# KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY, KUMASI, GHANA

Developing A Scheme for Stakeholder Participation of Power Transmission

Projects at Ghana Grid Company (GRIDCo)

By

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A Thesis submitted to the Department of Building Technology,

College of Art and Built Environment

in partial fulfilment of the requirements for the degree of

MASTER OF SCIENCE

#### **CERTIFICATION**

I hereby declare that this submission is my own work towards the MSc Construction Management and that, to the best of my knowledge, it contains no materials previously published by another person, nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made the text.

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#### **ABSTRACT**

This study's objective was to analyzed GRIDCo's stakeholder identification issues and subsequently develop a scheme for stakeholder participation of project delivery at GRIDCo. To realise this general objective, the study sought to: determine the stakeholder management processes of GRIDCo; identify the level of involvement of stakeholders with GRIDCo's projects; determine the consequences of stakeholders' non-participation in project definition and planning; to determine the challenges of stakeholder management at GRIDCo; and make recommendations to facilitate effective stakeholder participation at GRIDCo. Survey questionnaires were administered via the face-to-face method. The data gathered was coded and translated into an SPSS (Statistical Package for Social Science). Data collected was also analyzed in both descriptive and quantitative forms. It also employed frequency tables, percentages etc, and Relative Importance Index (RII) method. Data was collected from 100 respondents and it was found that GRIDCo undertakes a comprehensive identification and analysis of all stakeholders and communities before commencing projects and top management finds stakeholder management necessary. It was also found that major stakeholders are always involved with project definition and planning at GRIDCo and that overall, the level of major stakeholders' involvement with GRIDCO's project planning and design is high. It was primarily found that there are several ramifications of failing to engage and involve major stakeholders in the prevention of GRIDCo from gaining support (financial resources) from powerful stakeholders such donors and sponsors; leads to poor personal and/or working relationships during projects; leads to frequent disagreements on purpose and direction (i.e. buy-in) of projects; leads to project delays and cost-overruns. The five main challenges of stakeholder identification at GRIDCo were found to be the lack of clarity regarding how to identify stakeholders and determine their importance and how to identify stakeholders' expectations; the failure of project managers to maintain frequent contact with key stakeholders; the inability of GRIDCo to clearly and accurately identify certain legitimate stakeholders; lack of resources and **some** stakeholders being unreasonable with their demands. In addition to the stakeholder scheme developed and recommended for GRIDCo in order to engender efficient and effective stakeholder identification and management process, recommendations made included seeking top management support and commitment, educating all stakeholders on project objectives, milestones and how they will be executed and also building stronger bonds and ties with stakeholders.

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I dedicate this thesis to Almighty God and also to Prophet T B Joshua and Emmanuel TV Partners, Dr. Nani and Department of Building Technology

#### **CHAPTER ONE**

#### INTRODUCTION

#### 1.1 Background of the Study

This study attempts to develop a scheme for stakeholder participation of project delivery at GRIDCo. Stakeholders has been defined by Yang et al. (2009) as people ort group that rely on a firm to achieve their objectives and on whom, the firms also relies upon to achieve its objectives.

Group as those individuals or groups who depend on the organization to fulfil their own goals and on whom, in turn, the organization depends. Based on this definition, it can be surmised that stakeholder identification is high indispensable if project organizations are to complete projects within schedule, within budget and to the specification of clients and top management (Bal et al. 2013).

The reasons for the increasing pressure on project organizations to engage their stakeholders, right at the definition stages of projects are not far-fetched. This is because early involvement of salient stakeholders facilitates the identification, understanding and resolution of all underlying interests and issues that may hamper or impede the progress of the project during its advance stage (Nyandika and Ngugi, 2014). In other words, it is better to engage and encourage salient stakeholders such as employees, suppliers, top management, board of directors, the state or government, investors etc since they usually have vital inputs, contributions and even issues which must urgently be addressed before the project commences (Muller and Jugdey, 2012).

Stakeholder engagement and participation has been found to be essential in fields such as construction, mining and building where there are usually several stakeholders with different issues and agenda (Karlsen et al. 2008). Typically, these industries are

confronted with issues such as protection of the environment, determination of rightful landowners, sorting out cultural challenges, negotiating for royalties for the use of lands, diversion of water bodies and even providing employment for community members (Bal et al. 2013).

Moreover, even with projects, there is the need for project members, departments, units and sectors to be well consulted and involved right at the project definition phase. As pointed out by Muller and Jugdev (2012) and Karlsen et al. (2008), employees or project members can make or break the success of projects and therefore making their consultation and participation crucial. This is because it is not top management that eventually execute project strategies. At the tactical stage, it is the project team who are usually down the corporate ladder who ensure the execution of projects. This therefore calls having a stakeholder scheme or plan that facilitates the direct involvement all employees irrespective of their rank and experience (Yang et al. 2009).

For an organization such as GRIDCo which produces power that powers homes, industries and offices of Ghanaians, getting it right the first and all the time is the mantra. This means that GRIDCo in order not to encounter hitches and interruptions of power generation must put in place processes and procedures that facilitate power generation without fail and without hitches. This means that GRIDCo must right from the on-set of projects engage all stakeholders to avoid hiccups at the advanced phase of its projects. Obviously, failure to engage all stakeholders can lead to undesirable outcomes such as loss of revenue, customer dissatisfaction, and complaints and in some cases, political upheavals. Considering that Ghana is just coming out of one of the unprecedented load shedding (dumsor) moment of its history, GRIDCo must as a

matter of urgency increase its stakeholder identification, consultation and analysis so as to forestall further disruptions and break-downs of machineries and tools needed for power transmission in the country.

#### 1.2 Statement of the Research Problem

Many firms and project organizations have not paid close attention to stakeholder engagement and participation (Muller and Jugdev, 2012). There have been many challenges of designs, scope, variation, cost overruns and project completion challenges in GRIDCo due to lack of stakeholders fully participating right from the project definition to the completion. In order to deliver projects successfully within budget, time, scope and schedule, GRIDCo must develop scheme for stakeholder participation of engineering services delivering. Developing stakeholder participation scheme will help quality stakeholder analysis at GRIDCo. In addition, stakeholders participating of project delivery minimise cost overruns, variations, unnecessary changes of project designs, schedules and scope and projects can be completed within time.

Ohui (2016) conducted a study to assess stakeholder management at the pre-contract phase of projects of five construction firms in Ghana. The authors employed the survey method to collect data from fifty companies including project beneficiaries, consultants and contractors. The study found that factors such as effective communication, involvement of stakeholders in pertinent decisions and being truthful with stakeholders facilitates effective management of stakeholders. The authors also found that for an efficient management of stakeholders, key factors such as management practices and the techniques employed in addressing the concerns of stakeholders and that firms must have the time to meet stakeholders' right at the onset

of projects if project failures are to be avoided. The point of departure of this current study from that of Ohui (2016) is that instead of collecting data from five different organizations, this study adopted the case study approach and focused all resources on collecting data from the key and relevant officials of GRIDCo. The case study method was employed in order to effectively and critically assess stakeholder determine stakeholder assessment processes and challenges of GRIDCo as well as develop an effective scheme that will engender a highly efficient stakeholder management at GRIDCo.

GRIDCo faces several challenges such as waste of precious time and money because of the lack of a well-defined stakeholder management scheme (Ohui, 2016). In contemporary engineering services, stakeholders are key and major players in the projects delivery. GRIDCo has failed to involve key stakeholders in their project definition due to poor and indifferent attitude and behaviour from employees, lack of attention to details, long bureaucracy and indeed, a general lack of appreciation of the fact that the stakeholder participation at GRIDCo goes a long way in determining whether it will achieve its core mandate of providing transmitting power across the nation (Ohui, 2016).

The issues that need addressing and for which this study is being embarked upon are: Are there any schemes for stakeholder participation at GRIDCo as a result of project planning, implementation, and definition? Are stakeholders allowed to participate in the initial processes of projects? Why does GRIDCo fail to complete tasks assigned on time, within specification and within budget? Getting answers to such questions motivated the conduct of this study. This study was also carried out as a result of the absence of a reliable stakeholder participation scheme at GRIDCo.

#### 1.3 Research Questions

To operationalize the study's objectives, the following research questions were asked:

- a) How does GRIDCo engage its stakeholders?
- b) What is the level of involvement of stakeholders with GRIDCo?
- c) What are the consequences of stakeholders' non-participation in project definition and planning?
- d) What the challenges of stakeholder management at GRIDCo?
- e) What recommendations can facilitate effective stakeholder participation at GRIDCo?

#### 1.4 Aim of the Study

The aim of this study was to develop a scheme for stakeholder participation of project delivery at GRIDCo.

### 1.5 Objectives of the study

- 1. Determine the stakeholder management processes of GRIDCo
- 2. Identify the level of involvement of stakeholders with GRIDCo's projects
- 3. Determine the consequences of stakeholders' non-participation in project definition and planning
- 4. Determine the challenges of stakeholder management at GRIDCo
- Make recommendations to facilitate effective stakeholder participation at GRIDCo.

#### 1.6 Significance of the Study

The significance of this study can be seen from several perspectives. From the perspective of GRIDCo in particular and other public sector institutions of the country, the findings of this study will enable top management, project managers,

design team, policy makers and analysts not only appreciate the causes of poor stakeholder participation but more importantly, enable them design and execute strategies that will lead to a more efficient public sector. In the same manner and considering that the private sector sometimes is not different in terms of the causes of poor stakeholder participation, the findings of this study will throw more light on the issue of important of stakeholder participation in engineering services practice and by so doing, equipping the Ghanaian private engineering firms with the appropriate strategies of mitigating and addressing this issue of poor engagement of stakeholder in the project delivery of engineering service practices.

Again and from a personal perspective, the findings of this study will benefit the author who happens to be a staff of one of the power sector. More specifically, the findings of this study will enable him appreciate the causes of poor management of stakeholder involvement and participation in the engineering service within GRIDCo and how best to remedy or neutralize the undesirable consequences of poor stakeholder participation at his department.

From an academic perspective, this study will be useful to academicians especially those interested in stakeholder management in the country considering the lack of empirical studies on this area of study. Moreover, the findings of this study can serve as a source of reference for future academic endeavours in this area of study.

#### 1.7 Scope and Limitations of the Study

This study solely concentrated on stakeholder engagement and management issues at GRIDCo. Even though there are several players in the power sector, the role of GRIDCo as a transmitter of power generated by VRA and IPPs cannot be underestimated since failure to carry out its core function will mean the absence of

power in homes, offices and industries. This is one special and critical company that must at all times put its act together to ensure regular supply of electricity. The main limitation of this study has to do with focusing only on GRIDCO since other players such as VRA, IPP and ECG are all equally important in achieving the nation's objective of providing power to all Ghanaians and even beyond. This means that the findings of this study cannot be generalized as a reflection of what pertains in other sectors of the Ghanaian power sector. In spite of this obvious limitation, the research believes that the outcome of the study will throw more light on the subject matter of stakeholder engagement and even encourage further studies in this growing area of study.

