this context. The constant term (α) is 0.025, indicating the expected value of project performance when all predictor variables are zero.

The unstandardized coefficients (B) reveal how project performance changes for every unit shift in the respective predictor while keeping other variables constant. Stakeholders in project planning show a coefficient of 0.325, signifying that a one-unit increase in stakeholders' engagement in planning corresponds to a 0.325 increase in project performance.

Stakeholders in project implementation exhibit a coefficient of 0.268, indicating that a one-unit increase in stakeholders' engagement in implementation leads to a 0.268 increase in project performance. This demonstrates the unique contribution of stakeholder involvement in ensuring effective project execution.

Stakeholders in monitoring and evaluation show a coefficient of 0.409, indicating that a one-unit increase in stakeholder involvement in monitoring and evaluation results in a 0.409 increase in project performance. This highlights the critical role of continuous oversight and evaluation in enhancing project outcomes.

The significant p-values across all predictors ($p = .000 < 0.05$) highlight their statistical importance in improving project performance at Horizon Construction Company.

The results were not far for Ishimwe and Hategekimana (2022) complement the results, emphasizing the need of involving a broad variety of stakeholders throughout the project lifecycle to achieve effective outcomes. This continual engagement improves project design, execution, and monitoring, resulting in better outcomes, increased ownership, and long-term viability. The considerable coefficients associated with stakeholder participation at Horizon Construction Company demonstrate the importance of ongoing engagement in improving project performance and ensuring effective execution.

In agreement with Das, Singh and Jawed, (2022) mentioned that engaging stakeholders, project managers can gather valuable insights, address concerns early, and foster a sense of ownership and commitment among stakeholders. It involves a variety of activities, such as meetings, surveys, and collaborative workshops, aimed at maintaining transparency and mutual understanding. Effective engagement leads to enhanced trust, reduced project risks, and improved stakeholder satisfaction.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The primary focus of this study was to investigate the effect of stakeholder engagement on the performance of construction projects at Horizon Construction Company. The research specifically examined the impacts of three key areas of engagement: stakeholder involvement in project planning, stakeholder participation in project monitoring and evaluation, and stakeholder collaboration during project implementation. The findings indicated that a significant number of respondents recognized these engagement strategies as critical in enhancing project performance outcomes.

Respondents expressed strong agreement that stakeholder involvement in project planning significantly contributes to project success. They emphasized that effective identification and involvement of stakeholders during the planning phase not only streamlined processes but also fostered a collaborative project environment, ultimately leading to improved project performance.

Findings regarding stakeholder participation in monitoring and evaluation were similarly positive, with respondents acknowledging that active stakeholder engagement played a vital role in shaping project outcomes. They noted that regular feedback from stakeholders significantly enhanced the quality of project assessments, facilitating timely adjustments and improvements that positively impacted performance.

Stakeholder collaboration during project implementation emerged as another critical area where respondents indicated strong agreement. Many highlighted that maintaining open lines of communication with stakeholders facilitated better information sharing among team members, resulting in improved coordination and timely decision-making, which were essential for project success.

The findings led to the rejection of the null hypothesis concerning the impact of stakeholder engagement on project performance. The results demonstrated a strong positive relationship between stakeholder involvement in planning and enhanced project outcomes, leading to the rejection of the hypothesis related to project planning. Similarly, the hypothesis regarding stakeholder participation in monitoring and evaluation was rejected, confirming its significant influence on project effectiveness. The null hypothesis pertaining to stakeholder collaboration during implementation was also rejected, as effective collaboration was shown to enhance project performance at Horizon Construction Company. The significant p-values across all predictors ($p = .000 < 0.05$) highlight their statistical importance in improving project performance at Horizon Construction Company.

Recommendations

Horizon Construction Company is recommended to enhance the identification and involvement of diverse stakeholders during the project planning phase. This can be achieved by conducting comprehensive stakeholder mapping exercises and organizing workshops to gather inputs from various groups, including community representatives, regulatory bodies, and potential beneficiaries.

Horizon Construction Company is recommended to establish regular stakeholder meetings during the project implementation phase. By holding consistent forums for discussion and updates, the company can address issues and conflicts promptly, fostering a collaborative environment that enhances teamwork.

Horizon Construction Company should implement clear and comprehensive communication strategies to facilitate stakeholder engagement in project planning. Developing structured communication plans that outline how information will be shared, along with regular updates and feedback mechanisms, can significantly improve transparency and trust among stakeholders.

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