

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

**KNUST**

**Examining Stakeholders Engagement Influence on Project Execution Success in  
the Oil and Gas Project in Sanzule**

**By**

**Dorcas Ann Taki (BA. Community Development Studies)**

**A Thesis submitted to the Institute of Distance Learning, Kwame Nkrumah  
University of Science and Technology in partial fulfillment of the requirements  
for the degree of**

**MASTER OF SCIENCE**

**SEPTEMBER, 2018**

## DECLARATION

I, Dorcas Ann Taki, declare that the thesis thus, examining stakeholders' engagement influence on project execution success in the oil and gas project in Sanzule with the exception of quotations and references contained in published works which have all been identified and duly acknowledged, is entirely my own original work, and it has not been submitted, either in part or whole, for another degree elsewhere.

Student Name: **DORCAS ANN TAKI (PG1156717)**

Signature: .....

Date: 1/11/2018

Certified by:

**MR PETER AMOAH**  
Supervisor.

Signature .....

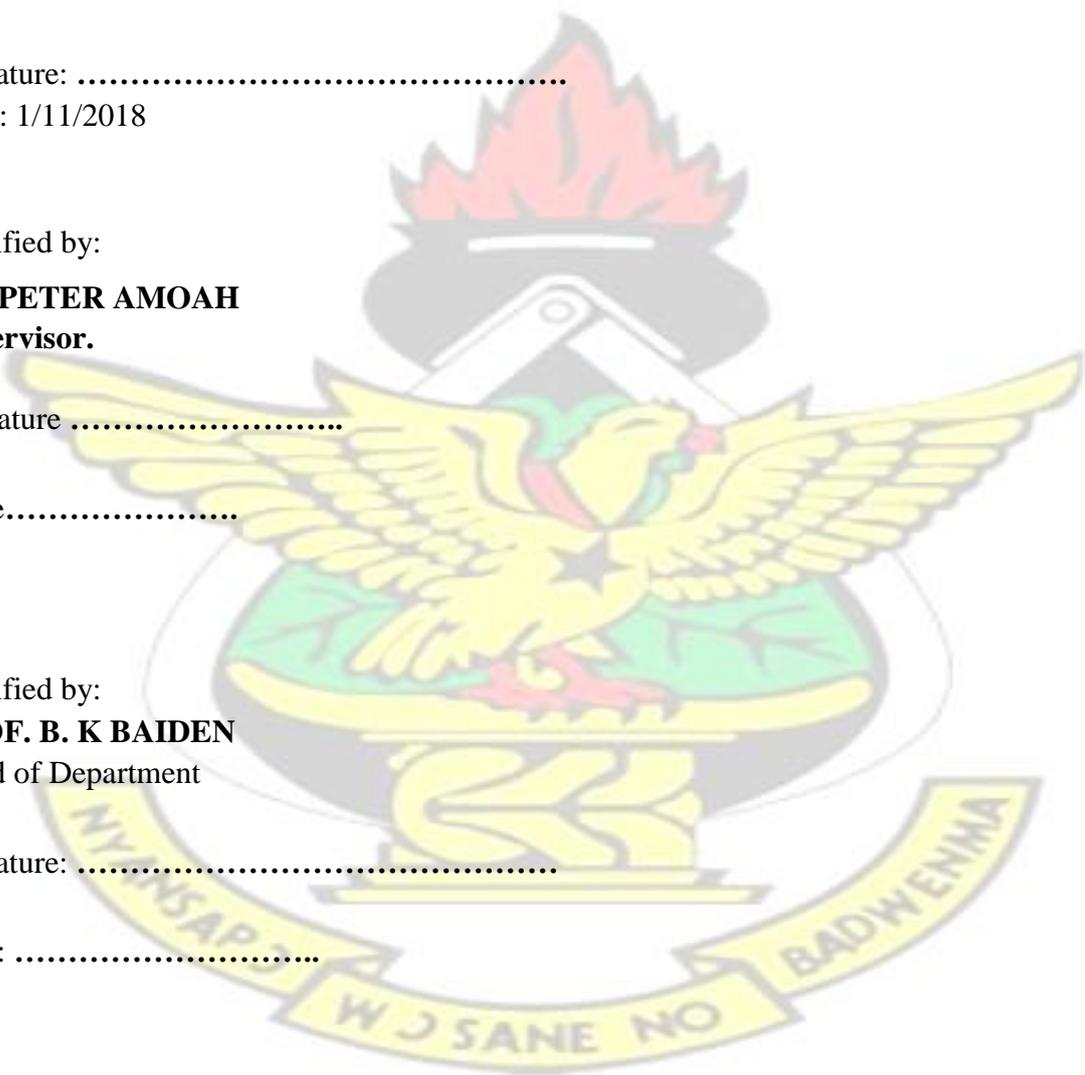
Date.....

Certified by:

**PROF. B. K BAIDEN**  
Head of Department

Signature: .....

Date: .....



## DEDICATION

This work is dedicated to my Mother and late brother.

# KNUST

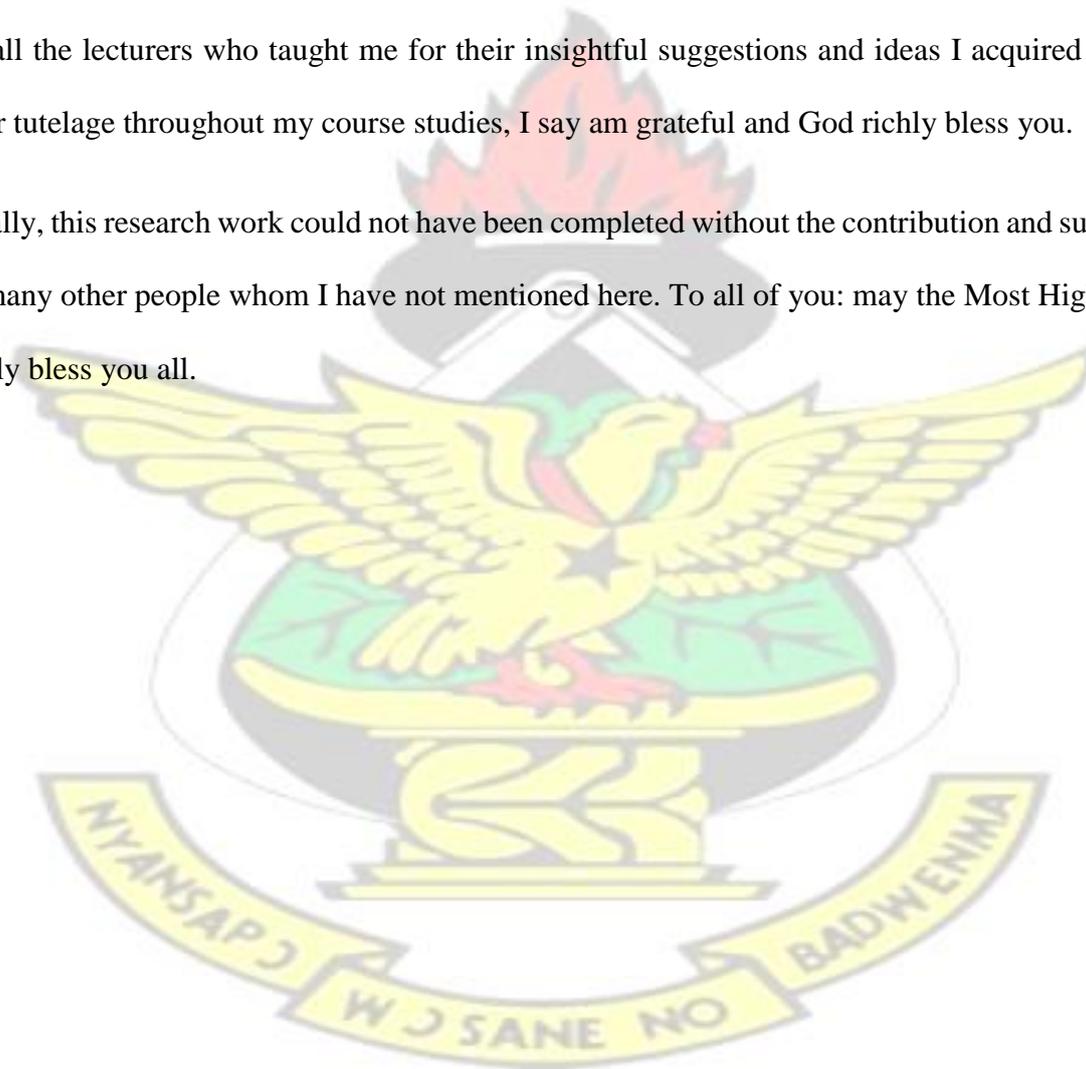


## ACKNOWLEDGEMENTS

First and foremost, I give all the glory to God the giver of wisdom and knowledge and the source of my strength for granting me the mental and physical endurance throughout my entire course work. Secondly, I am very grateful to my supervisor Mr Amoah, Dr Kisi and Rev. Prof Fugar who guided me with invaluable insight and knowledge, may God graciously bless him. I also extend my profound appreciation to my Boss Mr Baluri Kassim, Mr Paul Twum-Barimah and the entire Local Content and Sustainability Department their support.

To all the lecturers who taught me for their insightful suggestions and ideas I acquired from their tutelage throughout my course studies, I say am grateful and God richly bless you.

Finally, this research work could not have been completed without the contribution and support of many other people whom I have not mentioned here. To all of you: may the Most High richly bless you all.



## ABSTRACT

In recent times businesses aim are not only to meet the needs and desire of its stakeholder but also have an array of addressing their competing interests. Hence, how business can operate in this increasingly challenging stakeholder environment is touted to be essential to both business and project sustenance. Accordingly, this study explored how stakeholder engagement influences project execution success at Sanzule in the Ellembelle District of the Western Region. The study aims at establishing the challenges that constrained the exploration company in managing their stakeholder engagement and identify key measures to employ by the company to address the difficulties associated with their stakeholders' management in the Sanzule project. The study adopted Stratified sampling, the population came from both the internal (management team of the company and Sanzule community) as well as the external stakeholders (i.e., state agencies and civil society groups). The sample size for the strata stood at one hundred and seven (108). The sample size for management team was twenty-one (21). The community members were Eighty-three (83), and the sample size for the district assembly and the NGO group sample size stood at four (4) each. The study adopted both the quantitative and qualitative. The responses were analyzed using descriptive statistics such as mean whereas the interview data was analyzed using content analysis. Findings from the study suggested that the implementing organization equitably informed leaders of the community about the purpose of the company on their land but afterward failed to involve them in the day to day the project implementation. Again, the study identified that the inability of the exploration company to understand the local context situations made it difficult for them to adapt their engagement strategies and approaches to reflect that of the local conditions. Accordingly, on this score it is recommended to the management of the exploration company first seek to understand the 'intangibles' parts of communities thus, customs and traditions of the host community before commencing any exploration activities in their next future.