#### 1.8 Summary of Methodology

This study adopted the case study approach to operationalize its objectives. The case study approach was used because it facilitated an in-depth discussion of the subject matter of the study. Again, the study used the descriptive survey methods to collect data from the target population. The data collected was analyzed using the Relative Importance Index in order to enable the study determine the most significant stakeholder engagement practices desired by the target population.

#### 1.9 Structure of the Study

This study consisted of five distinct chapters. Chapter one focused on the introduction and which addressed issues such as the background of the study, the research objectives and questions, the importance of the study, the scope and limitation. Chapter two reviewed the literature on the major constructs of the study. Chapter three presented the methodology of the study that discussed the various methods and designs used in operationalizing the objectives of the study. The main methods discussed included research design, data sources, data collection instruments and

procedures and method used for data analysis while chapter four focused on the data analysis and discussions. Chapter five ended the study by summarizing, concluding and making appropriate recommendations.

#### **CHAPTER TWO**

#### LITERATURE REVIEW

#### 2.1 Introduction

This chapter focused on reviewing the literature on the subject matter of the study. Key concepts discussed include defining projects and project management, project success, the stakeholder concept and its origin, stakeholder analysis, the significance of stakeholder engagement and the development of the conceptual framework of the study.

#### 2.2 Defining the Major Concepts of the Study

This section of the chapter introduced, defined and explained the major concepts and theories of the study. The key concepts are as presented below:

#### 2.2.1 Projects Defined

Projects are so routine and commonplace so much so that most persons fail to focus on its meaning or how to define it (Muller and Jugdev, 2012). However, considering today's dynamic and ever evolving corporate world, it will be prudent to have a definition for it since different organizations and persons regard projects differently depending on where they are coming from. Muller and Jugdev (2012) has defined a project as a process whereby all resources of a firm are put together to develop a new product or service that was previously in existence. Again, Akarakiri (2007) has pointed out that projects go through different phases such as idea conception, approval, design and actual execution of the project. Akarakiri (2007) therefore defined a project as any plot or system for investing alternatives and which can evaluated independently.

Moreover, Kerzner (2009) provided a detained description of a project. According to the author, a project is a set of actions with precise aims and goals that need to be executed based on predefined conditions and terms; and which possess an absolute beginning and completion dates; are limited by finance and therefore needs funding, manpower, the right tools and materials and typically transcends firm functional boundaries.

However, this study used the definition provided by Kerzner (2009) primarily because it is straight to the point and captures all the major ingredients and issues that must exist in order for a project to be termed as such. The author's definition made provision for key issues such as time periods, costs or budgets and meeting stakeholders' specifications.

#### 2.2.2 Project Management

The complex nature of today's business environment especially in terms of technological advancement and increasing stakeholder demand for firms to behave more responsible towards the environment makes projects highly complex to execute within budget, within specification and within schedule (Kerzner, 2009). Verzuh (2008) has defined project management as the deployment of resources such as skills, capacity, and expertise to handle external threats facing project organizations while taking appropriate steps to meet the demands of all stakeholders such as top management, project communities, project sponsors and personnel. This therefore means that project organizations must pay closer attention to projects and must effectively manage projects in order to leave all stakeholders satisfied (Mitra et al. 2012).

This means that project management is very much required if projects are to be successful (Besner and Hobb, 2008; Kerzner, 2009). According to Besner and Hobb (2008), project management exist to cater for both the efficiency in operational costs of firms as well as the management aspects of projects so that in the final analysis the three main benchmarks of cost efficiency, schedule and specifications are satisfied. According to Schmid and Adams (2008), project management is a balancing act whereby project managers ensure that the larger demands and needs of stakeholders are addressed while not forgetting to ensure that the fundamental objectives of budgets, schedules and quality are equally addressed.

#### 2.2.3 Stakeholders Defined

Stakeholders have been variously defined by different authors. For instance, Yang et al. (2009) has described stakeholders as Yang et al. (2009) as people ort group that rely on a firm to achieve their objectives and on whom firms also rely upon to achieve their objectives. Usually, stakeholders have interests in projects and their interests can be as varied as monetary, land, positions, usage, access, power, authority etc. Oakley (2011) also sees stakeholders as those groups or individuals who are interested in the successful outcomes of projects.

Kerzner (2009) has categorized stakeholders into two - primary stakeholders who communicate and interact directly with the organization and without whom the project organization will either stall or fail out rightly and secondary stakeholders whose interactions and dealings with the project organization is not direct and their influence not having a serious bearing on project outcome.

It must be added that secondary stakeholders may not be able to influence project outcomes but their actions and inactions can frustrate the schedules of project which in the long run can make projects very costly (Oakley, 2011). Moreover, it has been determined by Kerzner (2009) and Oakley (2011) that stakeholders can be from within firms or external to the firms and that stakeholders can also be individuals and institutions; end users, board of directors, suppliers, governments, local authorities, customers, top management, sponsors, owners or non-owners and influencers (Patton, 2008; Verzuh, 2008).

#### 2.2.4 Project Success

It has not been easy describing project success because success depends on the needs and wants of specific stakeholders and it can happen that no two stakeholders will share the same success criteria (Muller and Jugdev, 2012). This challenge in describing project success therefore brings to the fore the need to identify salient stakeholders right from the on-set of projects and pre-determine how they will measure the success of projects. As pointed out by Kerzner (2009), different circumstances and different stakeholders determine how success is measured. Kerzner (2009) has defined or described project success as those criteria or yardstick by which major stakeholders evaluate projects.

According to Muller and Jugdev (2012), the traditional means of determining whether projects have been successful or not are cost, time and specifications. Again, authors such as Muller and Jugdev (2012); Patton (2008) and Verzuh (2008) have pointed out that project success is not the same as success factors of projects. Project success factors lead to project success or failure. Project success factors are those variables or factors whose existence can lead to successful projects or not.

#### 2.3 Stakeholder Theory

The stakeholder theory basically offers firms and project organizations opportunity to scan their environment and take appropriate steps to not only react to it but also find better way of resolving all interested parties whose actions are affected by the project and in turn, can affect the project in diverse ways (Bal et al. 2013). As pointed by Nyandika and Ngugi (2014) and Muller and Jugdev (2012), the stakeholder theory accepts that activities of projects or project organizations naturally bring out several stakeholders who have shares or interest and recognizing this reality enables firms to not only complete their projects within budget. Schedule and to specifications, but also meet the bottom line in the process. According to Freeman (1999), the stakeholder theory essential means that salient individuals, grouped and institutions at all times have shares, interest, and or claims take all actions and measures to achieve their goals or address their concerns be it for profit or not for profit.

In effect, the stakeholder theory makes provision for firms to design appropriate and focused strategies of identifying salient stakeholders, identifying their needs, establishing a relationship with them and managing these needs, interests, concerns and claims so that at the end of it all, all parties are left satisfied and eventually making the project to commence and end while hitting all pre-defined targets and objectives (Nyandika and Ngugi, 2014). This again means that there is a managerial aspect of the stakeholder model and that firms and project leaders must strategise when engaging with stakeholders if their operations are to be sustained (Patton, 2008; Verzuh, 2008).

Therefore, the essential theme of the stakeholder theory is applying management principles in addressing stakeholder concerns, needs, interests and claims (Patton,

2008; Verzuh, 2008). As pointed out by Oakley (2011), the stakeholder concept emanated from management principles and which means that project leaders must plan their stakeholder strategies and not leave things to chance. Again, project leaders must organize resources such as finance, personnel and technology to effectively identify, resolve, communicate and manage relationships with salient stakeholders while making sure that the right project leaders or team members are deployed in managing the entire dealings, interactions and communications with major stakeholders.

Moreover, project leaders are supposed to not only lead and direct the relationship with stakeholders to amicable resolutions but must also put in place systems that monitor and evaluate the relationship with stakeholders before, during and after the project to ensure that at any point in time, they are aware of underlying currents, issues and concerns and immediately resolve them so as to avoid the project not being successful (Oakley, 2011). The stakeholder theory further cautions that when dealing or interacting with stakeholders, top management send their best representatives and that representatives who have a firm grasp of issues and must represent their firms in the best possible terms while also addressing stakeholders concerns and needs.

According to Sheehan et al. (2007), firms cannot be successful today without addressing stakeholder needs and concerns and that the theory encourages firms to not only look inwards, but open their firms and allow external parties in to negotiate and amicably agree on the way forward. In summary, the stakeholder theory emphasises the fact that the changing needs of project environments requires that all interests of major stakeholders are addressed and that profitability and success comes to only those project organizations who engage with stakeholders regularly and also generate

highly beneficial variables such as sustainability, approval, agreement and enhanced wealth (Matilainen and Lahdesmaki, 2014; Waligo, 2013).

#### 2.3.1 Major/Salient Stakeholders

Even though all projects have several stakeholders, it will be a sheer waste of time and resources to address all their issues especially when some of these stakeholders have rather petty and not so important stakes (Aaltonen and Kujala, 2010). The essence of stakeholder management comes into effect when projects are able to cut the clutter and really identify those major stakeholders whose behaviours, actions or inactions can have drastic effects on projects and who can equally be affected with the execution of projects without having their concerns addressed first. Major stakeholders therefore must necessarily be identified and their interests carefully weighed vis-à-vis what the project seeks to achieve.

As pointed out by Clifton and Amran (2011) and Mitchell et al (1997), project organizations need to evaluate and assess major stakeholders on three key criteria of power ( the degree to major stakeholders can use coercive force to address their concerns); legitimacy (the degree to which the actions of major stakeholders are widely regarded as suitable, fair and needful within generally agreeable social and cultural norms, practices and values) and urgency (the extent to which the demands, needs, interest and concerns of major stakeholders must be readily and urgently addressed).

#### 2.3.2 Importance of Stakeholder Engagement

Project organizations used to focus internally in terms of resources (personnel, finance and equipment), designs and profitability without paying serious attention to the external environment and even when they recognized the need to engage with stakeholders, their approach was rather half-hearted, highly impersonal and often involved minimum contact with major stakeholders (Matilainen and Lahdesmaki, 2014; Waligo, 2013). In fact, project organizations spent less on stakeholder engagement, strategize less on how to resolve concerns of major stakeholders and actually had fewer interactions with major stakeholders (Waligo, 2013).

However, with the increasing realization that stakeholders can be very powerful and can indeed determine the success of projects has radically revolutionalized the approach to how firms engage with their major stakeholders (Clifton and Amran, 2011). Today, firms pay closer attention to stakeholder issues and have invested in departments, units and personnel to focus solely on stakeholder issues right from the on-set of projects (Besner and Hobb, 2008; Kerzner, 2009).

Firms have realized that effective stakeholder engagement can be highly beneficial to project organizations and some of the main benefits that inure to firms that effectively engage with their stakeholders include but not limited to the following:

- 1. Effective assessment and identification of major stakeholders and their needs can be highly instrumental in how projects are designed, executed and indeed completed. Addressing the needs of major stakeholders open the doors for project organizations to commence and complete projects with absolute peace of mind and without fear of litigations, social upheavals and boycotts (Kerzner, 2009);
- 2. It has also been pointed out that certain donors or sponsors will only support projects when they are assured that the environment will not be harmed and that natural resources will be conserved, river bodies protected and when there is an assurance that wastes can be effectively managed (Waligo, 2013);

- 3. Regular interactions with stakeholders ensure that the project organization identifies the actions and reactions towards the project and by so doing, having the opportunity to immediately address new issues that may arise;
- 4. Project management facilitates the identification of the most powerful stakeholders, their concerns and more importantly, obtain vital inputs and feedback into the final designs of projects. This ultimately leads to the completion of projects within time, within budget and to specifications.

Other reasons for engaging with stakeholders can be seen from the following:

- Better interactions and relationships with major stakeholders (Aaltonen and Kujala, 2010);
- 2. Convince major stakeholders of the importance of the project and get their buy-ins;
- 3. Develop a more efficient method of interaction and negotiations with major stakeholders;
- 4. Encourage major stakeholders to come up with ideas of resolving knotty issues without appearing to be dictating to them;
- 5. Having a firm idea of the direction of projects and how they will be executed;
- 6. Enables projects to have a fair knowledge of all major areas of concerns and therefore giving project organizations ample time to strategize and address these areas of concern;
- 7. Facilitates the creation and development of new ideas;
- 8. Eliminating areas of conflicts before project commence, during and even after projects;
- 9. Projects completed at reduced costs because of low disruptions;
- 10. Completing projects within schedule

- 11. Meeting specifications;
- 12. Encourages building and enhancing the capacity of local areas;
- 13. Knowledge transfer and
- 14. The creation of stronger ties and bonds with local communities.

#### 2.4 Stakeholder Identification and Engagement Process

This section of the study discussed concepts such as project relationship, stakeholder identification, analysis and management.

As has been mentioned in the previous sections of this chapter, stakeholder management entails employing management principles to effectively and efficiently engage stakeholders in such a manner that all parties are left satisfied. The first step in ensuring an effective stakeholder management and engagement process is the identification phase. Stakeholders must be identified, categorized into primary (major) or secondary (minor) stakeholders (Bourne, 2009). Finally, it is also very important that project leaders establish the power and legitimacy of major stakeholders as well as get to know the urgency to which the concerns of stakeholders must be addressed. All these identification and categorization exercises are deemed extremely important if projects are to be given the green light and actually get executed within pre-defined objectives (Ackermann and Eden, 2011).

According to Ackermann and Eden (2011), major stakeholders such as project sponsors, owners, personnel, environmentalists, land owners (for construction projects), governments, customers and suppliers must be identified and satisfied respectively. It must be pointed out though that contrary to what other researchers who regard stakeholder identification as the first step in stakeholder management, Karlsen et al. (2008) regard stakeholder identification as a second step that comes

after the first step of initiation of the process. According to Karlsen et al. (2008) and Bourne (2009), even though there are disagreement as to whether stakeholder identification should be the first phase in the engagement with stakeholders or not, the fact still remains that major stakeholders must be identified and their power, authority, legitimacy and urgency effectively mapped so as to ensure project success, all things being equal (Figure 2.1).

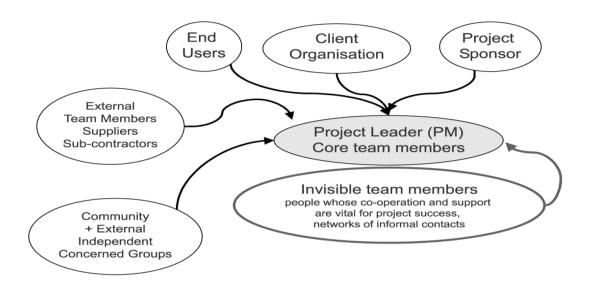


Figure 2.1 Stakeholder Model

Source: Walker (2003)

#### 2.4.1 Stakeholder Engagement/Consultation Process

Kerzner (2009) has outlined specific steps that project leaders must follow in order to facilitate an effective stakeholder consultation or engagement process (Figure 2.2). Each of the steps is as explained in the following sections briefly.

# Planning/Requirements

...confirm needs with Stakeholders

#### Deployment

...involve and inform Stakeholders in planning, training and post deployment reviews

#### Design/Build

...Involve stakeholders in proposing relevant solutions

# Integration and Acceptance

...project success can be measured through acceptance & active takeup of results by stakeholders

Figure 2.2 Stages of Consultation with Stakeholders

Source: Kerzner (2009)

#### **Step 1 - Identifying Major Stakeholders**

According to Bourne (2009) and to Ackermann and Eden (2011), stakeholder engagement process must start with the identification of major stakeholders and the best methods of identifying these major stakeholders include:

- 1. Applying an intentional, specific and systematic means of identifying stakeholders. This means that the identification exercise must be properly planned and that project leaders must ensure that all areas of possible conflicts such as technical, business, environmental, waste management and political impediments and interferences;
- 2. It is also important that project managers identify minor or secondary stakeholders whose influence may not be very obvious but who can affect the progress of the project mid-stream (Bourne, 2009). For instance, the needs of employees must be identified since failure to do this can lead to strikes and picketing and which ultimately will lead to delays and high costs;

- 3. Relying on previous information on stakeholders especially when they have been involved in similar projects before and this is important because it will enable project managers to save time and cost and also have a fair idea of what worked best and then build on it on current projects and
- 4. Project leaders must regularly interact with stakeholders since their needs can change at any point or phase of the project.

#### **Step 2 - Prioritizing Stakeholders**

It is near to impossible to identify, categorise and effectively interact with all stakeholders. This will be an obvious waste of scare resources. It is incumbent on project leaders to therefore prioritize stakeholders and make sure that those whose actions can have a direct bearing on the outcome of the project are dealt with regularly (Verzuh, 2008; Greenwood, 2008). Prioritization will also enable project leaders to determine the most efficient methods of engaging with stakeholders and by so doing reducing cost and maximizing interactions with them.

According to Kerzner (2009), project leaders can use the Power/Interest Grid (Figure 2.3) to effectively prioritise stakeholders in order to effectively engage them. As shown in Figure 2.3, it is important that project leaders are able to categorise and prioritize stakeholders using different combinations such as using *high power*; *high interest* to only engage with major stakeholders whose influence can make or break the success of the project.

Again, project leaders must use *high power; less interest* approach when stakeholders have high authority and legitimacy but are less interested in the project and it is pertinent that project leaders should dedicate enough attention to this group to keep

them happy but care must be taken so as not to inundate them with unnecessary information.

Furthermore, according to Kerzner (2009), in the case of the *low power; high interest* grid, project leaders must sufficiently communicate and supply this group with information while regularly interacting with them since they can delay projects when their high interest are not effectively addressed. Finally, Kerzner (2009) advises that in scenarios of *low power; less interest*, project leaders must keep an eye on this group but must not over burden them with unnecessary information.



Figure 2.3 Power/Interest Grid for Stakeholder Prioritization

Source: Kerzner (2009)

#### **Step 3 - Understanding Stakeholders**

Identifying stakeholders' influence, power, and legitacy is not the end of the matter. Project leaders must take the time to have accurate knowledge and appreciation of their interest and concerns since this will inform the type of solution and strategy to adopt.

According to Aatonen et al. (2008), to effectively understand stakeholders and their needs and interest, answers to the following questions must provided:

- 1. What are the emotional or business interests of stakeholders?
- 2. What instigates their actions?
- 3. What is their ultimate objectives?
- 4. What is the best method of communication with them?
- 5. Will their intersts change in the future?
- 6. Can they be trusted to keep their words?
- 7. Are there parties influencing their actions from behind?
- 8. Who are these mysterious parties and why are they not at the forefront?
- 9. Are project leaders well equiped and skillful enough to negotiate with these stakeholders?

#### **Step 4 - Planning Stakeholder Communications Strategies**

The sence of stakeholder identification is to find out their needs, authority, legitimacy and urgency. However, there is the need to desin and strategise on the most effective means of communicating with them. Project leaders must not use the same communication channels for all stakehoklders since this will not be effective. For instance, it will largely be ineffective when emails or fax are employed ibn communicating with a powerful local chief in the villgae. The best form of communication will be to personally go to the chief to show respect and then convey the information.

#### 2.5 Challenges of Stakeholder Identification

As important as stakeholder identification is, its execution on the ground is fraught with several challenges and impediments. Some of the major challenges of the stakeholder identification exercise is as discussed in this section of the study.

#### 2.5.1 The Challenge of the Methods and Tools to Identify Stakeholders

Even though most project organizations have embraced the stakeholder model since it obviously facilitates the success of projects, the main challenge of project managers has to do with the best means of identifying salient holders (Verzuh, 2008). According to Yang et al. (2009), even though the various academic studies have emphasized on the importance of stakeholder identification, most of these studies have focused on theory without having practical value. These studies have failed to provide specific and actual methods of identifying stakeholders and this has led to individual firms and organizations devising their own methods based on their peculiar situations and the environment or industry within which they operate.

#### 2.5.2 Shifting and Changing Stakeholder Influence and Relationship

Another major challenge of stakeholder identification stems from the reality on the ground that the interests and influe4nce of major stakeholders are fluid and dynamic. This means that the influence, attitudes, actions and interests of stakeholders keep changing and failure by project managers to monitor regularly the interest of stakeholders may lead to addressing wrong concerns (Kastner, 2010). This again means that the needs and actions of stakeholders may change at each phase of the project and this makes it very difficult meeting time schedules since projects have to be stopped and resolve all issues with stakeholders before continuing with the project

(Verzuh, 2008). This again means that project leaders must invest scare resources in monitoring the actions and behaviours of stakeholders regularly.

# 2.5.3 Challenges in Developing and Sustaining Relationships with Major

#### **Stakeholders**

Stakeholder engagement is underpinned by the strength and depth of the relationships developed with major stakeholders. This means that the ability of project leaders to develop and more importantly sustain their relationship with stakeholders to a large extent determines how effective engaging with stakeholders will be (Kastner, 2010). However, it is not possible to use the power/interest matrix to strengthen relationship with stakeholders since this matrix is flawed in the sense that it is unable to identify those stakeholders who have indirect but strong influence on the project (Mainardes et al. 2011).