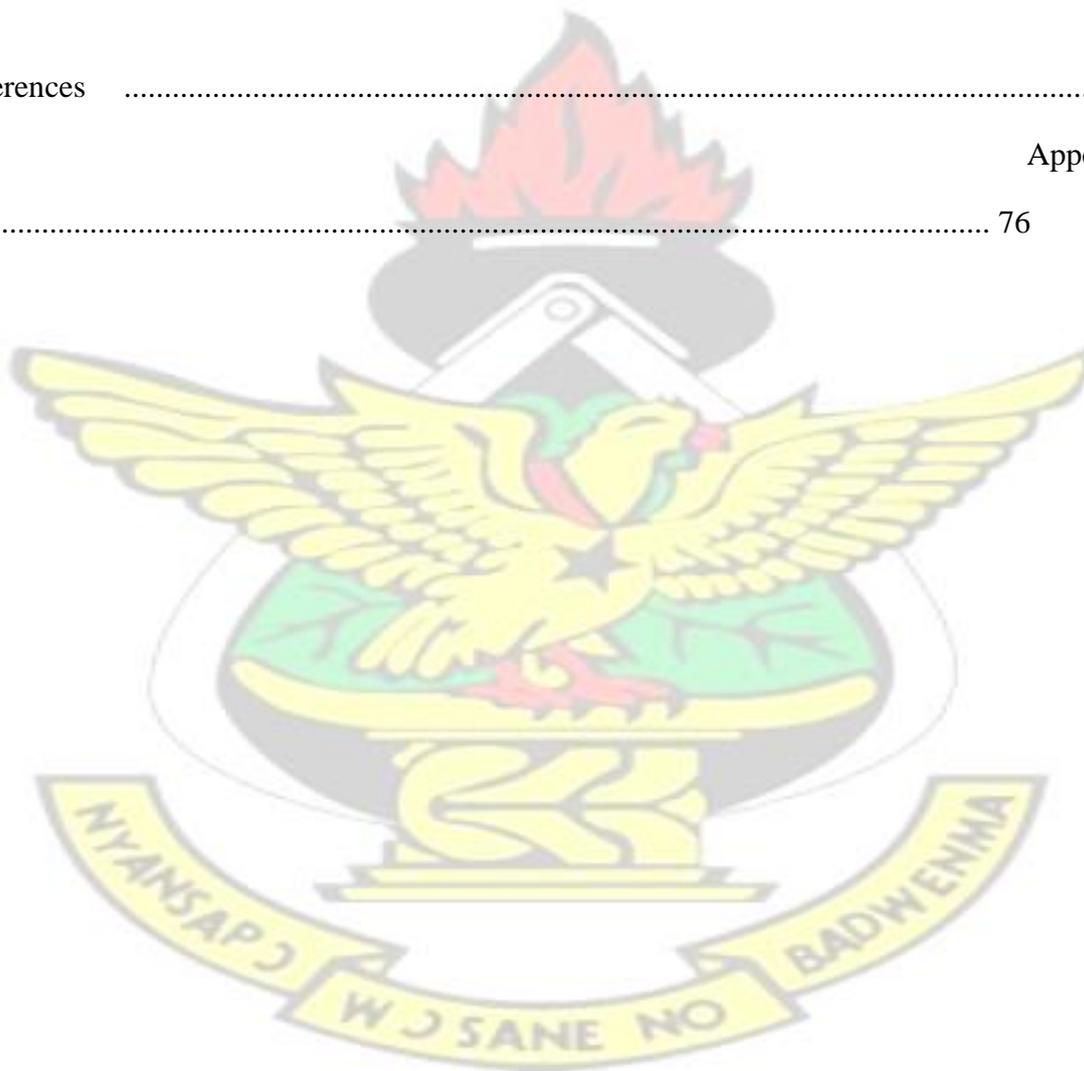
## TABLE OF CONTENTS

DECLARATION .....	i
DEDICATION .....	ii
ACKNOWLEDGEMENTS .....	iii
ABSTRACT .....	iv
TABLE OF CONTENTS .....	v
LIST OF TABLES .....	viii
<b>CHAPTER ONE</b> .....	<b>1</b>
<b>INTRODUCTION</b> .....	<b>1</b>
1.1 BACKGROUND OF THE STUDY .....	1
1.2 STATEMENT OF PROBLEM .....	2
1.3 OBJECTIVES OF THE STUDY .....	4
1.3.1 Aims .....	4
1.3.2 Specific Objective .....	4
1.4 Research Question .....	5
1.5 Significance of the Study .....	5
1.6 SCOPE OF THE STUDY .....	6
1.7 METHODOLOGY .....	6

1.8 ORGANIZATION OF THE STUDY .....	7
<b>CHAPTER TWO .....</b>	
<b>8 LITERATURE REVIEW</b>	
.....	<b>8</b>
2.1 INTRODUCTION .....	8
2.2 CONCEPT OF STAKEHOLDER AND STAKEHOLDER ENGAGEMENT .....	8
2.3 THEORETICAL REVIEW .....	8
2.4 KEY STAKEHOLDERS IN THE SANZULE OIL AND GAS PROJECT .....	10
2.5 STAKEHOLDER ENGAGEMENT STRATEGIES .....	15
2.6 CHALLENGES ASSOCIATED WITH STAKEHOLDER MANAGEMENT .....	21
2.7 MEASURES TO USE TO ESCHEW THE CHALLENGES ASSOCIATED WITH STAKEHOLDER ENGAGEMENT .....	26
2.8 THE EXTRACTIVE SECTOR OF GHANA OIL AND GAS SECTOR .....	29
<b>CHAPTER THREE .....</b>	
<b>31 METHODOLOGY</b>	
.....	<b>31</b>
3.1 INTRODUCTION .....	31
3.2 RESEARCH DESIGN .....	31
3.2.1 RESEARCH APPROACH .....	33
3.2.2 RESEARCH STRATEGY. ....	34
3.2.3 RESEARCH METHOD.....	35
3.3 STUDY POPULATION .....	35

3.3.1 Sample Size .....	37
3.3.2 SAMPLING TECHNIQUE .....	38
3.4 DATA COLLECTION METHODS .....	38
3.5 SOURCES OF DATA .....	39
3.6 RELIABILITY AND VALIDITY OF THE MEASURING INSTRUMENT .....	39
3.7 RESEARCH ETHICS .....	40
3.8 DATA ANALYSIS .....	41
<b>CHAPTER FOUR .....</b>	
<b>42 ANALYSIS AND DISCUSSION OF FINDINGS</b>	
<b>..... 42</b>	
4.1 INTRODUCTION .....	42
4.2 DEMOGRAPHIC PROFILE OF SAMPLE .....	42
4.3 THE VARIOUS CATEGORIES OF STAKEHOLDERS, THEIR NEEDS/INTERESTS AND RESPONSIBILITIES IN THE SANZULE PROJECT .....	44
4.3.1 NEEDS, INTERESTS AND RESPONSIBILITIES PLAYED BY COMMUNITY LEADERS IN THE PROJECT .....	44
4.3.2 NEEDS, INTERESTS AND RESPONSIBILITIES PLAYED BY COMMUNITY MEMBERS IN THE PROJECT .....	44
4.3.3 NEEDS, INTERESTS AND RESPONSIBILITIES PLAYED BY THE ELLEMBELLE DISTRICT ASSEMBLY IN THE PROJECT .....	48
4.3.4 NEEDS, INTERESTS AND RESPONSIBILITIES PLAYED BY THE NGOS IN THE PROJECT .....	52
4.4 CHALLENGES THAT CONSTRAINED THE EXPLORATION COMPANY IN THEIR STAKEHOLDER ENGAGEMENT MANAGEMENT IN THE SANZULE PROJECT .....	53
4.5 MEASURES THAT CAN BE EMPLOYED BY THE EXPLORATION COMPANY TO ADDRESS THE CHALLENGES ASSOCIATED WITH THEIR STAKEHOLDERS	

ENGAGEMENT PROCESS IN THE SANZULE PROJECT .....	58
<b>CHAPTER FIVE .....</b>	
<b>63 SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS</b>	
<b>..... 63</b>	
5.1 Introduction .....	63
5.2 REVIEW OF OBJECTIVES .....	63
5.3 Conclusion .....	66
5.4 Recommendations .....	66
References .....	68
.....	Appendix
.....	76



## LIST OF TABLES

Table	Pages
Table 3.1: Description of Study of Population .....	36
Table 4.1: Demographic Profile of Survey Respondents.....	43
Table 4.2: Challenges that Constrained the Exploration Company in their Stakeholder Engagement Management in the Sanzule Project .....	55
Table 4.3: Measures that can be Employed by the Exploration Company .....	59



## CHAPTER ONE

### INTRODUCTION

#### 1.1 BACKGROUND OF THE STUDY

A project can be defined as an ad hoc institution (Lundin & Söderholm, 1995), formed to bring to attain gains through transitions, and one that needs resources (Pfeffer & Salancik, 1978). Moreover, within a project setting the individuals, groups, or entities, which may affect or be affected by the project is termed as ‘stakeholders’ (Freeman, et al., 2007) and as such have several forms of resources which could take the kind of expertise, decision power, money, goodwill, influential contacts, etc. However, stakeholder engagement is defined as the processes an organization employs to include all the people who may be affected directly or indirectly by decisions it makes or its project implementation processes (Greenwood, 2007). Accordingly, an essential part of project management is to communicate with the stakeholders to make them contribute significantly to what the project needs (Eskerod & Vaagaasar, 2014).

Additionally, as rightly postulated by Gable and Shireman (2005) in these contemporary times, businesses aim are not only to meet the needs and aspirations of its shareholders but equally have an array of parties: employees, clients, community groups, government agencies and other advocacy groups whose competing interests have to be equitably addressed. Hence, coming into terms with how to operate in this increasingly challenging stakeholder environment has been touted to be essential to both business and project sustenance (Gable & Shireman, 2005). Moreover, in this present times, there has been much pressure on extractive firms particularly those working in less developed economies to increasingly display principles of accountability to the various stakeholders’ entities who may in one way or the other be affected by their activities

(International Council on Mining and Metals, 2010). Surprisingly, stakeholder engagement has become a catchword continuously in reaction to this call, nevertheless the processes and practices organizations use to interact with their stakeholders have observable been variable (Hamann, 2004; Idemudia & Ite, 2006; Kolk & Lenfant, 2013; Rwabizambuga, 2007), depending on whether a project manager draws on the instrumental (Heugens et al., 2002) or descriptive ideology (Jawahar & McLaughlin, 2001) or normative antecedents (Noland & Phillips, 2010).

For instance, followers of the normative principles International Project Management Association (IPMA, 2006; Project Management Institute, 2008) emphasize the need to undertake stakeholder identification, stakeholder analysis, and stakeholder management strategy decisions at the frontend of a project, even though it is acknowledged that neither a stakeholder management strategy for the whole project course, nor day-to-day stakeholder practices, can be wisely planned at the beginning of the project course (Andersen, 2008; Jepsen & Eskerod, 2009). Nonetheless, as project environments continue to evolve (Kreiner, 1995), it equally demands that the approaches project management teams adopted to deal with and respond to stakeholders over time have to be situated, and flexible to stay adequate as the context for project management keeps changing (Vaagaasar, 2006). Accordingly, it is against this backdrop that this study seeks to investigate how stakeholder engagement influence project execution success in the oil extractive sector of Ghana.

## **1.2 STATEMENT OF PROBLEM**

Even though managing stakeholders is viewed to be very critical to project success International Project Management Association (IPMA, 2006; PMI, 2008), nonetheless, empirical research exploring into how stakeholders are engaged during a project course appears to be quite limited, even though some exceptions exist (Aaltonen & Sivonen, 2009; Vaagaasar, 2011). Likewise, Henisz et al. (2014) shared the same view as they posit that the theoretical and empirical literature

examining the impact of stakeholder engagement in project execution has been scant. Although within the context of sub-Saharan Africa some works have attempted to examine stakeholder engagement within the extractive sector nevertheless, most of the prior studies have extensively focused on Nigeria and South Africa (see for example, Fabig, et al., 2002; Kapelus, 2002; Hamann & Acutt, 2003; Frynas, 2005; Eweje, 2006; Rwabizambuga, 2007) with those focusing on other sub-Saharan countries particularly Ghana non-existence (Kolk & Lenfant, 2012; Kolk & Lenfant, 2013; Luning, 2012; Perks, 2012).

The discovery of offshore oil and gas in Ghana in the year 2007 led to an increase in the investment into the oil and gas sector, with commercial production commencing just three years afterward (Buckley et al., 2017). Interestingly, this discovering created much expectation for both residents in these communities as well as the entire population as many viewed it to be the panacea to the debilitating economic conditions within their localities. Hence, in recent times many residents within these areas have begun threatening the existence of these companies in their localities because they feel they have shortchanged in the entire process. For instance, in the year 2014 inhabitants of Atuabo and neighboring communities were threatening to oppose the final opening of the Atuabo Gas Processing Plant over their lack of involvement in the entire negotiation process. (citifmonline.com, 2014). Likewise, in an interview conducted by citifm an Accra based radio on the same matter an interviewee recalls “The stench is awful, yet nobody knows what it is, they haven’t told us what they are doing.” The interviewee again added that indigenes were unaware as to how much land the Ghana Gas Company had acquired to complete the project. This suggests that the inhabitants were not adequately engaged in the entire project development processes.