#### 2.5.4 Challenge of Measuring Stakeholders' Satisfaction

Gauging and effectively assessing the satisfaction of stakeholders with projects has been found to be very challenging because different stakeholders have different interest, needs and concerns and also have different criteria for assessing the performance of projects (Mainardes et al. 2011). This means that project leaders have to spend time and resources identifying the success criteria for major stakeholders and this can be very daunting as put by Kastner (2010). As pointed out by Mainardes et al. (2011), the challenges of not being able to identify major stakeholders, major stakeholders who do not reveal themselves until later stages of projects and those who vehemently oppose everything suggested by project organizations all culminate in making the measurement of stakeholders' satisfaction quite difficult.

# 2.6 Conceptual Framework of the Study

This study adopts Yang et al.'s (2009) 15 critical success factors as the conceptual framework to operationalize the objectives of this study. Yang et al.'s (2009) 15 critical success factors are as follows:

- 1. Undertaking Social Responsibilities
- 2. Defining project missions
- 3. Stakeholders identification
- 4. Appreciating the interests and needs of stakeholders
- Evaluating the demands of stakeholders and how these needs can affect the project success
- Critically evaluating the behaviours of stakeholders before, during and after projects
- 7. Forecasting and estimating the impact of stakeholders actions and behaviours
- 8. Evaluating the characteristics of stakeholders
- Evaluating and Monitoring sources of potential conflicts and collaborations with stakeholders
- 10. Reconciling conflicts
- 11. Building strong bonds with stakeholders
- 12. Creating and developing effective stakeholder management methods and tactics
- 13. Forecasting the reactions and actions of stakeholders based on the strategies implemented
- 14. Evaluating the transformation, change or alteration in stakeholder demands, needs and

15. Making sure that the lines of communication with stakeholders is intact and effective.

# 2.7 Background of GRIDCO

GRIDCo is an independent power transmission company owned exclusively by the government of Ghana. The company was set up in accordance with the Energy Commission Act, 1997 (Act 541) and the VRA Act, 2005, Act 692.

#### **GRIDCo's Core Functions**

GRIDCo core functions are to supply and transmit bulk power electricity power to both the local market and the international market. The local market consists of the ECG, the various mines in the country, NEDCO and various industrial firms. GRIDCO also transmits power to Togo, Benin and Burkina Faso. Other function of GRIDCo includes the following:

- Executing the mandate of transmitting power from wholesale producers to the final users (ECG, NEDCO, and mines);
- 2. Ensure that it utilizes the principle of fairness and equity in transmitting power to all industry participants;
- 3. Ensure that the company invests in equipment and assets that will lead to efficiency in power distribution;
- 4. To ensure efficiency in billing major customers; and
- 5. Ensure that GRIDCO achieves it overall strategy of transmitting power across the country efficiently.

#### **GRIDCo's Vision**

To be the model electricity grid company.

# **GRIDCo's Mission**

To provide a reliable grid for development

# GRIDCo's Organogram

Figure 2.4 below illustrates GRIDCo's organogram.

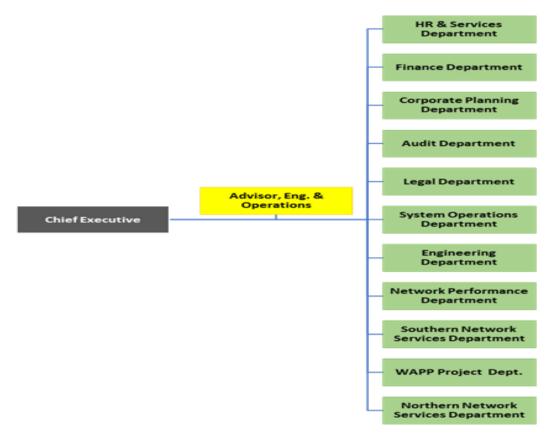


Figure 2.4 GRIDCo's Organogram

Source: http://www.gridcogh.com/en/about-us/organogram.php

The above functions of GRIDCO clearly demonstrates that the company must as a matter of necessity interact, involve and engage several stakeholders according to Ackermann and Eden (2011), such as employees, wholesale suppliers, VRA, NEDCO, ECG, IPPs, communities' leaders, land owners, property owners and the

government if its objectives of transmitting power is to be realized. The operations and functions of GRIDCo therefore as per the above background points to the need for effective stakeholder engagement and participation at all times.

#### **CHAPTER THREE**

#### RESEARCH METHODOLOGY

#### 3.1 Introduction

This chapter discussed the various methods and designs used in operationalizing the objectives of the study. Topics discussed included research design, data sources, data collection instruments and procedures and how the data collected was analyzed.

#### 3.2 Research Design

The main objective of this study was to develop a scheme for stakeholder participation of project delivery at GRIDCo. To effectively operationalize this objective, the case study approach was adopted because it allowed the researcher to carry out a more detailed analysis of the subject matter. This study used the case study approach because as pointed by Neuman (2007), case studies involve gathering, documenting and analyzing a specific case or several cases which may be qualitative of quantitative. This study used the case method approach because it enabled the researcher to discuss into detail the subject matter of the respect to GRIDCo. This confirms what Yin (2003) concluded to the effect that case studies are suitable when how and why research questions are posed and when the study has no significant control over events. In effect, the case study approach was employed since it enabled the study to fully discuss stakeholder participation processes and practices existing at GRIDCo.

# 3.3 Sampling Population of the Study

The study population in this study included employees of GRIDCo such as Engineers, Architects, Surveyors, Supervisors, Managers and other key personnel directly involved with the company's services and activities.

#### 3.4 Census Sampling

This study employed the census approach in collecting data from GRIDCo. A census is described as the process whereby a researcher decides to study or contact all elements of a given population without exception (Neuman, 2007). This means that the researcher using census believes he can have access and indeed collect data from all the specific population and therefore does not need to leave some elements out (Yin, 2003).

The choice of the census sampling technique was based on the fact that this study intended getting the views of all stakeholders of the department (both junior and senior staff). The total number of employees of GRIDCo's Engineering Services Department is just about one hundred (100). The Senior Staff is seventy (70) and Union Staff is (30). Based on this fact, the sample size of this study was all the 100 employees of the Department. The choice of the entire population was also based on the fact that the researcher was capable of contacting all of them and by so doing, enriching the findings of the study. In effect, the sample size of this study is 100.

#### 3.5 Data Sources

Both secondary and primary data sources were employed in this study. The secondary data sources of this study included articles, journals, and newsletters from GRIDCO. The secondary data was essentially used in reviewing the literature review which served as the theoretical underpinning of the study. The primary sources of data for study primarily entailed using the survey questionnaires to collect data from the respondents from GRIDCo. Primary sources of data are tailored to a specific need and it has the ability to elicit the needed data from the respondents to enable effective analysis. This study relied on self-administered questionnaires due to the busy

schedules of the respondents. The self-administered questionnaires enabled the respondents to complete the questionnaires at their own convenience and by so doing, getting responses that enable the drawing of valid conclusions.

#### 3.6 Data Collection Tool

This study used the survey questionnaires to collect data from the respondents because it was deemed easier, faster and cheaper to administer. This data collection tool as pointed out by Yin (2003) is very convenient for respondents since they are able to fill the questionnaires at their convenience and by so doing, leading to higher accuracy. This study largely used closed ended questions to ensure easy completion by the respondents. Again, this study used a Likert scale of (5point) since as pointed out by Yin (2003), it is an excellent means of evaluating the attitude of respondents towards an attribute.

#### 3.7 Data Collection Procedure

It took two weeks to collect data from the respondents. However, before even approaching the respondents, the researcher first of all sought the consent and approval of the top hierarchy of GRIDCo to contact the respondents. Again, before administering the questionnaires, the researcher pre-tested the questions on ten employees of GRIDCo so as to determine whether there are flaws or misunderstanding in the format and the questions asked. Having collected feedback from the pretest, the necessary amendments were effected and then administered on the respondents. Moreover, to avoid the challenge of non-participation or respondents not returning the questionnaires, the researcher personally administered the questionnaires and regularly contacted the respondents to remind them until all the questionnaires were collected. This ensured an excellent return rate of 100%.

#### 3.8 Method of Data Analysis

Having collected the data from the field, the next step was to analyze it. This section therefore presented how the data collected was analyzed. As pointed out by Neuman (2007), the significance of data analysis was to summarize and collate the data in such a way as to ensure that it effectively answered the study's research questions. In this study, the data gathered was coded and translated into an SPSS (Statistical Package for Social Science) because this software had the capacity to perform different statistical procedures. This study analyzed the data collected in both descriptive and quantitative forms employing frequency tables, percentages etc,

To establish the significance of the level of involvement of stakeholders with GRIDCo's projects, the consequences of stakeholders' non-participation in project definition plans and other factors, this study also employed the Relative Importance Index (RII) method. The five-point scale ranged from 1 (strongly disagree) to 5 (strongly agree) was used and transformed to RII for each factor as follows

$$RII = \Sigma \mathbf{W} \div (\mathbf{A} * \mathbf{N})$$

Where:

- W is the weighting given to each variable by the respondents (ranging from 1 to 5);
- A is the highest weight and
- N is the total number of respondents.

Again, the RII value had a range from 0 to 1 (o not inclusive) and that the higher the RII figure, the greater the significance of the level of involvement of stakeholders with GRIDCo's projects. The study employed the RII in ranking the different levels

of participation and consequences. These rankings made it possible to cross-examine and compare the relative importance of the in each group of impacts.

#### **CHAPTER FOUR**

#### DATA ANALYSIS AND DISCUSSION

#### 4.1 Introduction

This study's objective was to critically analyze GRIDCo's stakeholder identification issues and subsequently develop a scheme for stakeholder participation of project delivery at GRIDCo. This section therefore presented the analysis and discussions of the findings.

# 4.2 Background of the Respondents

In this section, the background characteristics of the respondents such as their gender, academic and professional qualifications, their positions and the length of time spent working with GRIDCo.

# 4.2.1 Gender of the Respondents

As illustrated in Table 4. 1, as many as eighty-two (82%) of the respondents were males while only twelve (12%) were females. The presence of more males in GRIDCo's Engineering Services department could be as a result of the strenuous and challenging work executed daily at the department. The department's employees are always on the move traversing the length and breadth of the country ensuring that power is efficiently transmitted and this can be a little tiring for females. It must however be added that this finding did not affect the findings of the study is any way.

**Table 4.1 Gender of the Respondents** 

	Frequency	Percent
Male	82	82.0
Female	18	18.0
Total	100	100.0

#### 4.2.2 Academic and Professional Qualifications

With respect to the academic and professional background of the study, it was found that fifty-two respondents (52.0%) were BSc/HND certificate holders; eighteen (18.00%) were MSc/MBA certificate holders; twenty-five respondents (25.0%) were SSSCE and below while five (5%) were Phd Holders.

This finding implies that respondents have high academic qualifications and this finding is not surprising considering that their tasks require engineers and professionals with high qualifications in order to effectively transmit power across the country. Again, this finding implies that the respondents were well educated and qualified to provide accurate and reliable responses and therefore making the findings of this study valid all things being equal. See Table 4.2 for clarification.

**Table 4.2 Academic and Professional Qualifications** 

	Frequency	Percent
SSSCE and below	25	25.00
BSc/HND holder	52	52.00
MSc/MBA holder	18	18.00
Phd holder	5	5.00
Total	100	100.00

**Source: Field Survey (2016)** 

#### 4.2.3 Positions of the Respondents at GRIDCO

It was found as shown in Table 4.3 that twelve (12.0%) of the respondents were drawn from executive positions, thirty-nine (39.0%) were from management positions, twenty (20.0%) were project supervisors while the remaining twenty-nine (29.0%) were juniors in the department. This finding implies that all positions of the department were contacted and therefore making the views and opinions and responses gathered very representative of the department's stakeholder management procedures.

Table 4.3 Positions of the Respondents at GRIDCO

	Frequency	Percent
Executive	12	12.0
Management	20	20.0
Supervisor	39	39.0
Junior	29	29.0
Total	100	100.0

**Source: Field Survey (2016)** 

# 4.2.4 Number of Years Respondents have Spent with GRIDCo

This study further found as illustrated in Table 4.4 that as many as sixty-two (62.0%) of the respondents have been with the department for over ten years; sixteen (16.0%) have been with GRIDCo's Engineering Services department for between 5- 9 years; fifteen (15.0%) have been with the department for between 2 - 5 years while seventeen (17.0%) have been with the department for less than a year. This finding implies that most of the respondents have been with the department long enough to have enough information about its stakeholder participation procedures as well as issues concerning the procedures.

**Table 4.4 Number of Years Spent With GRIDCo** 

	Frequency	Percent
Less than a year	12	12.0
Between 2 - 5 years	15	15.0
Between 5- 9 years	16	16.0
Over 10 years	52	52.0
Total	100	100.0

# 4.3 The Stakeholder Management Processes of GRIDCo

This section presented the findings in relation to the first objective of identifying the stakeholder management practices and procedures of GRIDCo's Engineering Services department.

#### 4.3.1 Stakeholder Identification and Analysis

It was found as shown in Table 4.5 that GRIDCo undertakes a comprehensive identification and analysis of all stakeholders and communities before commencing projects. An overwhelming majority (98.0%) of the respondents agreed that the department always identifies and analyses stakeholders while only 2% of the respondents answered 'No'. This finding implies that GRIDCo's Engineering Services department appreciates the significance of identifying major stakeholders and assessing their interests in coming projects.

This finding was in fact confirmed when as illustrated in Table 4.6, as many as 92% of the respondents answered 'Yes' to the question of whether they find stakeholder management necessary. Only 4% of the respondents each answered 'No' and 'Not sure'.

These findings imply that the respondents and for that matter GRIDCo understands that its operations affect several stakeholders and it therefore becomes necessary to identify, analyze and address all issues and interests before projects are initiated. These findings actually resonate with what authors such as Bal et al (2013); Yang et al. (2009); Karlsen et al. (2008) and Freeman (1999) concluded to the effect that it is always cheaper and more convenient to identify stakeholders at the project development phase than during projects and that it is critical that stakeholders and firstly identified before they are categorized and managed.

Table 4.5 Response on Stakeholder Identification and Analysis

	Frequency	Percent
Yes	98	98.00
No	2	2.00
Total	100	100.0

**Source: Field Survey (2016)** 

Table 4.6 Response on whether stakeholder management is important at GRIDCo

	Frequency	Percent
Yes	92	92.00
No	4	4.00
Not sure	4	4.00
Total	100	100.00

**Source: Field Survey (2016)** 

#### 4.3.2 The Major Stakeholders of GRIDCo's Projects

This study found as shown in Table 4.7 that the stakeholders of GRIDCo are indeed wide and diverse depending on the project in question and the phase. But based on the findings of this study, it becomes quite clear that the major stakeholders of GRIDCo are traditional authorities/project communities; donors and project sponsors; project teams and employees; top management support and clients or end users. These findings are to be expected considering that GRIDCo's main activity of transmitting power across the country constantly brings it into contact with different stakeholders with different interests that must be addressed.

For instance, GRIDCo's operations sometimes involves constructing high tension transmission lines across neighbourhoods and communities and because of the harmful nature of these transmissions lines, major stakeholders such as home owners, land owners and businesses that will be demolished must be identified and eventually compensated to the mutual satisfaction of all involved. Moreover, top management support is urgently needed since they eventually provide the green light for resources (financial and human) to be released adequately and on time.

Moreover, identifying the needs of project team members of employees is highly crucial to the realization of GRIDCo's operations. This is because the company can satisfy and address all issues of local authorities, donors' demands and adequately compensate those that must be compensated but still not execute projects on time, to specification and within budget if the needs of project teams and employees are also not efficiently identified and addressed.

Table 4.7 Response on the Major Stakeholders of GRIDCo's Projects

		No. of Respondents						
Factors	5	4	3	2	1	Total	RII	Rank
Traditional authorities/ Project community	77	10	8	4	1	100	0.916	1 <sup>st</sup>
Donors/project sponsors	55	35	10	0	0	100	0.890	2 <sup>nd</sup>
Project team/employees	53	38	4	5	0	100	0.878	3 <sup>rd</sup>
Top management	50	30	8	6	6	100	0.824	4 <sup>th</sup>
Clients/end users	45	25	15	10	5	100	0.790	5 <sup>th</sup>
Contractors/ consultants	22	25	35	8	10	100	0.682	6 <sup>th</sup>
Finance department	30	25	15	15	15	100	0.680	7 <sup>th</sup>

# 4.3.3 Methods used in Engaging Project Stakeholders

This section analysed the methods and techniques employed by the department when engaging with projects stakeholders and as vividly captured in Table 4.8 that GRIDCo uses several methods to identify its stakeholders. The five main methods employed by GRIDCO in the order of importance and significance are (1) organizing meetings and workshops with stakeholders (RII=0.824); (2) negotiations (RII=0.790); (3) surveys (RII=0.738); (4) interviews with experts (RII=0.730) and (5) public engagement approaches (RII=0.682).

These findings imply that GRIDCo uses several methods and techniques to identify and determine the interests and issues of its major stakeholders depending on the usefulness of each method in a given moment. The fact that organizing meetings and workshops with stakeholders was adjudged to be the single most important technique employed by GRIDCo suggest that the company prefers meeting stakeholders face-to-face and sorting out all issues with them instead of sitting at the Head Office and

dictating what should be done. This finding underscores the importance that the management of the company attaches to its stakeholder management.

This finding actually confirms what Karlsen et al. (2008) pointed out to the effect that firms must respect stakeholders and must for all intents and purposes exhibit and prove to stakeholders that meeting them is not a mere formality but an important exercise that must be efficiently handled in order to guarantee project success.

Again, these findings confirm and actually support what Muller and Jugdev (2012) pointed out to the effect that different stakeholders have different needs, concerns and interests and that meeting them personally tends to bring out those specific and actual needs, interests and concerns instead of making unscientific assumptions without meeting them face-t-face. Thus by having one-on-one interactions with stakeholders, GRIDCo is able to have firsthand information about all the concerns and complaints of stakeholders and therefore be in a better position to resolve all stakeholder issues before the project even commence.

Moreover, these findings echo and corroborate with the recommendation of Atkinson et al. (2006) that trust is an important element of negotiations and interactions with project stakeholders and that most stakeholders tend to value physical and personal contacts than using more impersonal means such as letters, emails and publications. In effect, these findings amply demonstrate that stakeholder meetings, forums and workshops are the best means of identifying, categorizing and managing stakeholders' needs, interests and concerns.

Table 4.8 Response on the Methods used in Engaging Project Stakeholders

	No.	of R	espoi	ndent	ts			
Factors	5	4	3	2	1	Total	RII	Rank
Stakeholder engagement Meetings/Workshops	50	30	8	6	6	100	0.824	1st
Negotiations	45	25	15	10	5	100	0.790	2nd
Surveys	35	30	12	15	8	100	0.738	3rd
Interviews with experts	25	30	25	20	5	100	0.730	4 <sup>th</sup>
Public engagement approaches	22	25	35	8	10	100	0.682	5 <sup>th</sup>
Social contacts	30	25	15	15	15	100	0.680	6 <sup>th</sup>

#### 4.3.4 The Presence of a Unit Responsible For Stakeholder Management

It was found that GRIDCO has a specialized unit responsible for the management of its relationships with its stakeholders (Table 4.9). This finding further confirms the seriousness with which GRIDCO attaches to its stakeholder management activities. This is because setting up a unit for the sole purpose of handling all stakeholder issues underscores the company's commitment. As can also be seen in Table 4.10, some of the main functions of GRIDCo's stakeholder management unit include conducting project impact assessments; organization of stakeholder meetings before, during and after project implementation; organization of workshops and sensitization exercises for user departments or end-users before handing over facilities and undertaking stakeholder or community engagement in all relevant project affected communities.

These findings imply that the top management of GRIDCo have a clear mission and objective for the company's stakeholder management activities and actually supports what Winch (2000) pointed out to the effect that firms with clearly defined stakeholder vision and mission tend to do better and that an unequivocal mission is highly indispensable towards satisfying major stakeholders of projects.

Table 4.9 Response the presence of a stakeholder management unit at GRIDCo

	Frequency	Percent
Yes	100	100.0
Total	100	100.0

Table 4.10 Specific Functions of GRIDCo's Stakeholder Management Unit

Conducting project impact assessments

organization of stakeholder meetings before, during and after project
implementation

organization of workshops and sensitization exercises for user departments
undertaking stakeholder or community engagement in all relevant project affected
communities

**Source: Field Survey (2016)** 

#### 4.4 The Level of Involvement of Stakeholders with GRIDCO's Projects

This section presented the findings in relation to the second objective of determining the level of involvement of stakeholders' involvement with GRIDCO's projects.

# 4.4.1 Involvement of Major stakeholders with project definition and planning at GRIDCo

It was found as shown in Table 4.11 for instance, only forty (40.0%) and twenty-six (26.0%) of the respondents agreed and strongly agreed respectively that major stakeholders are always involved with project definition and planning at GRIDCo while twelve (12.0%) and eight (8.0%) of the disagreed and strongly disagreed respectively. However, as many as fourteen (14.0%) of the respondents remained neutral.