Again, as indicated by Mzembe (2016) most of these prior studies within the context of sub-

Saharan Africa explored firms' interaction with stakeholders by employing normative and instrumental stakeholder perspective with no emphasis to other theories such as the descriptive principle of engagement. Hence, it has been found not to be adequate for academics to empirically comprehend the strategies and processes of stakeholder engagement from just normative and instrumental viewpoint alone (Brenner & Cochran, 1991; Bourassa & Cunningham, 2012; Jones & Wicks, 1999). Accordingly, the proposed study will be a sharp contrast to the prior studies by including the descriptive perspective together with the other stakeholder perspective to explore how extractive companies operating in Ghana engages its stakeholders in its operational activities by measuring the impact from Sanzule community.

### **1.3 OBJECTIVES OF THE STUDY**

#### **1.3.1 Aims**

The aim of the study was to examine stakeholder engagement influence on project execution success.

#### **1.3.2 SPECIFIC OBJECTIVE**

**Specifically, the research Sought to:**

1. To identify the various categories of stakeholders, their needs/interests and responsibilities in the Sanzule project.
2. To identify the challenges that constrained the exploration company in their stakeholder engagement management in the Sanzule project.
3. To identify the key measures that can be employed by the exploration company to address the challenges associated with their stakeholders' management in the Sanzule project.

## **1.4 RESEARCH QUESTION**

1. What are the various categories of stakeholders, their needs/interests and responsibilities in the Sanzule Project?
2. What are the challenges that constrained the exploration company in their stakeholder engagement management in the Sanzule project?
3. What are the key measures that can be employed by the exploration company to address the challenges associated with its stakeholders' engagement management in the Sanzule project?

## **1.5 SIGNIFICANCE OF THE STUDY**

Stakeholders' engagement during project implementation has been found to be very pivotal to project success nevertheless, processes for undertaking this engagement is characterized by much variability and uncertainty. However, within the context of Ghana both state agencies, private entities, and civil society groups have decried the unsustainability of many of the projects undertaken by them for a given community and locality. Moreover, the available anecdotal evidence suggests that most of these projects failures could be, attributed to poor stakeholder engagement during project implementation. Accordingly, findings from this study will help programme/project managers to have a better and broader understanding of how active stakeholder engagement during project implementation will influence project sustainability. Likewise, the targeted NGO will get to know all the various stakeholders involved in the Sanzule project as well as get to know their competing needs and consequently look for ways to address them.

Additionally, this study seeks to provide additional insight into the existing literature in so doing closing the gap on the limited work on how stakeholder engagement influences project execution success within the context of Ghana. Finally, the study will also be of much relevance to the

academic community and other scholars in the area of stakeholder engagement, as it would expand the scope of learning and research in this area. Moreover, serving as a point of reference for other researchers who may equally like to undertake further inquiry in this area in the future especially within sub-Saharan Africa.

KNUST

## **1.6 SCOPE OF THE STUDY**

Since the study sought to examine how stakeholder engagement influence project execution, the main variables the study aims to measure are the various stakeholders in the target project, their needs/interests, challenges associated with the stakeholder engagement and the effects of the stakeholder management challenges on the project management. This study was geographically limited in scope to Sanzule a village in the Western Region of Ghana. The primary study population will come from the existing non-governmental organization working with the Sanzule oil project, the entire community members and government agencies within the district. Hence, the heads of these stated groups will form the study population.

## **1.7 METHODOLOGY**

The present study would employ a mixed research methodology. Mixed methodology approach to research constitutes the collection of both quantitative and qualitative data, joining the two forms of data, and using varied designs that may involve philosophical assumptions and theoretical frameworks (Creswell, 2014). The study population will obtain from nonprofit organizations operating within Sanzule community in the Western region of Ghana. Particularly specifically, the study will use a simple random sampling technique to select the study samples. As this study will

employ a mixed method, the study will employ both a self-administering questionnaire and semistructured interview schedule for data collection. Reviews in the literature suggest that mixed methodology ensures triangulation of data source hence, provides much breadth as to how the study will receive its data sources. The application of the two approaches will help the research to address the possible deficiency associated with either of the methods, as the application of both will complement each other. Hence, the mixed approach assumes as the best research approach for this study.

### **1.8 ORGANIZATION OF THE STUDY**

The structure of the study is into five chapters. Chapter one gave the general introduction, which looks at the background of the study, statement of the problem, and research and objectives and research questions. This chapter will equally include sections on the study's limitations, scope and finally organization of the study. Chapter two reviewed related works in newspapers, books, websites, journals, and dissertations, to mention a few. Chapter three will entails the methodology adopted for the study. Chapter four will look at the data presentation, analysis, and discussions of the findings line with the specific objectives and research questions. Chapter five concluded the study in the form of a summary from which the researcher proffered recommendations.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 INTRODUCTION**

This chapter presents review of literatures on previous research that in the area of stakeholders' engagement and project implementation outcomes. The theoretical underpinnings of stakeholder engagement exhibited, as well as reviews in references to the study objectives. It is imperative to mention that most of the literature reviewed extracted are from academic project journals books, reports from organizations, and dissertations in the field of social science, and project management engineering,

#### **2.2 CONCEPT OF STAKEHOLDER AND STAKEHOLDER ENGAGEMENT**

With the concept stakeholder, Wilson et al. (2016) defined it as the people and institutions that have a stake or concern in a project from its conception to its development. Therefore this indicates that the stakeholder in this context becomes the hosting community, the government whose jurisdiction, community leaders, and the company implementing the project as well as the employees of the company. Likewise, Freeman et al. (2007) held this same view, as they described stakeholder or stakeholders as the individuals, groups, or entities, which may affect or be affected by the project. Hence, examples of stakeholders could take the form of investors, suppliers, customers, users, authorities, neighbors, and the media.

Comparably, Peter (2007) shared the same view as he described the concept stakeholder as a group of persons or individuals whose actions or inactions can negatively or positively influence project execution outcomes.

Also, Andersen (2008) defined stakeholder as the individuals and groups who may be affected by a project outcome or may be in the position to influence the project outcome or implementation irrespective of whether they have a responsibility to play in the project or not (Loch & Kavadias, 2011). However, a stakeholder could take two forms thus either as an internal stakeholder or an external stakeholder. According to Hamel (2006), internal stakeholders constitute the individuals who are directly involved in or affected by a project execution or outcome. Hence, internal stakeholders are made up of the senior management, midlevel line management, project portfolio managers, project managers and operational staff of the implementing organization (Gemünden et al., 2008). In contrast, external stakeholders are the persons or groups that reside in the community where the project is implemented from or the state agencies or civil society groups who are indirectly affected by the project implementation or outcome (Ayatah, 2012).

However, with the concept stakeholder engagement, Shift (2013) described it as the processes that take the form of interacting with the relevant stakeholders via mediums such as meetings, hearings or consultation proceedings where each stakeholder interest or concerns are identified before the commencement of a given project. Hence, to them, active stakeholder engagement is characterized by two-way communication and relies on the good faith of the participating groups from all sides. Similarly, Greenwood (2007) described stakeholder engagement as the practices that a firm uses to involve its stakeholders positively in its institutional operations. However, theoretically, stakeholder engagement constitutes a reaction to the interests and desire of a broad set of stakeholders concerns or interests, which usually represent those who have moral and legitimate claims but do not have the power to impact on the project implementation (Kaler, 2002).

## 2.3 THEORETICAL REVIEW

According to Davis and Cobb (2009) in an attempt to understand organization relationship with its outside environment many scholars have come out with varying degree of theories to help organizational researchers in such relationship inquiries. Notable among these theories are the transaction cost economics theory (Williamson, 1975), agency theory (Jensen & Meckling, 1976), new institutional theory (Meyer & Rowan, 1977), population ecology theory (Hannan & Freeman, 1977), the resource dependence theory (Aldrich & Pfeffer, 1976; Pfeffer & Salancik, 1978) and Freeman's stakeholder theory (Freeman, 1984).

Interestingly, with time the stakeholder theory has been found to be one of the most widely used approaches across several domains and disciplines to understand how stakeholder management after project execution. For instance, in a review done by Freeman, et al (2010) it became evident that several works within the field of strategic management, finance, accounting, human resources management, production, information technology, marketing, law, health care, public policy, business ethics, have all employed stakeholder theory to understand the impact of stakeholder management on project success. Accordingly, for purposes of this study, the stakeholder theory will serve as its theoretical framework to explore how effective stakeholder engagement impact on project success.

As indicated by Freeman et al. (2007) stakeholder theory presents a useful, practical and moral way for organizations to rely on to manage its activities in these turbulent business environments. Consistent views were shared by Phillips (2003) as he argued that stakeholder theory presents a medium for involving ethics and strategy into business operations and as such institutions that meticulously seek to serve the needs of a wide range of stakeholders will create more value over time than firms that do the contrary (Freeman, et al., 2007).

Accordingly, stakeholder theory asserts that addressing all stakeholders' needs effectively creates some sort of synergy among businesses and their shareholders (Parmar, et al., 2010; Tantalo & Priem, 2014). This means that how an organization treats its customers affects the attitudes and behavior of its workforce, and likewise how the organization reacts towards the communities they operate from impacts on the opinions and reactions shown by the community members together with its suppliers and customers (Cording, et al., 2014; de Luque, et al., 2008).



Therefore, acting on a good faith within both the community, state agencies, and the organization workforce has always been found to result to value creation and addition for the implementing organization (Phillips, et al., 2003; Harrison, et al., 2010). Generally, stakeholder theory suggests that if a firm embraces the relationships that exist between a group and individuals who can impact or be affected by project implementation outcomes, then firms will be better equipped to address the following problems (Parmar, et al., 2010). First and foremost, from a stakeholder point of view, an organization can be appreciated as a set of interconnections among individuals that have a keen interest in the operations of a business (Freeman, 1984; Walsh, 2005). Thus, it depicts how an entity client, suppliers, workers, investors (i.e. owners, bondholders, financial institutions, etc.), societies and managers interrelate with each other to create and trade value (Parmar, et al., 2010). Hence, to Parmar and colleagues (2010) to understand business, is to know how these

interconnections exist and seek to ensure a smooth collaboration and engagement amount all the parties. Accordingly, it becomes the manager of business key responsibility to manage and shape these interconnections to create as much benefit as possible for all stakeholders and to ensure a fair distribution of the accrued benefits across board (Freeman, 1984). Equally, it is necessary that where stakeholder interests clash, the manager must look for possible ways to address these different concerns so that the interests of the broader group of stakeholders are solved, and to the extent that additional value could be created for each other (Harrison, et al., 2010). Likewise, if a compromise has to be taken , the manager must strategize out how these compromise ought to be communicated and possibly seek to improve the tradeoffs for all involving parties (Freeman, Harrison, & Wicks, 2008).

Admittedly, it is a shred of evidence that effective management of stakeholder relationships facilitates organizations sustenance and improve capitalism, nevertheless, it comes as a moral endeavor since it takes into accounts the principles, choice, and possible damages and benefits for broader groups or individuals (Phillips, 2003). Lastly, a description of management which dwells its emphasis on the creation, maintenance, and collaboration of stakeholder interrelationship better prepares business leaders to create value and elude ethical disasters (Sisodia, et al., 2007). The tenets behind stakeholder theory seek to equip businesses particularly the executives to be well aware of the synergies that exist between effective stakeholder collaboration and their project implementation sustenance. Accordingly, stakeholder theory provides a much more practical, efficient, effective, and ethical way to address stakeholders' interests and issues in these turbulent business landscapes (Freeman, et al., 2007).

Moreover, over time many studies have used the stakeholder theory to assess how its application make impacts on project and firms' success across industries and regions (see for example, Choi

& Wang, 2009; Cording, et al., 2014; Harrison, et al., 2015; Cording, et al, 2014; Hennisz, et al., 2014). On this score, this study equally adopts Freeman stakeholder theory antecedents to explore how adherence to its tenets through better stakeholder engagement strategies will influence project execution effectiveness within the context of Ghana.

## **2.4 KEY STAKEHOLDERS IN THE SANZULE OIL AND GAS PROJECT**

According to the Western Regional Coordinating Council, the key stakeholders in the Sanzule Oil and Gas Project constitutes the exploration company thus, ENI Ghana Exploration and Production Ltd, the state agencies, the hosting communities and the traditional council of the Western Region and civil society groups. Specifically, the state agencies that played a significant role in the project include; Ghana National Petroleum Corporation (GNPC), Petroleum Commission, Environmental Protection Agency, the Western Regional Coordinating Council and the Ellembelle District Assembly.

However, on the community level, the key stakeholders were the Chief and Elders of Sanzule, Sanzule community, the Eastern Nzema Traditional Authority, and the neighboring communities comprising of the Eikwe, Krisan, and Bakanta. More so, on the civil society groups, they were made up of the Friends of Nation, Imani Africa and the Africa Center for Energy Policy (ACEP).

Specifically, the critical role played by the GNPC in this project was to coordinate all the activities of the exploration processes and equally inform government on the progress of the project. Also, they charged by the Ghana government to take an active part in the processes for procurement planning, contracts.

Moreover, to the Petroleum Commission, their responsibility is to ensure that all permits for operations were in place thus, regarding exploration permit and approval from the relevant stakeholders. However, with the EPA their role was to ensure that was to do an environmental impact assessment of the exploration activity to ascertain its feasibility in the proposed site. Additionally, regarding the chiefs and elders of the community, their primary role was to ensure that the operations of the exploration company do not hurt its environment as well as ensure that the exploration activities provide some form of employment opportunities for its people and community at large. Equally, the chiefs and elders also had the responsibility in ensuring that the Exploration Company respects the customs and traditions of their communities and equally seek to ensure that farmers whose lands were affected are compensated sufficiently.

Finally, with the civil society groups, their role was to monitor the operations of the exploration to ensure the exploration company operations are in line with best international practices and ensure that the needs of its community members are adequately addressed.

## **2.5 STAKEHOLDER ENGAGEMENT STRATEGIES**

Heugens et al. (2002) were among the first people to come up with four strategies that firms can use to respond to its stakeholders' in their business operations. They include buffering, co-optation, mutual learning, and meta-problem solving strategies. As argued by Collins and Usher (2004), by going by these four strategies firms are expected to be well equipped to address the uncertainty that may come from its different stakeholder groups.

Buffering as a first stakeholder engagement strategy seeks to help the engaging organization respond to or address the issues of a particular stakeholder group who may influence or represent

the interests of a much broader group of stakeholders (Mzembe, 2016). A clear example is when an organization decides to work with its labor union executive or third parties to address its entire workforce interest or concerns. The union executives represent a broader stakeholder group. According to Mzembe (2016) by using the buffering strategy firms can address the concerns of the much-dispersed group quickly hence, making the organization puts itself in a context that minimizes its susceptibility to broader stakeholder group. Accordingly, via representative groups, engaging firms can control the flow of information between its dispersed stakeholders (Rowley, 1997).

However, with co-optation, it takes the approach where the organization decides to reconfigure its organizational structures and systems to acquire the collaboration and backing of its influential stakeholders (Mzembe, 2016). Influential stakeholders within this context mean individuals or groups of individuals who possess or have access to more of the tangible or intangible asset the engaging firm seeks to explore or get access to (Cavanaugh, 1984).

Specifically, Nguyen et al. (2009), categorized stakeholder with enormous power into three groups namely those who acquire their power via position (i.e. chief/leader of the community) , resource (i.e. dwellers of the area where the project is to implemented or expert (i.e. civil society groups or professional groups who have enormous understanding of the effect the extraction may have on the community or the nation as the whole). Accordingly, how the engagement process meets the needs or addresses, the issues raised by these key stakeholder groups may be very critical to the project sustenance.

Generally, firms that use this engagement strategy seek to strike a concession with their stakeholders prior to reacting to their concerns and interests (Carroll, 1991). According to Mzembe

(2016), co-optation becomes the preferred strategy when the buffering strategy is found to be able unable to realize its intended purposeless. As such, stakeholders' structures are thoroughly examined by the organization to ensure that position are taken do not jeopardize the expected project outcome or performance (Murphy & Bendell, 1999). Interestingly, it a shred of evidence that this strategy enables the organization to rely on the most influential stakeholders to legitimize its activities or build a good public image with the other lesser stakeholder when their operations are characterized with much protests or uncertainties (Greenwood, 2007; Noland & Phillips, 2010).

With meta-problem solving engagement strategy, it is mostly used to address the needs and aspirations of all stakeholder before they turn to become combative (Carroll, 1991). However, Heugens et al. (2002) argue that before this strategy can be used these conditions have to be met or addressed. Heugens and colleagues (2002) posit that this approach becomes appropriate when the engaging firm and its stakeholders are found be in a situation where compromise and agreement have transcended the scope of the individual actor's capabilities and skill set.

Although the engaging firm and its stakeholders posses distinct forms of power and resources as they decide to enter into a collaborative relationship (Reed & Reed, 2009), however, the scope and the complexity of the problems that a firm and its stakeholders may face in the negotiation process may demand a collaborative working arrangements where resources and expertise have to be combined from both sides to generate solutions (Zadek, 2007). Hence, in situations where metaproblem strategy has been well implemented, it has been established that engaging firms appear well prepared to respond innovatively to diverse needs and aspirations of all its stakeholder (Burchell & Cook, 2008).

According to Heugens et al. (2002), mutual learning is regarded as an inter-dependent collaboration between the engaging organization and its stakeholders which seeks to facilitate the exchange of knowledge and resource among all parties in the project development. Hence, the central tenet behind mutual learning is that having trust among parties facilitate effective coordination among the organization and that of its stakeholders (Bowen, et al., 2010; Eweje & Palakshappa, 2009). Generally, since groups come into the relationship with different distinct forms of abilities and capabilities, ensuring a mutual learning atmosphere can provide all parties with bountiful avenues to improve upon their performance or business environment (Burchell & Cook, 2008). For instance, the knowledge gained from such collaboration can later be incorporated into the strategic decision-making of both the engaging firm and its stakeholders for additional value creation and long working relationship (Porter & van der Linde, 1995). Likewise, this strategy can give firms additional working capabilities that may enable them to lessen some of the possible forms of its operational risks it may be susceptible to, since getting to learn from each other provides the engaging firms a better understanding of the perceptions its various stakeholders (Zadek, 2007).

On the other hand, Jawahar and McLaughlin (2001), built on the resource dependence and prospect theories and organizational life cycle model, to propose stakeholder engagement strategies based on the descriptive stakeholder theory. Jawahar and McLaughlin (2001) held that firms per their establishment go through four stages of development during their life cycle namely; conception (start-up stage), growth stage, maturing stage and lastly decline or transition stage. Hence, based on their predisposition, at any part of a firm development cycle, certain stakeholder groups may appear more relevant than the other primarily due to their capabilities or resource they offer to the engaging firm. Therefore, the strategy a firm decides to employ in its stakeholder engagement may

shift as their dependence or reliance on specific stakeholder group alternate or changes (Mzembe, 2016).

For instance, an organization in its conception phase are found to be more dependent on the engaging community resource hence, tends to rely on the various vital stakeholders' approval before their operations can survive (Retolaza, et al., 2009). Hence, as a result of firm's overdependence on these resources in their start-up stage, they are more likely to pursue four different types of engagement strategies namely; pro-active, accommodation, defensive, and reactive.

Specifically, firms tend to adopt the proactive strategy when dealing with the most powerful stakeholders such as stockholders and the financiers who provide the entity with the financial resources to effectively establish themselves within the community (Frooman, 1999). At this stage, their engagement strategy may be characterized with either a two-way communication approach or mutual learning strategy (Huijstee & Glasbergen, 2008; Bowen et al., 2010).

In addition, at the conception stage, accommodation, defensive, and reactive strategies become appropriate when a firm has to react or respond to the needs of potential stakeholders who have the power to confer legitimacy in their operations in the community or damage their reputation (Mzembe, 2016). The engagement process in these contexts become transactional, fond of low levels of trust and the absence of shared learning (Bowen et al., 2010). Organizations employing this approach tend to exercise discretion as to the extent their stakeholders can participate in the decision-making process of their company (Oliver, 1999).

Mostly, an aggressive strategy is used when a firm seeks to fend off sanctions from both the government and the local communities due to a country's legal requirement or community

obligations (Murphy & Bendell, 1999). In contrast, firms under the start-up stage go by the accommodation strategy when it has to deal with primary stakeholders such as customers, suppliers, and employees who per their view give their operations some competitive edge in the market space (Frooman, 1999). Hence, this strategy is usually found to be a two-way approach, though the entire process may be controlled by the engaging firm (Bowen et al., 2010).

Moreover, at the growth stage, firms may not consider their survival as a more significant requirement in their negotiation or collaboration with its stakeholders (Jawahar & McLaughlin, 2001). Likewise, at this stage, specific stakeholders may be viewed as more important than the other judging on their resources ability to foster the firms' growth (Mzembe, 2016). Accordingly, such stakeholders may take the form of the suppliers, creditors, and employees, largely because they are critical to organization continued access to 'inputs for product development' and innovations and business competitiveness. As business managers' aim under the growth stage will be to achieve a sustained form of growth, it is more likely that firms within such context may follow a proactive strategy in order to continue to have access to these critical resources for their organization growth (Frooman, 1999).

In contrast, a firm may decide to follow an accommodative strategy when it is dealing with the needs and interests of groups whose resource are perceived by the firm to has elapsed its importance to their firm growth (Mzembe, 2016). This suggests that at the growth stage, a firm may decide to apply a proactive or accommodating strategy depending on the criticality of its stakeholder resource or role to their organization growth.

Moreover, at the matured phase, firms operations are characterized by much stability regarding access to capital and market (Mzembe, 2016). Hence, as the organization continues to enjoy this

stability, it may then become well equipped to respond to the various views and concerns of all its stakeholders. Accordingly, the institution within this context may be more willing to employ a proactive strategy when dealing with varied stakeholder populations within this matured stage (Mzembe, 2016). Generally, organization executives' emphasis under the matured stage will understand the institutional structures and systems their organization usually use to engage its stakeholders.

Interestingly, within this situations, firms are more likely to engage in genuine dialogue with their stakeholders irrespective of their resource importance or value. The principal aim of going by such an approach is to establish a working arrangement that will be based on trust and mutual learning where effective stakeholder collaboration can be ensured (Bowen et al., 2010; Kolk & Lenfant, 2013).

Finally, under the decline stage, the firm's activities are characterized by decreased growth in the market growth and resource base. Primarily, at this stage, the firm is likely to re-assess its existing strategies in order to re-evaluate its resources criticality. Jawahar and McLaughlin (2001) argued that since organizations at this stage are required to re-evaluate its resources, it may find it more prudent to follow a proactive strategy when its assessment results suggest that it still has some relevant stakeholders to deal with and as such, their organization ability to turnaround depends on them. Again, in instances where the organization after the re-assessment may find some groups or resource to be less salient to its turnaround, it may choose to adopt a reactive or a defensive strategy in order to protect its image or sustain its legitimacy in their community (Kepore & Imbun, 2011).

## **2.6 CHALLENGES ASSOCIATED WITH STAKEHOLDER MANAGEMENT**

Interestingly, many studies have reported that having an effective stakeholder engagement before and post-project execution is very keen to project implementation success (see for example, Choi & Wang, 2009; Cording, et al., 2014; Harrison, et al., 2015; Cording, et al, 2014; Henisz, et al., 2014). However, not all stakeholder engagement management has been found to be very successful in its implementation due to an array of issues that constrain its implementation processes.

For instance, in the work of Davis and Franks (2011), poor stakeholder engagement was found as the critical issue that triggered conflicts between local communities and the organizations within the extractive industry. Likewise, in the same study, it was established that ineffective consultation and communication among the extractive companies and the communities were prevailed as the principal causal agent to the conflicts in 18 out of 25 case studies reviewed. Accordingly, this section seeks to discuss the challenges associated with stakeholder engagement management.

Generally, the absence of comprehensive national or regional consultation laws, policies and guidelines at both the country and at the community level has been identified as one of the challenges limiting stakeholder engagement (OECD, 2011). According to Shift (2013) lack of a broadly defined legal and policy charter for discussion about resource extraction projects at the national or district or community, levels do make it very challenging for an organization to go about its planned stakeholder engagement processes. Consistent views identified in the reports of the United Nations Declaration on the Rights of Indigenous Peoples (2007) as their work revealed that the absence of a recognized legal structure for stakeholder collaboration and discussion at the community or local level is a crucial salient obstruction when it comes to local community

engagement.