Table 4.11 Response on Involvement of Major stakeholders

	Frequency	Percent
Strongly disagree	8	8.0
Disagree	12	12.0
Neutral	14	14.0
Agree	40	40.0
Strongly agree	26	26.0
Total	100	100.0

It was again found that forty-two (42.0%) and twenty (20.0%) of the respondents agreed and strongly agreed respectively that major stakeholders are actively involved in the decision-making process particularly with regard to new project developments while fifteen (15.0%) and fifteen (15.0%) disagreed and strongly disagreed respectively. Only eight (8.0%) of the respondents remained neutral. See Table 4.12 for details.

Table 4.12 Response on involving stakeholders on new projects decision making

	Frequency	Percent
Strongly disagree	15	15.0
Disagree	15	15.0
Neutral	8	8.0
Agree	42	42.0
Strongly agree	20	20.0
Total	100	100.0

**Source: Field Survey (2016)** 

It was also found as shown in Table 4.13 that forty-eight (48.0%) and twenty-two (22.0%) of the respondents agreed and strongly agreed respectively that GRIDCO encourages and ensures wider, more positive engagement with the project outcomes while ten (10.0%) and twelve (12.0%) of the disagreed and strongly disagreed respectively. Only eight (8.0%) of the respondents remained neutral.

Table 4.13 GRIDCO encourages and ensures wider, more positive engagement with the project outcomes

	Frequency	Percent
Strongly disagree	12	12.0
Disagree	10	10.0
Neutral	8	8
Agree	48	48.0
Strongly agree	22	22.0
Total	100	100.0

**Source: Field Survey (2016)** 

Additionally, it was found as illustrated in Table 4.14 that 51% and 19% of the respondents agreed that overall, the level of major stakeholders' involvement with GRIDCO's project planning and design is high and very high respectively while 8% were of the view that it is average. Again, 10% and 12% were of the view that overall, the level of major stakeholders' involvement with GRIDCO's project planning and design is low and extremely low respectively.

Table 4.14 Response on overall stakeholder involvement

	Frequency	Percent
Extremely Low	12	12.0
Low	10	10.0
Average	8	8
High	51	51.0
Very high	19	22.0
Total	100	100.0

The above findings imply that overall, GRIDCO considers the participation of major stakeholders in its projects as an important undertaking and therefore leaves no stone unturned in ensuring that all major stakeholders are brought on board. These findings resonates with what Ohui (2016) and Yang et al. (2009) there is the need for project members, departments, units and sectors to be well conferred with and involved with right at the commencement of projects. As pointed out by Ohui (2016), involvement, communication and frequent interactions with major stakeholders engenders the building of a strong bonds, better handling of knotty project concerns and that even employees or project members can make or break the success of projects and therefore making their consultation and participation crucial.

These findings moreover imply that the management of the company very much appreciates the fact that certain projects can lead to social unrests, conflicts, prolonged litigations and high costs and to forestall these impediments, the company takes the initiate in curbing, reducing or even eliminating all stakeholder concerns through workshops, negotiations, surveys and effective communications.

These findings further means that GRIDCO does not just involve major stakeholders and that the firm has some specific reasons for involving stakeholders as shown in Table 4.15. As illustrated in Table 4.15, most of the respondents either agreed or strongly agreed that the bases for involving major stakeholders include determining attitudes of major stakeholders towards projects; the identification of the potential conflicts stemming from divergent interests as well as also searching for possible coalitions among stakeholders; engendering the buy-in of all stakeholders and whipping up interests and enthusiasm in the project.

Table 4.15 Responses on the bases for involving major stakeholders

Variables	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
To determine attitudes towards a project	0	4	4	70	22	100 (100%)
To identify the potential conflicts stemming from divergent interests as well as also search for possible coalitions among stakeholders	2	5	3	68	22	100 (100%)
To engender the buy-in of all stakeholders	4	5	5	44	42	100 (100%)
To whip up interests and enthusiasm in the project	10	15	25	35	15	100 (100%)
To get access to resources	26	30	10	18	16	100 (100%)

**Source: Field Survey (2016)** 

# 4.5 The Consequences of Stakeholders Non-Participation in Project Definition and Planning

This section of the study presented the findings in relation to the third objective of the consequences of stakeholder non-participation in project definition and planning at GRIDCo. It was primarily found that there several ramifications of failing to engage and involve major stakeholders in the initial phases of project definitions and planning.

One the main consequences of stakeholder non-participation in project definition and planning at GRIDCo is the prevention of GRIDCo from gaining support (financial resources) from powerful stakeholders such donors and sponsors. As shown in Table 4.16, as high as 70% of the respondents either agreed or strongly agreed respectively that lack of proper engagement prevents GRIDCo from gaining support (financial resources) from powerful stakeholders such as top management and the finance department. It was in the same vein found that as many as 44% and 36% of the respondents agreed and strongly agreed respectively that non-participation of stakeholders makes it difficult for GRIDCo to identify conflicting or competing objectives among stakeholders early and develop a strategy to resolve the issues arising from them (Table 4.17).

Table 4.16 Inability to get donor support or sponsorship

	Frequency	Percent
Strongly disagree	12	12.0
Disagree	10	10.0
Neutral	8	8
Agree	48	48.0
Strongly agree	22	22.0
Total	100	100.0

Table 4.17 Failure to identify conflicting or competing objectives among stakeholders early

	Frequency	Percent
Strongly disagree	4	4.0
Disagree	10	10.0
Neutral	6	6
Agree	44	44.0
Strongly agree	36	36.0
Total	100	100.0

Source: Field Survey (2016)

It was also found as shown in Table 4.18 that thirty-eight (38.0%) and twenty-two (22.0%) of the respondents agreed and strongly agreed respectively that non-participation of major stakeholders leads to poor personal and/or working relationships during projects while ten (10.0%) and twelve (12.0%) of the disagreed and strongly disagreed respectively while as many as eighteen (18.0%) of the respondents remained neutral.

Table 4.18 Leads to poor personal and/or working relationships during projects

	Frequency	Percent
Strongly disagree	12	12.0
Disagree	10	10.0
Neutral	18	18
Agree	38	38.0
Strongly agree	22	22.0
Total	100	100.0

As shown in Table 4.19 for instance, thirty-five (35.0%) and twenty (20.0%) of the respondents agreed and strongly agreed respectively that lack of stakeholder involvement leads to frequent disagreements on purpose and direction (i.e. buy-in) of projects while twenty (20.0%) and thirteen (13.0%) disagreed and strongly disagreed respectively. Only twelve (12.0%) of the respondents remained neutral.

Table 4.19 Leads to frequent disagreements on purpose and direction of projects

	Frequency	Percent
Strongly disagree	13	13.0
Disagree	20	20.0
Neutral	12	12.0
Agree	35	35.0
Strongly agree	20	20.0
Total	100	100.0

Source: Field Survey (2016)

As shown in Table 4.20, forty-one respondents (41.0%) and forty respondents (40.0%) agreed and strongly agreed respectively that lack of stakeholder involvement leads to project delays while five respondents (5.0%) and two respondents (2.0%) disagreed and strongly disagreed respectively. Twelve respondents (12.0%) were neutral.

Table 4.20 Leads to project delays

	Frequency	Percent
Strongly Disagree	2	2.0
Disagree	5	5.0
Neutral	22	12.0
Agree	41	41.0
Strongly Agree	40	40.0
Total	100	100.0

It was also found that thirty-two respondents (32.0%) and thirty respondents (30.0%) agreed and strongly agreed respectively that failure to effectively engage major stakeholders leads to cost-overruns while twelve respondents (12.0%) and thirteen respondents (13.0%) disagreed and strongly disagreed respectively. Thirteen respondents (13.0%) were neutral (Table 4.21).

**Table 4.21 Leads to cost-overruns** 

	Frequency	Percent
Strongly Disagree	13	13.0
Disagree	12	12.0
Neutral	13	13.0
Agree	32	32.0
Strongly Agree	30	30.0
Total	100	100.0

**Source: Field Survey (2016)** 

# 4.6 Stakeholder Identification Challenges at GRIDCo's ESD

Stakeholder identification and management can be extremely challenging. This section presented the findings in relation to the third objective of determining stakeholder identification challenges of GRIDCo. The five main challenges found as per the analysis of the RII are presented and analyzed in this section.

# 4.6.1 Lack of Clarity Regarding How to Identify Stakeholders and Determine their Importance (RII = 0.956)

The single most important challenge was found to be that stakeholder analysis approaches was found to be the inadequacy of guidelines and policies that directs project leaders and team members with respect to how to not only identify major stakeholders but how to find out their needs, interest and influence (Table 4.22). This finding implies that even though the willingness and desire to identify and manage stakeholders exists, the challenge lies in how to execute this objective effectively so that ultimately, projects are completed within budget, within schedule and to specification. This finding also implies that top management of GRIDCO has not effectively thought through their stakeholder management procedures and strategies and that this vital exercise is executed primarily based the whims and caprices of project leaders. This finding also suggests that the company has not designed a stakeholder management scheme that guides the activities of projects. This finding can be said to the rather worrisome and disturbing because stakeholder management issues is highly pivotal to project success and it therefore requires more resources, efforts, planning, strategies and tactics. As pointed out by Yang et al. (2009), project organizations must not expect that stakeholders' needs and interest will be well addressed without effective planning.

#### **4.6.2** Lack of Frequent Interaction with Stakeholders (RII = 0.916)

As can be seen in Table 4.22, the second most significant challenge confronting GRIDCO's stakeholder identification and management has to do with failure on the part of project leaders to regularly interact and communicate with major stakeholders. This unfortunately leads major stakeholders not being fully satisfied with projects and therefore resulting in project delays and cost overruns. As pointed out by Yang et al. (2009), the construction industry is very peculiar because of several stakeholders with diverse needs and to be on top of issues, firms must not only identify major stakeholders but must more importantly communicate with them on regular bases until all complicated and tricky issues are resolved to their satisfaction. The fact that project managers of GRIDCo do not regularly communicate with stakeholders is worrying and there is an urgent need for project leaders to increase their communications, interactions and engagement with stakeholders. This finding also corroborates what authors such as Savage et al. (2004) and Clarkson (1995) pointed out to the effect that stakeholder management is essentially all about relationship management and to succeed, firms must develop this intimacy with stakeholders in order to identify specific needs and interest and by so doing, finding effective and lasting solutions. As pointed by Rowley (1997), regular interaction and communication with stakeholders is crucial especially since situations can be fluid and things can change momentarily. This therefore calls for regular interaction in order to stay abreast with the needs of stakeholders.