Interestingly, in jurisdictions where there are well-established processes and procedures for consultation and stakeholder engagement, there are improved chances that employees, communities and local peoples may become key partners and agents of the project (Shift, 2013).

Also, another factor found to limit effective stakeholder management is when engaging companies failed to alter their stakeholder engagement strategies and approaches to reflect that of the local area context (Shift, 2013). In their work, it was reported that best policies, guidelines, and targets could fail to connect with indigenous people expectations, customs and traditions if they do not reflect the local conditions and knowledge of the inhabitants. Accordingly, guidance on stakeholder engagement ought not to promote a “cookie-cutter” or “tick-box” approach, but rather should ensure the development of tailored made and situational engagement plans (Shift, 2013). Largely, this situation usually emanates from the inadequacies of the risk assessments done by the implementing organization before the commencement of the project. As a result, it ends in a limited understanding appreciation of the political dynamics, local culture, customs and decisionmaking processes (Shift, 2013). According to Shift (2012) many of the probable risks that a project is exposed to are linked to the project’s interaction with people; hence, it becomes critical to have a deep appreciation of the lives, concerns, and perspectives of the people who reside in the area where this project is undertaken.

McVea and Freeman (2005) even put the argument in a more better perspective as they argued that stakeholders exist as full human beings hence, it is not proper to adopt some vague philosophical position or commit oneself to some theoretical stance with unwanted implications. Also, lack of synergy between the engagement policies and community values or needs do evolve when firms

decide not include external stakeholders in the designing or corroborating of the processes and mechanisms for stakeholder engagement (Shift, 2013). This suggests that if stakeholder engagement aims to nurture two-way communication, it is essential that engagement strategies tailored to the needs and aspirations of the affected stakeholders.

Additionally, failure to engage with the right kinds of stakeholders has been established as one of the critical factors that affect the entire stakeholder engagement process (Shift, 2013). Interestingly, most often there will be lack of clarity as to who the relevant or the key stakeholders are. As such, some organizations may have a penchant for having a very all-encompassing definition of everyone with interest in the company's operations. In other instances, there may be the inclination to prioritize those with the most influence over a project.

However, under the OECD Guidelines, the priority stakeholders in this context are those individuals whose lives or activities may be affected by the project (OECD, 2011). According to Shift (2013), the key stakeholders are those that are at risk of adverse impacts from the firm's activities over the project lifecycle. These stakeholders include the members of local communities, taking into account workers and groups or populations that may be most susceptible and hence demand specific attention.

Shockingly, in a typical stakeholder-mapping tool from a company-centered perspective, the emphasis is mostly placed on those with the high influence and high impact than those with low influence or low impact. However, the contrary should hold where the emphasis should have been on those that are more likely to be affected most. Hence, the attention is on the formal representatives and influential community members, as well as government officials and investors at the expense of the weaker group (Shift, 2013), this suggests that the local community members,

workers, indigenous peoples, and other potentially less privileged groups are often disregarded in stakeholder mapping exercises when the mapping is rest on influence.

More so, in other instances, failure to select the relevant engagement activities and mechanisms affect the engagement process and outcomes. As argued by OECD (2011) stakeholder engagement per their very nature ought to be cyclical thus, take the form of two-way communication. Hence, it ought to strive to facilitate a relationship of confidence and mutual trust between organizations and the communities where they will be operating. Accordingly, companies do not have only to seek to engage the right stakeholders, but equally, seek to select the engagement actions and mechanisms that will provide stakeholders with significant avenues for their input about the project. This proposes that the engagement process should strive to ensure collaboration in the form of information sharing, feedback gathering and finally seeks to explore issues of concern with the affected stakeholders.

However, in practice this is not the case as Shift (2013) posited that there are mostly discontent about the approach or shape the engagement takes as the weaker groups tend to feel that they sidelined in the entire project development.

Additionally, the absence of effective stakeholder engagement at initial stages of the project assessment and development affect stakeholder engagement implementation outcomes (Shift, 2013). Shift (2013) argued that, in most instances, stakeholder engagement does not commence early enough in the project lifecycle. As such, affected stakeholders tend to perceive that they are only involved in the process where all the necessary negotiation has been completed between the implementing organizations and the formal and powerful influencers. This perception tends to neglect the most affected and less influential groups from taking an active part or making their

concerns and interest known to the company. Accordingly, it tends to rob stakeholders of the avenue to make significant input on a project at the conception stage where modifications are conceivable and indigenous knowledge can be effectively incorporated into the project design (Shaft, 2013). Such practice does wear away the basis of good faith and trust at the project level.

Finally, another factor found to affect effective stakeholder management is the absence of a strategic framework to guide the stakeholder engagement across the entire project lifecycle (Shift, 2013). Generally, firms found within the extractive sector tends to shy away from having in place a strategic approach to stakeholder engagement across the project, mostly because of longtime schedules required from assessment to development to building of the project to the closure of project (Shift, 2013). As a result of the long time frames that these project cycles require, extractive companies tend not put in place a comprehensive strategic framework to guide their exploration of resources. However, not having a comprehensive framework prior to the commencement of the project has been found to affect stakeholder engagement across all sectors (Shift, 2013).

## **2.7 MEASURES TO USE TO ESCHEW THE CHALLENGES ASSOCIATED WITH STAKEHOLDER ENGAGEMENT**

To address the challenges associated with stakeholder engagement, companies are required to give much attention to understanding the local conditions wholeheartedly (International Finance Corporation, 2014; International Council on Mining and Metals, 2015); OECD, 2015). Expressly, in the studies of Shift (2013), it was revealed that the inability of engaging firms to streamline their stakeholder engagement strategies and approaches to the local area needs affects stakeholder engagement effectiveness.

Accordingly, the major element that does make community engagement meaningful, is when the firms seek to appreciate the ‘intangibles’; the elements or traditions that are specific to the socioeconomic, political, cultural and geographical context of a project (Wilson, et al., 2016),. It has become imperative for companies’ employees who are working in the field with the local community groups to have a better appreciation of the local community context.

In addition, it has become an excellent acclaim axiom for companies to carry out their stakeholder mapping from the early stages of a project, to identify whom to engage with and how to engage, with what rate of recurrence and with what intent (Wilson, et al., 2016). Nevertheless, the effectiveness of this task relies on what the firm does with the information, how the identified stakeholders are engaged, and how their responses are evaluated and employed.

For instance, in a study undertaken by Wilson et al. (2016), it was emphasized that modifying project plans to the community context demands the personnel charged with the responsibility to develop documentation to have effective communication with its stakeholders. Effective communication characterized with two-way affair; listening and communicating become key at this stage because when the developed project plans tend to look as though the person who developed it have merely copy and pasted previous work, and as such failed to provide detail explanation on how the plan was developed to the needs and concerns of the affected communities and other stakeholders, it defeats the intent or effectiveness of the stakeholder mapping. This means that the stakeholder mapping should not be done with the sole aim of producing a plan but should base on the need to identify the project stakeholders and indicate to them the channels they can employ to raise their concerns to the project authorities.

Additionally, it is suggested that to ensure effective collaboration among stakeholders the entire process should start early. It is prudent for an organization to have a more specific framework to guide the early engagement process within the communities. For instance, standards given by the World Bank suggest that the engagement exercise should commence during the exploration stage so that the exercise tends to become forward-looking and eventually seek to develop a keen appreciation of the context and build trust with the communities (Wilson, et al., 2016). Consistent views were shared by Shift (2013) as they argued that late stakeholder engagement becomes very problematic for the entire engagement process since it deprives stakeholders of the avenue to make meaningful input on a project at the early stages where adjustments are possible and local or traditional knowledge can effectively be integrated into project design.

Generally, the reasons why most firms are constrained to do more effective stakeholder engagement at the conception stage include the inclination towards clandestineness during exploration activities as a result of competition for scarce resources (Shift, 2013).

Additionally, there is also an attitude of caution about not raising expectations and potential demands of affected stakeholders before, and it is established that an exploration project will become a viable operation. Also, there are more inadequate financial and human resources within the small and medium enterprises often involved in exploration and development, and limited budgets ascribed to these phases when conducted by larger enterprises (International Finance Corporation, 2014).

Although companies in the exploration business may be caught in this dilemma nonetheless, engaging firms need to be transparent at all times (International Finance Corporation, 2014). Accordingly, the information organizations share with its stakeholders should be made available

to all (confidential results and financial data intended for regulatory compliance can be an exception). Likewise, IFC (2014) argues that firms should strive to deliver the same information to various stakeholders thereby not creating or aggravating unbalance power crescendos by giving out vital information to some and not others in the community. Also, another factor found to address possible forms of challenges associated with stakeholder engagement is to undertake monitoring and evaluation at the early stages of the exploration (International Finance Corporation, 2014). Here, it becomes essential to monitor local media and communications from stakeholders in order to get to know of any negative information about the company or the project. This becomes necessary because at the early stage, there may be more gossips among locals than media reports hence, firms should strive to unravel these negative rumors and seek to respond to them appropriately. This enables the organization to begin building trust and managing expectations before they get out of control.

Finally, to eschew the possible challenges associated with stakeholder engagement process, firms are required to build the competencies of its stakeholders (Wilson, et al., 2016). In most often, the key stakeholders namely; state agencies, companies, civil society and communities' members and leaders may lack understanding when it comes to project long-term impact on its stakeholders.

In other instances, state department or agencies, mostly in new resource economies, at most often may be ill -prepared to deal extensively with all the critical emerging issues in the extractive sector (Wilson, et al., 2016). Again, the sector may be growing faster than the development of legislation, and there may be a lack of effective policies and institutions to implement the policies. Hence, all these identified shortfalls in their capacities and understanding need to espouse if engagement is to be meaningful. For instance, in a study done by Mier (2013), it was established that improving

upon the capacities of the key players in a project development had a significant impact in promoting social accountability among the company and the community

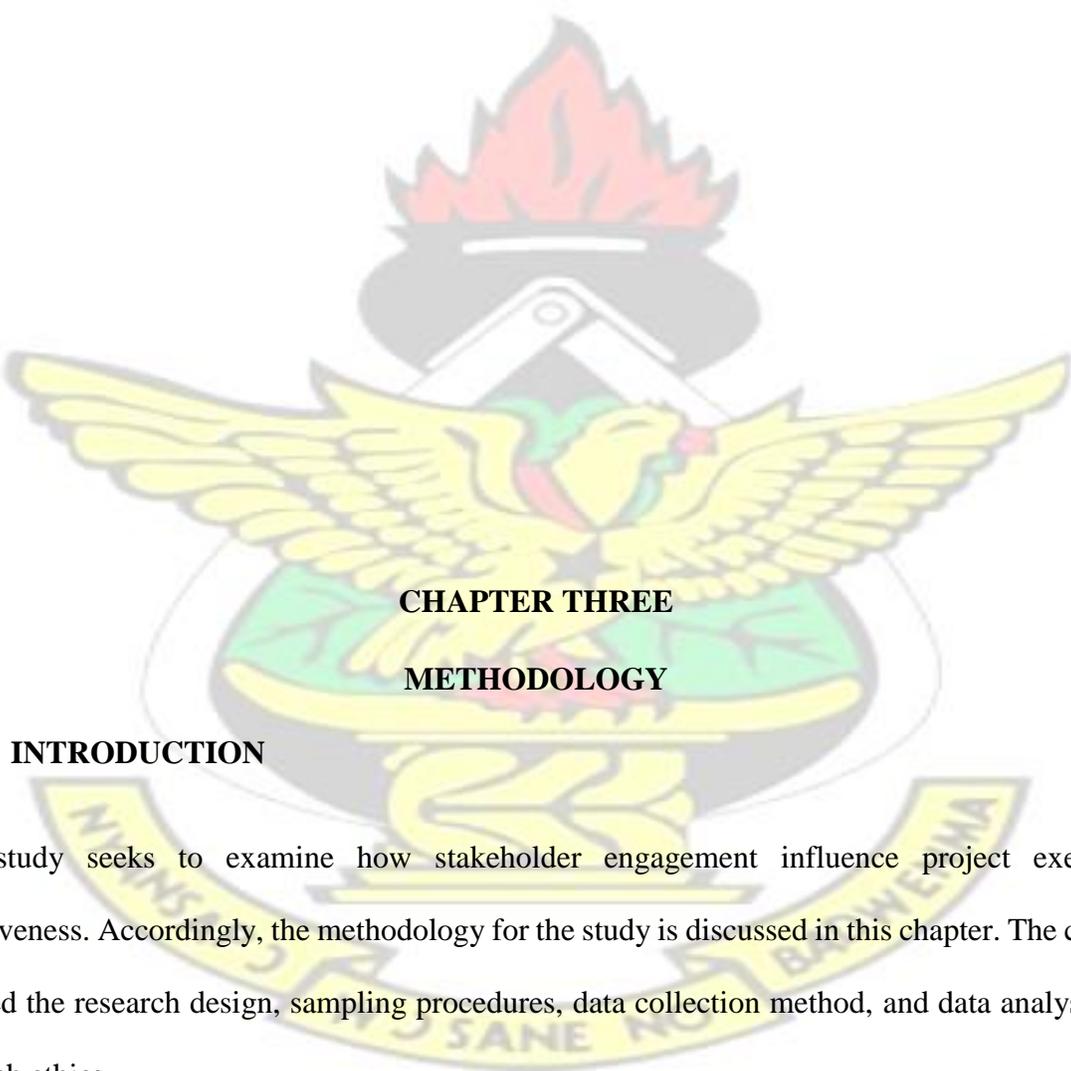
## **2.8 THE EXTRACTIVE SECTOR OF GHANA OIL AND GAS SECTOR**

Prior to the discovery of oil and gas in Ghana within the Cape Three Points basin, the extractive sector was highly dominated by the mining industry. For instance, the Ghana Chamber of Mines estimated that the upsurge in mineral production in early part of the 1990s placed the mining sector as the sole primary foreign exchange earner for Ghana with gold as the most significant contributor (Agbesinyale, et al., 2012).