#### **4.6.3** Unclear Identification of Legitimate Stakeholders (RII = 0.824)

Third significant challenge had to do with the inability of GRIDCo to clearly and accurately identify certain legitimate stakeholders. This means that project leaders are saddled with the challenge of digging deeper to unearth those highly influe4ntical but

quiet stakeholders who are usually behind the scenes and do not often reveal themselves. This finding is disturbing because the essence of stakeholder identification and management is basically to determine those individuals or institutions whose behavior can impede the progress and successful completion of projects (Muller and Jugdev, 2012; Yang et al. 2009 and Savage et al. 2004). This finding further resonates with what Kastner (2010) concluded to the effect that stakeholder management is impeded by indistinguishable or unclear stakeholders who frequently fail to reveal their opinions or interest and who sometimes are untruthful about their concerns and interests.

This means that there are some legitimate stakeholders whose interests may be obvious until later stages of projects and this can be costly. This finding therefore implies that the stakeholder management unit of GRIDCO sometimes does not effectively execute its mandate of identifying all stakeholders at the beginning of projects and these practices must as a matter of urgency be eliminated if GRIDCo is to continue its mandate of transmitting power across the nation. This finding supports what Muller and Jugdev (2012) concluded to the effect that it is sometimes impossible to identify all legitimate stakeholders and even though this can threaten the success of projects, firms must always anticipate such scenarios and make provisions on how to resolve and address their needs when they resurface.

#### 4.6.4 Lack of Resources (RII = 0.790)

This study further found out as illustrated in Table 4.22 that the fourth most significant impediment affecting effective stakeholder identification and management at GRIDCo is the lack of resources to conduct a thorough stakeholder identification and analysis exercise. This finding implies that top management of GRIDCo has not

been forthcoming in terms of releasing adequate financial resources in order to embark on a more comprehensive stakeholder analysis. This is quite an unfortunate situation because stakeholders as have been found in this study are very crucial to the success or otherwise of projects and there is therefore the need to identify and address all their needs. This means therefore that a project organization does itself a whole lot of favour if enough financial resources, time and care is taken to identify the needs and concerns of stakeholders and also address these needs to their satisfaction.

#### 4.6.5 Some Stakeholders Are Unreasonable (RII = 0.738)

The fifth important impediment affecting GRIDCo's stakeholder identification and management was found to be from stakeholders who are highly unreasonable with their demands. GRIDCo as pointed out sometimes needs to identify certain land owners and businesses that must be compensated for having their lands used or businesses demolished in the process of power transmission. However, some of these stakeholders tend to demand more than what is due them and this tends to create an impasse that ultimately results in high cost of projects and delays. This finding resonates with what Yang et al. (2009) and Bryde and Robinson (2005) pointed out to the effect that construction projects tends to be very expensive due to some outrageous demands from stakeholders such as land owners and environmentalists.

Table 4.22 Response on Stakeholder Identification Challenges at GRIDCo's ESD

	Number of Respondents							
Factors	5	4	3	2	1	Total	RII	Rank
Stakeholder analysis processes are								
challenging due to lack of guidance and			4	0	0	100		
appropriate policies	82	14					0.956	1st
Lack of Frequent Interaction with			8	4	1			
Stakeholders leading to non-identification								
of new ones	77	10				100	0.916	2 <sup>nd</sup>
Unclear Identification of Legitimate			8	6	6	100		
Stakeholders	50	30					0.824	3 <sup>rd</sup>
Lack of Resources	45	25	15	10	5	100	0.790	4 <sup>th</sup>
Some Stakeholders Are Unreasonable	35	30	12	15	8	100	0.738	5 <sup>th</sup>
Identifying stakeholders and their influence								
and interest of GRIDCo's project is			25	20	5	100		
challenging	25	30					0.730	6 <sup>th</sup>
There are unidentified stakeholders (those								
who GRIDCo is unable to identify early in			35	8	10	100		
the project)	22	25					0.682	7 <sup>th</sup>
Lack of management's support	30	25	15	15	15	100	0.680	8 <sup>th</sup>
Lack of a proper appreciation of the								
influence of stakeholder identification and						100		
analysis at GRIDCo	30	25	15	15	15		0.680	9 <sup>th</sup>

Source: Field Data (2016)

# 4.7 Developing a Stakeholder Scheme for Effective Stakeholder Management at GRIDCo

Based on the findings of this study especially, this section developed a scheme that will ensure that stakeholders are effectively identified and all their issues and concerns managed. The scheme is based primarily on the challenges of stakeholder management at GRIDCo. The recommended scheme for GRIDCo is as illustrated in Figure 4.1.

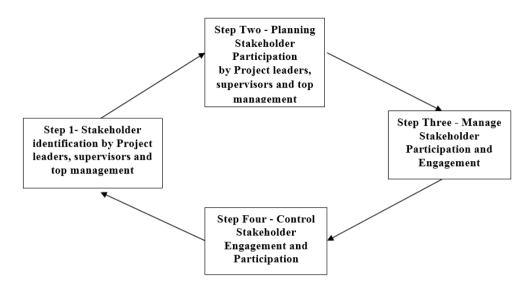


Figure 4.1 Stakeholder Scheme for Effective Stakeholder Participation at GRIDCo

Source: Developed by Author

# **Step 1- Identifying Major Stakeholders**

As illustrated in Figure 4.1, the right place to start stakeholder participation process is the identification of stakeholders. At the identification stage, it is recommended that GRIDCO must among other things collect vital information about major stakeholders and this information must necessarily include their background, names (individuals or groups), and positions in society or institutions and how they will impact or will be impacted by the project. Also, it is important that GRIDCo accurately identifies stakeholders' interest, needs, concerns, their functions/roles and their authority, legitimacy and urgency. In this step, it is also recommend that GRIDCo must determine how it will identify major stakeholders, the tools to be used, the merits and demerits of each tool critically evaluated.

In effect, GRIDCo should at this stage develop a stakeholder identification template as depicted in Table 4.23 in order to ensure that the company identifies all salient stakeholders and are assessed based on the following:

*Not aware* (this stakeholder group do not possess any information whatsoever about the upcoming project)

*Oppositions:* These stakeholders have enough information about the project but want the status quo to remain and therefore oppose and resist any change that the project may bring about.

**Nonaligned:** This group of stakeholders are largely disinterested in the project and do not carte whether the project comes into being or not

Sympathetic: These stakeholders have more than sufficient information about the project and actually throw their weight behind the project and keen to see its execution

**Advocates:** This last group of stakeholders full heatedly accept the project and actually support the project organization by helping it canvass for support from other stakeholders

Table 4.23 Stakeholder Identification Plan/Template

Name of Group/i ndividu al	Number of persons in group	Feature s	Influen ce on project	Influenc ed by project	Present Condition	Needed state	Concerns, interests and prospects	Remedie s, actions and compro mises

# Step Two - Plan Stakeholder Participation

As was found in this study, stakeholder analysis processes are challenging due to lack of guidance and appropriate policies and this is as a result of poor planning. In this scheme, the second step entails top management and project leaders identifying the main strategies, tactics and techniques that when effectively executed will lead to maximum support from stakeholders and curbing or completely eliminating opposition or resistance from major stakeholders. For instance, it is pertinent that project leaders actively involve salient stakeholders during the early phases of the project in order to not only win their hearts and minds but more importantly, seek their views, opinions and ideas as to how to make the project succeed and in the process, addressing the interests of all parties.

#### Step Three - Manage Stakeholder Participation and Engagement

Having planned how to involve and engage stakeholders, the next step is determining the processes and steps that will be undertaken to carry out the planned strategies. This step involves how GRIDCo communicates and works with identified major stakeholders in order to address their needs, interests, concerns and expectations. When effectively executed, this process will allow project leaders of GRIDCo to reduce resistance and more importantly, heighten enthusiasm and increase support for the company's projects. Moreover, this step can lead to better relationship with stakeholders including gathering relevant information about projects and issues as well as getting feedback that will serve as input for effective stakeholder decision making.

#### **Step Four - Control Stakeholder Engagement**

This section exists to address the challenge identified to the effect that stakeholders are not regularly consulted or communicated with by project leaders of GRIDCo. Controlling engagements with stakeholders as recommended in this step entails GRIDCo identifying effective methods of monitoring and evaluating stakeholders' reactions and appropriately informing the project team if the vibes being gathered are not positive and need immediate action.

#### People Responsible for Stakeholder Identification

It is important to add that stakeholder identification should not be left to chance and that GRIDCO must identify specify people to handle this important exercise since it is the foundation on which stakeholder participation will success will be achieved. In this regard, key officials such as Project leaders, Supervisors and the Heads of the company's stakeholder management unit should be assigned the responsibility of not only identifying stakeholders but more importantly, facilitating efficient participatory interactions with major stakeholders.

#### **CHAPTER FIVE**

#### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 Introduction

The main objective of this study was to assess stakeholder identification processes at GRIDCo and subsequently develop a scheme for stakeholder participation of project delivery at GRIDCo. This chapter contains the summary, conclusions drawn and recommendations made.

## 5.2 Summary of Findings

In this section, the background characteristics of the respondents such as their gender, academic and professional qualifications, their positions and number of years spent with GRIDCo.

In relation to the first objective of identifying the stakeholder management practices and procedures of GRIDCo's Engineering Services department, it was found that GRIDCo undertakes a comprehensive identification and analysis of all stakeholders and communities before commencing projects and top management finds stakeholder management necessary. The major stakeholders of GRIDCo were found to include traditional authorities/project communities; donors and project sponsors; project teams and employees; top management support and clients or end users. The major methods and techniques employed by the GRIDCo in engaging with projects stakeholders include organizing meetings and workshops with stakeholders, negotiations, surveys, interviews with experts and public engagement approaches.

In relation to the second objective, it was found that major stakeholders are always involved with project definition and planning at GRIDCo; that major stakeholders participate in new project discussions; that the organization make room for more

consultation and discussions with major stakeholders and that overall, the level of major stakeholders' involvement with GRIDCO's project planning and design is high. In relation to the third objective, it was primarily found that there are several ramifications of failing to engage and involve major stakeholders in the prevention of GRIDCo from gaining support (financial resources) from powerful stakeholders such donors and sponsors; leads to poor personal and/or working relationships during projects; leads to frequent disagreements on purpose and direction (i.e. buy-in) of projects; leads to project delays and cost-overruns.

Stakeholder identification and management can be extremely challenging. The five main challenges of determining stakeholder identification challenges of GRIDCo were found to be the inadequacy of guidelines and policies that directs project leaders and team members with respect to how to not only identify major stakeholders but how to find out their needs, interest and influence; that project leaders do not frequently interact with major stakeholders; the failure of project leaders to clearly and accurately identify certain legitimate stakeholders; lack of resources and some stakeholders being unreasonable with their demands.