The Ministry of Lands and Natural Resources is responsible for implementation of state policy within the extractive sector in Ghana and each of these sectors is represented nationwide by commissions, departments and agencies: the mineral subsector, represented by the Minerals Commission (MINCOM) is confer with the management and implementation of the mining laws, regulation, and policy; the Lands Commission “maintains a registry of exploration licenses and mining leases and participates in the examination of new license applications and the Forestry Commission manages the country’s forest (Agbesinyale, et al., 2016).

However, the discovery of offshore oil and gas in 2007 led to a significant increase in the amount of capital channel to the extractive sector of Ghana (Buckley, et al., 2017). The country has therefore moved from the discovery of oil and gas to production in a short space of time. As a result, it comes as not surprising that the institutional framework supporting the governance of the sector is still inadequate (Buckley, et al., 2017). For instance, the sector lacks a robust legislative framework that will guide how negotiation is done between private entities, state agencies, and

communities. Although oil and gas promised to be a treasured resource that can aid Ghana's economic transformation agenda, however, the impact so far has been less desirable (see also Bawumia 2017, forthcoming). Generally, the difficulties associated with the country's oil and gas appear to be mainly those of governance. Thus, state agencies that manage the sector need improved technical capabilities if they are to develop into the robust institutions that Ghana needs to make the most of new revenues to enhance benefits to its citizens.



## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 INTRODUCTION**

This study seeks to examine how stakeholder engagement influence project execution effectiveness. Accordingly, the methodology for the study is discussed in this chapter. The chapter covered the research design, sampling procedures, data collection method, and data analysis and research ethics.

### 3.2 RESEARCH DESIGN

According to Creswell (2014), research designs are the forms of investigation within qualitative, quantitative and mixed methods approaches that present the exact direction as to how a scientific inquiry may be carried out. To Denzin and Lincoln (2011) they are the strategies used for scientific investigation. Expressly, Kumar (2011) asserts that it is through a research design that a researcher determines for himself and communicate to others about his decisions concerning how the study is to gather data from the study's participants. How the study is to choose its participants, how the data gathered will be computed or analyzed and finally how the study will share its findings to its targeted audience.

Therefore, from these predispositions, research design is very critical to study reliability as it informs the researcher about how the study will unfold from sample selection, the data collection instruments to use, how data and how to disseminate the study findings.

Bryman (2012) the choice of research design ought to depict the decisions about the priority being given to a range of issues thus whether a study seeks to express the kind of relationships that exist between a given phenomenon. Generalize to a more extensive group of individuals than those forming part of the investigation; understand behavior and the meaning of that behavior in its specific social context and finally to have a temporal (that is, over time) appreciation of social phenomena and their interconnections. However, as this study seeks to examine stakeholder engagement influence on project execution, the study would be positioned within the context of understanding a behavior or meaning of that behavior in its specific social context.

Accordingly, the study employed a case study as its research design. According to Bryman (2012) case study entails the detailed and intensive analysis of a single case or multiple cases. As rightly

indicated by Kumar (2011), with a case study, the case the researcher selects become the basis of a thorough, holistic and in-depth exploration of the aspect(s) that you want to find out. Hence, as this study seeks to examine how stakeholder engagement influence project execution success, this study design provides one of the best means to wholly understand how stakeholder engagement influenced the project execution success in the oil and gas project in Sanzule.

Though this research design is not without limitation, it provides the best means for the study to achieve its study objectives. For instance, Kumar (2011) argued that it is a very relevant design when investigating an area where little is known or where you want to have a holistic comprehension of the situation, phenomenon, episode, site, group or community. Similarly, a case study is of great importance when the focus of a study is on intensively examining and understanding rather than confirming and quantifying. For these assumptions case study design is the best approach since earlier evidence from the literature suggested how stakeholder engagement impacted on project execution has been scant within the context of Ghana.

Specifically, in this study, a mixed research approach was used. This research approach enabled the study to use both quantitative and qualitative and hence, the shortfalls associated with just one method was somehow minimized in this study context. For instance, as argued by Creswell and Clark (2007) mixed methods provide a study the opportunity to combine a wide range of data collection instruments that are conformable to the research question rather than being restricted to methods of data collection associated with qualitative methods or quantitative methods alone. Hence, a mixed method provided the study with more options to study the research problem from more than one perspective.

### **3.2.1 RESEARCH APPROACH**

According to Saunders et al. (2009) approaches to research could take the form of a deductive or inductive approach. With the deductive approach, it seeks to develop a theory or test a hypothesis or research questions, and it generally adopts positivism and quantitative worldview (Bryman, 2012). Accordingly, with the deductive approach, the investigator, from what is known in a specific area and of theoretical assumptions in reference to that context, construes a hypothesis (or research questions) that must then be subjected to a systematic inquiry. In contrast, inductive approach seeks to collect data and develop a theory as a result of a study's data analysis and is generally skewed towards interpretivism.

However, as this study seeks to examine how stakeholder engagement influence project execution success, this study was positioned within the inductive research approach since its purpose was to collect data on the natural setting of the respondents and likewise interpret them from the perspective of the researcher.

### **3.2.2 RESEARCH STRATEGY.**

Research strategy means the general direction to undertake social research (Bryman, 2012).

According to Kumar (2011), a research strategy emanates from the point of view a study's objectives, thus whether a descriptive, correlational, explanatory or exploratory. A research study positioned within the descriptive perspective seeks to describe a condition, problem, occurrence, service or programme, or in other instances gives information about the situational perspective of a situation (Bryman, 2012).

However, with correlational studies, the focus is to establish interrelationship or connections between two or more phases of a given phenomenon. Hence, with correlational studies, there

should always be two given variables in a study thus, the independent variable and the dependent variable (Saunders et al., 2009).

However, with explanatory research, it seeks to explain why and how there is an interrelationship between two phases of a given phenomenon. Hence, it seeks to explain what caused a particular to occur in a given context. Finally, with exploratory research, it generally seeks to interrogate an area where little is known or to explore the prospects of undertaking a particular research study (Kumar, 2011).

Accordingly, from this brief discussion about research strategies, the present study was positioned within a descriptive approach since it sought to examine how stakeholder engagement influence project execution success. Again, in this study, a mixed research approach was used. This research approach enabled the study to use both quantitative and qualitative and hence, the shortfalls associated with just one method was somehow minimized in this study context. For instance, as argued by Creswell and Clark (2007) mixed methods provide a study the opportunity to combine a wide range of data collection instruments that are conformable to the research question rather than being restricted to methods of data collection associated with qualitative methods or quantitative methods alone. Hence, the mixed method provided the study with more options to study the research problem from more than one perspective.

### **3.2.3 RESEARCH METHOD**

According to Bryman (2012), a research method is described as tools or instruments used in collecting data in a study. This research approach enabled the study to use both quantitative and qualitative and hence, the shortfalls associated with just one method was somehow minimized in

this study context. For instance, as argued by Creswell and Clark (2007) mixed methods provide a study the opportunity to combine a wide range of data collection instruments that are conformable to the research question rather than being restricted to methods of data collection associated with qualitative methods or quantitative methods alone. Hence, a mixed method provided the study with more options to study the research problem from more than one perspective.

### **3.3 STUDY POPULATION**

The target population is the group of individuals that possess the information required by the researcher and about which inferences are to be made (Malhorta & Birks, 2007). Malhorta and Birks (2007) made some observation with regards to how a study ought to select its population. The prime issue to consider when deciding on a population is to know beforehand the precise specification of who should and who should not be included in the sample. Hence, as this study seeks to examine how stakeholder engagement influenced the project execution success in the oil and gas project in Sanzule, the study population came from all the stakeholders that were either affected by the project or played a significant part in the project.

Specifically, the concept of stakeholder is categorized into two groups' namely internal and external stakeholders. According to Hamel (2006), internal stakeholders constitute the individuals who are directly involved in or affected by a project execution. Hence, internal stakeholders are made up of senior management, midlevel line management, project managers, operational staff and the host community (Gemünden, et al., 2008).

However, with external stakeholders, are state agencies, civil society groups that are indirectly affected by a project implementation or outcome (Ayatah, 2012). Therefore, per this description the target population for this study constituted of both the internal (i.e., senior management, project managers and operational staff, host community) of the Sanzule Oil and Gas Project as well as the external stakeholders (i.e., state agencies and civil society groups) with an interest in the project.

The total number of population size selected from each of these strata have been presented in Table **Table 3.1: Description of Study of Population**

Population	Population Size
senior management	6
project managers	2
Operational staff	15
Community members	115
District assembly	6
Civil society group	6
<b>Total</b>	<b>150</b>

### 3.3.1 Sample Size

Moreover, to the determine the sample size for the study, the study employed the Krejcie and Morgan (1970) sampling table formula:

$$N = \frac{x^2 * N * P * (1 - P)}{(ME^2 * (N - 1)) + (x^2 * P * (1 - P))} + \dots$$

Where n=sample size

$X^2$ = chi-square for the specified confidence level at 1 degree of freedom

N= population size

P=population proportion (.50)

ME- desired Margin of Error (expressed as a proportion)

$$N = \frac{0.004 * 150 * .50 * (1 - .50)}{(0.05^2 * (150 - 1)) + (0.004 * .50 * (1 - .50))}$$

= 108

Hence, based on the formula the sample size for the study stood at 108 based on 5% error of margin and 95% confidence interval. Subsequently, the strata formula was used to determine the sample for the six strata.

### 3.3.2 Sample Technique

However, since the study population was made up of different groups, the study employed a stratified random sampling technique. As argued by Bryman (2012), stratified random sampling becomes ideal when a study population has representation from different groups or units.

Specifically, this study had six strata namely; senior management population, project managers' population, operational staff population, community members' population, district assembly's population and the civil society groups population.

According to Bryman (2012), stratified random sampling ensures that the resulting sample of a study are spread in the same way as the population regarding the stratifying criterion that would

be the case if a simple random or systematic sampling techniques were to be used. Hence, this sampling technique provided the study the best bet to have a fair distribution of the respondents across the six strata with which this study seeks to obtain its responses.

### **3.4 DATA COLLECTION METHODS**

As this study was positioned in a mixed research methodology, the study used both interviews and questionnaire items as its primary data collection instrument. According to Bryman (2012), self-administering questionnaire is one of the research instruments widely used in surveys. Hence, it is described as a kind of research instrument where a study participant answers questions by completing the questionnaire themselves. The study used self-administering questionnaires to elicit responses from the study respondents. However, the respondents were selected from each stratum so that each group of strata will have representation in the data results and study findings. Moreover, as indicated by Creswell (2014) interviews are used to collect detailed views from participants to help explain further the initial data gathered from the quantitative survey. As such, this study equally employed interview schedule to ascertain additional insight that the questionnaire items could not produce. The target interview participants were senior management, community members, civil society groups and the district assembly. Moreover, as this study wanted to guide against unnecessary errors likely to be caused by unstructured interviews, the study relied on the structured interview type where all the interviewees were asked the same set of questions.

### **3.5 SOURCES OF DATA**

The study relied on a primary source of data. Rodson (2002) argued that a primary source of data refers to data that will be collected to express a specific purpose. The primary data for this study were obtained from the study sample. The primary data enabled the researcher to compare and contrast information to see whether the data gathered affirm or contradicts the findings of previous studies.

### **3.6 RELIABILITY AND VALIDITY OF THE MEASURING INSTRUMENT**

According to Bryman (2012), before a study can be viewed as robust and of much quality, it should be able to satisfy conditions such as validity and reliability. Validity applies mostly to quantitative studies (Bryman, 2012). Again, Bryman (2012) argued that with validity the emphasis is to check and ensure whether a concept is devised as the study constructs do mirror the variables that it is supposed to be denoting or measuring. In order to ensure that the measuring variables denoted the exact measure, a thorough theoretical review of the literature was undertaken to identify what previous studies used in measuring the study constructs before the questions were eventually developed.

Additionally, to ascertain the reliability and content validity of the instrument, a pilot test was conducted to check and ensure that no irrelevant question was present in the questionnaire as well as the interview guide. Any indications of ambiguities realized were modified to make them straightforward and more meaningful. The pre-test was carried out at a community near the Sanzule district. Additionally, the study supervisor read through the questionnaire's items thoroughly to ascertain whether it matches the research objectives the study sought to accomplish.

### **3.7 RESEARCH ETHICS**

Ethical conduct states that it is the responsibility of the researcher to assess carefully the possibility of harm to research participants and to the extent that any likely events that have the potential of harming the respondents are avoided or minimized (Bryman & Bell, Methods, 2007). Equally, when carrying out research, it is essential that participants are made aware of why the study is being carried out and what will be done with the information they provide. If this is not made clear, the information given may not be entirely truthful or accurate. It is vital to inform respondents that their identities will not be shared and that there will be full confidentiality for the report writing. It is equally important that in quantitative research, investigators must be wholly objective and try not to influence a study with their values and perceptions (Burns & Grove, 2001). In an attempt to address this, concern firstly, permission was sought from the study participants before the researcher began the data collection exercise.

Again, every questionnaire that was sent out had a cover letter attached to it indicating the purpose of the survey. The questionnaire did not require the names of the respondents; this was to protect their identity and remain anonymous. As a result, the respondents were aware from the beginning what the researcher was doing, why and where the information was going and why it was being gathered.

### **3.8 DATA ANALYSIS**

According to Bryman (2012), data analysis is generally about data reduction. That is, it is meant to reduce the large body of information that the researcher gathered during the data collection in order to make sense or meaning out of it. Bryman and Bell (2007) held that until a study minimizes the amount of data collected, it is more or less impossible to interpret the material. The author again added that an additional issue to take into consideration with data analysis is whether a study

is dealing with either primary or secondary data. With primary data analysis, the researcher who was responsible for collecting the data analyzes whereas with secondary data the analysis occurs when someone else analyses a previous data.

Therefore, when the questionnaires were completed and returned, the researcher coded all the responses before entering them into the SPSS. To analyze the data collected from the questionnaires, the researcher used the Statistical Package for Social Scientist (SPSS) version 20. Also, with the quantitative data, the results were analyzed using descriptive statistics such as frequencies, percentage, mean and standard deviations. The purpose of descriptive statistics is to give a detailed account as to how an event or phenomenon occurred.

However, with the qualitative data, the data collected was analyzed in line with the major variables, components, themes and issues of the theoretical framework. Accordingly, the data were categorized into themes and concepts relating to the theoretical framework used for the study.

Finally, the findings and discussions of the results are presented in the next two chapters.

## **CHAPTER FOUR**

### **ANALYSIS AND DISCUSSION OF FINDINGS**

#### **4.1 INTRODUCTION**

This chapter presents the analysis of the final data collected from the survey and summaries of the basic statistics in reference to the measuring items of the study. Specifically, the descriptive and the frequency applications in the Statistical Package for Social Sciences (SPSS) version 20.0 were used for the analysis of the questionnaire items whereas content analysis was used for the analysis of the interview questions. The chapter is structured into three sections. The first section presents the response rate and the demographic profile of the studied respondents. The second section

looked at the analysis of the interview data whereas the third section looks at the analysis of the questionnaire items.

#### 4.2 DEMOGRAPHIC PROFILE OF RESPONDANTS

The demographic profile of the study respondents is presented in Table 4.1. It takes into accounts the respondents age, gender, educational qualification and the position held within the surveyed institutions.

**Table 4.1: Demographic Profile of Survey Respondents**

Demographic variable	Category	Frequency	Percentage
<b>Gender</b>	Male	23	59.0%
	Female	16	41.0%
<b>Age</b>	31-40 years	28	71.8%
	41-50 years	11	28.8%
<b>Position</b>	Technical staff	10	25.6%
	Community officer	Liaison	
	Other	2	5.1%
		27	69.2%

**Source: Field Survey, 2018**

The demographic profile of the study participants (i.e. the exploration company) in Table 4.1 show that out of the total respondents surveyed, 59.0% were males and 41.0% were females. Moreover, with reference to the ages of the respondents, it became evident that more than half of the respondents thus, 71.8% ages fell within the age brackets of 31-40 whereas the rest thus, 28.8% ages fell within the age category of 41-50 years. Finally, with regards to the position the respondents occupied in the understudied institution, it was revealed that 25.6% of the respondents held the role as technical staff, 5.1% of the respondents held the roles as community liaison officers whereas 69.2% of the respondents played the role as supporting staff in the exploration company.

#### **4.3 THE VARIOUS CATEGORIES OF STAKEHOLDERS, THEIR NEEDS/INTERESTS AND RESPONSIBILITIES IN THE SANZULE PROJECT**

Specifically, on this study objective, the study employed an interview schedule where the key stakeholders in the oil project were interviewed. Results from the field data revealed that in all four stakeholder groups were interviewed. They included the community leaders, community members, the Ellembelle District Assembly and one NGO who participated in the Sanzule Oil Project thus, Techno-serve. Accordingly, their interests and needs they have in the project as well the responsibilities their outfit played in the project is presented in the sub-section of this section.

### 4.3.1 Needs, Interests and Responsibilities Played by Community Leaders in the Project

Specifically, this item sought to establish the needs and interests of the community leaders together with the responsibilities played by the community leaders in the Sanzule Oil Project. In total, 12 community leaders were interviewed in this section. Those who were interviewed in this context involved the chief linguist of the four communities, the women group head from the four communities and one community elder each from Sanzule, Eikwe, Krisan and the Bakanta.

The first question sought to establish from the interviewees as to how they were informed or consulted about the oil and gas exploration project that was to be established in their community. Evidently, findings from the field data showed that the implementing organization consulted via community engagement and leadership meetings at the chief palace as the means for their stakeholder engagement. Specifically, one interviewee added,

“ In my community all elders were invited to the chief palace where the leadership of exploration company came in to inform us about intention to begin an oil exploration project in our community.” **Source: Interview, 2018.**

Another interviewee also indicated, “ I got to know about this project through a community durbar where our chief announced to us about the project.”

**Source: Interview, 2018.**

Clearly, results from the study suggest that the exploration company began its community entry with much tactfulness by first meeting the chief and its elders to announce their intention and purpose to them before moving to the bigger community to begin their engagement.

The next interview question sought to identify from the interviewees as to how they communicated their community members concerns and interest to the exploration company. Evidently, results from the field interview reveal that the main approach used by the community leaders in indicating their needs and concerns to the implementing organization was through community meetings and fora and through letters. Expressly, the interviewees indicated that the only medium they could use to communicate their concerns and interest to the exploration company was through these mediums.

With the subsequent item, the interviewees were asked to share their views on the specific interests they did specified to both the state agencies as well as the implementing organization during the project execution. Evidently, results from this item showed that the concerns and interests indicated to the exploration organization was varied with some stating the need for building of schools for the communities, providing potable source of drinking water to the community, protecting their farmlands and employing directly from their community.

For instance, an interviewee held that, ‘ ‘ the main interest and concerns we raised was how the exploration activities will not affect our community source of livelihoods’ ’.

**Source: Interview, 2018.**

Another interviewee said, ‘ ‘in our community we were very much concern about the exploration activities will provide employment opportunities to our children’ ’.

**Source: Interview, 2018.**

Equally, an interviewee indicated, ‘ ‘one concerns we raised was the need for the exploration company to construct more boreholes facilities across our communities since the existing

borehole is not providing adequate water for our consumption ’’.

**Source: Interview, 2018.**

The subsequent interview question required to identify from the community leaders as to whether their outfit played any key role in the entire project implementation process. Surprisingly, the revelation on this item was very revealing. For instance, most of the community leaders were discontented largely because their outfit were ignored in the entire project implementation. For instance, a respondent put their frustration in much better perspective as he said,

‘‘ In our community it was very frustrating as we were only made as receivers of information but not as active participators in the project implementation’’.

**Source: Interview, 2018.**

Same view was shared by an interviewee as he indicated,

‘‘Ever since the state agencies and the implementing organization came to the palace to inform us about the project nothing has happened much since no leader has been given any active role to play in the project’’. **Source: Interview, 2018.**

Findings from the study suggest that the implementing organization informed the leaders of the community about the purpose of their company and also engage them when there is progress on the on project but failed to involve the community leaders in the project implementation.

This is quite surprising since per the assumptions of buffering engagement strategy, firms will be much able to address the concerns of dispersed group more quickly when it first seeks to engage the key stakeholders within a community or organization through its leaders (Mzembe, 2016). Hence, on this premise, it was expected that the implementing organization would have effectively

used the community leaders in the entire project implementation process but the evidence available suggested otherwise. Likewise, Rowley (1997) shared similar view as the author posited that by assigning key roles to the main stakeholders in a project, firms will be able to minimize its susceptibility to wider stakeholder group demands.

The final item under the community leaders interview item sought to find out from the interviewees as to whether their concerns expressed prior to the project implementation have all been addressed. Evidently, findings on this item suggest that most of the interviewees were more or less satisfied with their concerns, notwithstanding, more needs to be done.

An interviewee added, “prior to the commencement of this project, the company promised us to employ most of our youth into the project but what happened afterwards is that only few of our people have been engaged”.

**Source: Interview, 2018.**

Another interviewee added, “ we were very expectant of the project outcomes since we were made to know that our community will benefit from various forms of social amenities but in reality only few of the promised amenities have been provided which is very worrying to us”.

**Source: Interview, 2018.**

#### **4.3.2 NEEDS, INTERESTS AND RESPONSIBILITIES PLAYED BY COMMUNITY MEMBERS IN THE PROJECT**

Also, on this item, it sought to establish same the needs, concerns and responsibilities played by the community members in the Sanzule Oil Project. On this item, twelve of the community members were interviewed with three members from each of the four communities. Of these

people interviewed, ten were the household heads of their family whereas the other two were teachers working within the community. Specifically, as to how they were consulted about the exploration activity in their communities, it was revealed that most of them got to know of the project through a community durbar organized by their chiefs.

Again, as to whether the implementing organization involved the entire community in their discussions before commencing their operations in the community, it was revealed that community members were informed about the project. but not adequately involved in the project implementation. For instance, an interviewee added,

“Community members were informed about the project via community engagement with the entire community”.

**Source: Interview, 2018.**

Again, another interviewee indicated, “we were just made as passive observers in this project and nothing more”.

**Source: Interview, 2018.**

Moreover, on the next item the interviewees were asked to share their view on the kinds of interest and concerns they articulated to the exploration company prior to the commencement of the project in their community. Apparently, findings from the field data showed that the community members equally had wide-ranging interests and concerns. For instance, most of the interviewees wanted the company undertaking the project to provide amenities such as schools, place of easement and borehole facilities.