### 5.3 Conclusion of the Study

Stakeholder identification and management is highly crucial to the success of projects when executed effectively and can also lead to disastrous consequences such as delays, cost overruns and stakeholder apathy when not executed to perfection. This means therefore that a project organization does itself a whole lot of favour if care and time is taken to identify the needs and concerns of stakeholders and also address these needs to their satisfaction. This again implies that integrating the views of major stakeholders during decision making processes all things being equal engenders firm

development, growth and devotion. If key stakeholders' needs and expectations are not effectively identified and satisfied, the ramifications can be disastrous. The findings of this study essentially confirmed the fact that stakeholder identification is very important because it among other things facilitates the achievement of strategic objectives of the firm through incorporating the views of both major and minor stakeholders into the final decisions and also winning the hearts and minds of major stakeholders, getting their buy-ins and therefore, putting projects in a better position of success.

It can therefore be concluded that all things being equal, effective stakeholder relationship management inures to the benefit of the project team. Given the crucial role GRIDCO plays in transmitting power to every home or office in Ghana, it is highly critical that the company factors the needs and expectations of all stakeholders if its projects are to be completed within budget, within cost and to the expectations of investors. This study in effect confirmed the fact that stakeholders can make or break a project and the onus therefore falls on project teams to identify and manage these stakeholders efficiently to engender desired project outcomes.

### 5.4 Recommendations of the Study

In addition to the stakeholder scheme developed and recommended for GRIDCo in order to engender an efficient and effective stakeholder identification and management process, the following recommendations are additionally proffered.

This study recommends that the management of GRIDCo should endeavour to make available all required resources especially financial resources to project teams to ensure that there is an effective identification and, categorization and analysis of stakeholders. It must be pointed out that the timely release of funds is very important in ensuring a better stakeholder identification exercise.

To also ensure that stakeholder management at GRIDCo is fully embraced and properly implemented, this study recommended that major stakeholders should not only be identified but that they must also be gradually introduced to the project and educated on the objectives of the project as well as what they stand to gain with the successful completion of the project. This gain means that stakeholders must be consulted right from the commencement of the entire project and should not be brought on board midstream.

In addition, it is highly critical that project leaders of GRIDCo appreciate the fact that attention must not only be focused on major stakeholders whose influence, power and authority tends to be obvious sometimes. Equal attention must be placed on minor or secondary stakeholders whose influence is usually not obvious at the early stages of projects but who tend to manifest their real influence during the later stages of projects. Failure to cater or make provisions for these stakeholders can spell doom for the organization in terms of delays and cost overruns.

Not all, this study found that stakeholders are not regularly consulted or communicated with. This practice must cease and rather, project leaders must establish very efficient lines of communications with stakeholders since regular interactions with them will put the organization in a better position of judging or gauging their level of satisfaction and immediately rectify knotty or problematic areas so as not to stall the progress of projects.

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## APPENDIX 'A' RESEARCH QUESTIONNAIRE

Dear Sir/Madam,

# DEVELOPING A SCHEME FOR STAKEHOLDER PARTICIPATION OF PROJECT DELIVERY AT (GRIDCo)

A study is being conducting into the above mentioned topic and this is a requirement in partial fulfillment for the award of an MSC Construction Management. As a staff of this organization, your contribution by way of providing accurate information will be appreciated. Please remember that this study is entirely for academic reasons and all data provided will be treated with utmost confidentiality.

# SECTION 1 (GENERAL INFORMJATION ABOUT THE RESPONDENTS)

Please mark off where appropriate in the box/space provided below

#### 1. Sex

- a) Male
- b) Female

#### 2. Academic qualification

- a) SSE and below
- b) B.Sc/HND holder
- c) M.Sc/MBA holder
- d) Professional (please specify):\_\_\_\_\_

## 3. Your position at GRIDCo?

- a) Executive
- b) Management
- c) Supervisor
- d) Junior

c)	Between 2 - 5 years  Between 5 - 9 years
	Between 5 - 9 years
d)	
	Over 10 years
PART	TII (THE STAKEHOLDER MANAGEMENT PROCESSES OF GRIDCO
5. <b>D</b> o	es GRIDCo undertake comprehensive identification and analysis of
stakeł	nolders when embarking on projects?
	a) Yes
	b) No
	c) Not sure
5. Wł	nich of the following would you consider as the major stakeholders
GRID	Co's projects? (Tick as many as are valid)
	a) Top management
	b) Project team/employees
	c) Donors/project sponsors
	d) Traditional/Public authorities
	e) Clients/end users
	f) Contractors/ consultants
	g) Finance department
	5) I munico deputament

a) Yes

b) No

c) Not sure	
8. What methods do you use to engage proje	ct stakeholders? (Tick as many as
are valid)	
a) Stakeholder engagement Meetings	
b) Negotiations	
c) Interviews	
d) Social contacts	
e) Public engagement approaches	
f) Surveys	
9. Is there a unit in GRIDCo responsible for s	takeholder management (managing
relationships and communications)?	
a) Yes	
b) No	
9a. If yes what specific functions does it perform	m? Name them
9b. If no, who performs the stakeholder mana	gement function in your company?
a) Project Manager	
b) All team members	
c) Other (specify)	
9c. If no, are you considering having one?	
a) Yes	
b) No	
c) Not sure	

# PART III (THE LEVEL OF INVOLVEMENT OF STAKEHOLDERS WITH **GRIDCO'S PROJECTS**)

10. Major	stakeholders	are always	involved	with p	project	definition	and	planning
at GRIDC	co?							

10. Maj	or stakeholders are always involved with project definition and planning
at GRII	OCo?
a) S	Strong Disagree
b) I	Disagree
c) N	Neutral
d) A	Agree
e) S	Strongly Agree
11. Maj	jor stakeholders are actively involved in the decision-making process
particul	arly with regard to the new project developments
a) S	Strongly Disagree
b) I	Disagree
c) N	Neutral
d) A	Agree
e) S	Strongly Agree
12. GR	IDCO encourages and ensures more positive participation with the
project	outcomes
f) S	Strong Disagree
g) I	Disagree
h) N	Neutral
i) A	Agree
j) S	Strongly Agree

13. Overall, the level of major stakeholders' involvement with GRIDCO's project planning and design is:

- a) Extremely Low
- b) Low
- c) Average
- d) High
- e) Very High

14. To what extent do you agree with the following statements as being the bases for involving major stakeholders? (Where 1 =Strong disagree; 2 =disagree; 3 = neutral; 4 = agree; 5 = strongly agree)

S/N	Variables	1	2	3	4	5
i.	To determine attitudes towards a project					
ii.	To identify the potential conflicts stemming from divergent					
	interests as well as also search for possible coalitions among					
	stakeholders					
iii.	To engender the buy-in of all stakeholders					
iv.	To whip up interests and enthusiasm in the project					
v.	To get access to resources					

# PART IV (THE CONSEQUENCES OF STAKEHOLDERS NON-PARTICIPATION IN PROJECT DEFINITION AND PLANNING)

15. Non-participation of major stakeholders in project definition and planning is a major challenge of GRIDCo

- k) Strong Disagree
- 1) Disagree
- m) Neutral
- n) Agree
- o) Strongly Agree

16. To what extent do you agree with the following statements as being the consequences of stakeholders non-participation in project definition and planning? (Where 1 =Strong disagree; 2 =disagree; 3 = neutral; 4 = agree; 5 = strongly agree)

S/N	Variables	1	2	3	4	5
i.	Failure to engage major stakeholders of GRIDCo prevents					
	project leaders from identifying the most powerful stakeholders					
	early					
ii.	Failure to engage major stakeholders of GRIDCo prevents					
	project leaders from using their inputs in shaping and designing					
	better projects					
iii.	Lack of proper engagement prevents the GRIDCo from gaining					
	support (financial resources) from powerful stakeholders such as					
	top management and the finance department					
iv.	Non-participation of stakeholders makes it difficult for					
	GRIDCO to identify conflicting or competing objectives among					
	stakeholders early and develop a strategy to resolve the issues					
	arising from them					
v.	Non-participation of major stakeholders leads to poor personal					
	and/or working relationships during projects					

vi.	Lack of stakeholder involvement leads to frequent		
	disagreements on purpose and direction (i.e. buy-in) of projects		
vii.	Lack of stakeholder involvement leads to project delays		
viii.	Failure to effectively engage major stakeholders leads to cost-		
	overruns		
ix.	Lack of stakeholder involvement leads to poor designing and		
	planning of projects which ultimately results in the failure of		
	projects		

# PART IV (STAKEHOLDER IDENTIFICATION CHALLENGES AT GRIDCo's ESD)

17. To what extent do you agree with the following statements as being stakeholder identification challenges of GRIDCo? (Where 1 =Strong disagree; 2 =disagree; 3 = neutral; 4 = agree; 5 = strongly agree)

S/N	Variables	1	2	3	4	5
i.	Identifying stakeholders and their influence and interest of					
	GRIDCo's project is challenging					
ii.	Lack of resources to conduct a thorough stakeholder					
	identification and analysis exercise					
iii.	Lack of management's support					
iv.	Lack of a proper appreciation of the influence of stakeholder					
	identification and analysis at GRIDCo					
v.	Project managers do not maintain frequent contact with key					
	stakeholders to keep abreast of developments, assuage concerns,					
	engage in reality testing, and focus attention on the projects					
vi.	Stakeholder analysis approaches					
	Are difficult to implement due to a lack of clarity regarding how					
	to identify stakeholders and determine their importance and how					
	to identify stakeholders' expectations					
vii.	There are unclear stakeholders (those who do not clearly					
	articulate enough or who are not open and honest about their					

	interests and expectations) in GRIDCo			
viii.	There are unidentified stakeholders (those who GRIDCo is			
	unable to identify early in the project)			
ix.	Some stakeholders are unreasonable			
х.	Other(s), please specify			

PART V (Recommendations to Facilitate Effective Stakeholder Participation in GRIDCo)

- To what extent do you agree with the following statements as being the recommendations that will ensure effective stakeholder participation of GRIDCo's engineering services department)
- 19. To what extent do you agree with the following statements as being the recommendations to facilitate effective stakeholder participation of GRIDCo's engineering services department? (Where 1 =Strong disagree; 2 =disagree; 3 = neutral; 4 = agree; 5 = strongly agree)

S/N	Variables	1	2	3	4	5
i.	Getting top management support especially in terms of finance					
	since it will facilitate better stakeholder engagement					
ii.	Top management of GRIDCo should improve upon its					
	stakeholder identification processes					
iii.	There is the need to build stronger collaborative relationship					
	through continuous engagement and information sharing with					
	stakeholders at all phases of projects					
iv.	Taking time to understand stakeholders' needs					
v.	Prioritizing stakeholders' needs and interests					
vi.	Project managers must find an innovative and efficient manner					
	of communicating with stakeholders					

THANK YOU FOR YOUR ATTENTION!!!!!!