The next item, sought to establish from the respondents whether their views and concerns raised prior to the commencement of the project have been met or not addressed. Evidently, on this item, it was established that most of the respondents held that most of their needs and concerns have not been met or addressed by the exploration company. Explicitly, a respondent added,

“ We knew the company will have constructed many of the amenities we requested in our community nonetheless, the reality is that only few of these facilities have been constructed ever since they began their exploration activities in this community”.

**Source: Interview, 2018.**

#### **4.3.3 NEEDS, INTERESTS AND RESPONSIBILITIES PLAYED BY THE ELLEMBELLE DISTRICT ASSEMBLY IN THE PROJECT.**

Specifically, at the district assembly, four members were interviewed out of which one was the secretary of the assembly, another was the assembly accountant, co-opted member and the other interviewee was the community development officer. Their roles and responsibilities in the assembly suggest that the interviewees held key roles in the assembly hence confirm their ability to provide valid responses to the questions this study seeks to ask.

The first question sought to establish whether their organization was informed about the intended oil exploration project within their district. Expressly, findings from the study showed that the assembly was formally informed of the project. Again, as to how their outfit was consulted about the project, it was evident that the company consulted them during the feasibility studies of the Livelihood Restoration Plan for the project affected persons. And also update them on the project through letters and communiques.

Subsequently, the next item sought to find out from the interviewees whether the assembly point out their concerns and interest to the company tasked to commence the exploration activity within their district. Expressly, results from the field data revealed that the assembly through meetings was able to express their concerns and interests to the exploration company. Specifically, concerns the assembly espoused to the implementing organization was the need for the organization to enforce all the safety and health issues in their operational activities as well as comply with all the environmental and social requirements of the district bye-laws and regulations.

For instance, an interviewee posited that, ‘we express our concerns about how they were going to protect the district biodiversity’.

**Source: Interview, 2018.**

Again, another interviewee added, ‘we were very much concern about how they were going to create employment opportunities to our youth in the district’.

**Source: Interview, 2018.**

Moreover, the next item sought to establish whether the assembly played any key role in the entire project implementation. Expressly, it was evident that the assembly played a greater role in the project implementation by performing oversight responsibility on the company’s exploration activities. A respondent added,

‘Since our assembly represent the government in this jurisdiction, we were required to monitor the exploration company activities and also advise on social project that will benefit the host community and the entire district at large’.

**Source: Interview, 2018.**

This suggests, the assembly played a vital role than the community leaders as well as the community members in the project execution process. This variation in the stakeholder functions and roles in the project implementation process could be attributed the statutory powers the assembly has hence, it suggests that the implementing organization complied all statutory regulations of the assembly. Accordingly, findings from this study corroborate the views espoused by Greenwood (2007) and that of Noland and Phillips (2010) as their work posited that organizations tend to be collaborative in the engagement process with a stakeholder when they observe that their business sustenance depend on their willingness to work or collaborate with such stakeholder group.

The final item under this interview schedule sought to establish from the participants whether their concerns and interests shown during the project implementation have all been addressed. Evidently, findings from the study showed that all the interviewees held that their interests and concerns raised prior to the commencement of the exploration project have partially be addressed. For instance, an interviewee added,

“Our concern that the organization should source significant size of its workforce from our district has not been met since the company continues to hire workers outside this area with the assertion that our people lack the basic skills to be employed in the project”.

**Source: Interview, 2018.**

#### **4.3.4 NEEDS, INTERESTS AND RESPONSIBILITIES PLAYED BY THE NGOS IN THE PROJECT**

Specifically, the Non-Governmental Organization (i.e. Techno-serve) was interviewed to identify the key concerns and interests their organization raised prior to the commencement of the project. Equally, the responsibilities or the roles their organization played in the project was equally asked. Specifically, the respondents of this interview session was the community liaison officer of the organization. On the first interview question, the respondent was asked to share his views about how their organization was consulted or informed about the project.

Evidently, the interviewee responded that their organization was consulted to implement its social project (Livelihood Restoration Programme, LRP) for the project affected communities via a competitive bidding. Again, the next question sought to find out from the interviewee the specific role their organization played in the project implementation process. Evidently, on this item it was revealed that this NGO was the organization mandated to implement the Livelihood Restoration Plan for project affected persons who lost their livelihood due to land intake for their by the company.

“Our organization was charged with the responsibility to implement the LRP support option for the project affected persons”.

**Source: Interview, 2018.**

Finally, as to whether the role their organization played resulted in some positive gains for both the community and the exploration company, the interviewee held that their role achieved a more positive disposition for both the company and the community. For instance, the interviewee attributed this outcome to the fact that, the project affected persons have a source of alternative livelihood they depend on.

Clearly, reasons given by the participating NGO it an evidence that, they played a vital role in bringing the social project of the company to light.

#### **4.4 CHALLENGES THAT CONSTRAINED THE EXPLORATION COMPANY IN THEIR STAKEHOLDER ENGAGEMENT MANAGEMENT IN THE SANZULE PROJECT**

This study objective sought to find out from the exploration company the challenges that impeded their stakeholder engagement processes in the Sanzule oil project execution. Hence, on this item, the study employed a 5 point Likert scale (i.e. 1= strongly disagree, 2= disagree, 3= neutral, 4= agree and 5= strongly agree) to elicit respondents' responses as to whether the identified issues formed part of the main challenges that impeded their organization engagement process in the Sanzule project. However, in order to describe the respondents' ratings, a hypothetical mean of 3.5 was chosen as an indicative that the respondents agreed that the said issue constrained their organization engagement process and outcomes. Again, a mean value within the ranges of 2.5-3.0 suggest that the respondents were neutral in their responses on an item. Finally, a mean value below 2.4 suggests that a respondent disagreed to the given issue as part of the challenges that constrained the engagement process. Accordingly, the constraints identified by the respondents as the factors that inhibited their organization engagement process have been presented in Table 4.2.

**Table 4.2: Challenges that Constrained the Exploration Company in their Stakeholder**

**Engagement Management in the Sanzule Project**

Challenges	Mean	Median	Std. Deviation	Rank
Absence of broadly defined legal and policy charter to guide stakeholder engagement in resource extraction projects at the national and the community levels constrains the entire engagement process during the Sanzule Oil Project Implementation.	3.58	4	.865	4 <sup>th</sup>
Lack of understanding of the local context situations made it difficult to adapt our engagement strategies and approaches to reflect that of the local conditions.	3.63	5	1.547	3 <sup>rd</sup>
Project satisfy the local people expectations, customs and traditions did made the engagement process difficult to implement.	3.71	4	.567	2 <sup>nd</sup>
Organization inability to identify the right key stakeholders during the project implementation process affected the entire stakeholder engagement process.	3.56	4	.767	5 <sup>th</sup>
Absence of effective stakeholder engagement at the initial stages of the project assessment and development constrained the entire stakeholder engagement process.	3.76	4	.832	1 <sup>st</sup>
Absence of a strategic framework to guide the stakeholder engagement across the entire project lifecycle limited the stakeholder engagement process.	3.54	4	.638	6 <sup>th</sup>

Valid N (listwise)

**Source: Field Survey, 2018**

With the first item under this construct, it sought to establish from the respondents whether the absence of broadly defined legal and policy charter to guide stakeholder engagement in resource

extraction projects at the national and the community levels impeded the entire engagement process during the Sanzule Oil Project Implementation. Expressly, results from Table 4.2 show that most of the respondents rating on this item fell within the agreed score. It had a mean value of 3.58 and SD of 1.315.

Likewise, on the second item, it became evident that most of the respondents responded in the affirmative when asked whether lack of understanding of the local context situations made it difficult for their organization to adapt their engagement strategies and approaches to reflect that of the local conditions. It had a mean value of 3.63 and SD of 1.547 suggesting that on this item most of the respondents rating fell within the agreed score.

The third item under this construct sought to establish from the respondents whether the project inability to connect to the indigenous people expectations, customs and traditions did make the engagement process difficult to implement. Evidently, on this item it was revealed that most of the respondents rating fell within the agreed score. It recorded a SD of 3.71 and SD of 1.044.

Again, as to whether their organization inability to identify the right key stakeholders during the project implementation process affected the entire stakeholder engagement process, it became evident that most of the respondents responded in the affirmative on this item. It had a mean value of 3.56 and SD of 1.668.

The last but not the least item under this construct sought to establish from the respondents whether the absence of effective stakeholder engagement at the initial stages of the project assessment and development constrained the entire stakeholder engagement process. Evidently, results from Table 4.2 suggests that most of the respondents rating on this item fell within the agreed score. It had a mean score of 3.76 and SD of 1.769.

Finally, on the last item, it was revealed that most of the respondents agreed when asked whether the absence of a strategic framework to guide the stakeholder engagement across the entire project lifecycle limited their organization stakeholder engagement process. It had a mean value of 3.59 and SD of 1.373.

Findings from the study revealed that factors such as absence of broadly defined legal and policy charter to guide stakeholder engagement, lack of understanding of the local context situations, project inability to connect to the indigenous people expectations, customs and traditions as well as organization inability to identify the right key stakeholders during the project implementation and absence of effective stakeholder engagement at the initial stages of the project assessment were identified by the respondents as the main issues that impeded their organization stakeholder engagement processes in the Sanzule project execution.

Accordingly, findings from this study is in line with the works of OECD (2011) and that of Shift (2013) as their work identified absence of comprehensive national or regional consultation laws, policies and guidelines at both the country and at the community as one of key issues that make stakeholder engagement process in effective.

Equally, findings from this study is in line with the views expressed in the reports of the United Nations Declaration on the Rights of Indigenous Peoples (2007) as their work revealed that the absence of a recognized legal structure for stakeholder collaboration and discussion at the community or local level is a key salient obstruction when it comes to local community engagement.

Again, findings from this study corroborate the works of Shift (2013) as their work identify the inability of organizations to alter their stakeholder engagement strategies and approaches to reflect

that of the local area context as one of the key issues that affect an organization stakeholder engagement process.

Finally, findings from this study align with the works of Shift (2013) as their work postulated absence of effective stakeholder engagement at initial stages of the project assessment and development affect stakeholder engagement implementation outcomes.

#### **4.5 MEASURES THAT CAN BE EMPLOYED BY THE EXPLORATION COMPANY TO ADDRESS THE CHALLENGES ASSOCIATED WITH THEIR STAKEHOLDERS ENGAGEMENT PROCESS IN THE SANZULE PROJECT**

This study objective sought to establish from the respondents the measures their organization can take or implement to address the challenges associated with their organization stakeholder engagement process. Accordingly, the respondents rating as to the kind of measures that can be used by their company to address the identified challenges impeding the stakeholder engagement process have been presented in Table 4.3.

**Table 4.3: MEASURES THAT CAN BE EMPLOYED BY THE EXPLORATION COMPANY**

<b>Remedial</b>	<b>Mean</b>	<b>Median</b>	<b>Std. Deviation</b>	<b>Rank</b>
Undertaking the stakeholder mapping earlier enough prior to the commencement the project will give firms adequate information on who to engage with and how to engage and at what rate the engagement should take.	4.36	4	.486	4 <sup>th</sup>

Understanding the ‘intangibles’ parts of communities thus, norms, values and traditions of a community will facilitate an organization stakeholder engagement process.	4.08	3	1.085	6 <sup>th</sup>
Beginning the engagement process earlier in the project development will improve the patronage and acceptance of the engagement process by all stakeholders.	4.44	5	.598	3 <sup>rd</sup>
Ensuring transparency in the entire engagement process will improve its acceptance and patronage by all parties.	4.59	4	.850	1 <sup>st</sup>
Undertaking monitoring and evaluation at the early stages of the exploration will improve the engagement outcomes.	4.56	4	.641	2 <sup>nd</sup>
Building competencies of all stakeholders will improve their participation in the engagement process.	4.18	3	.854	5 <sup>th</sup>
Valid N (listwise)				

**Source: Field Survey, 2018**

On the first item under this construct, it was evident that most of the respondents rating fell within the agreed score when asked whether undertaking the stakeholder mapping earlier enough prior to the commencement of the project will give their firm adequate information on who to engage, how to engage and at what rate the engagement should take. Expressly, it had a mean value of 4.36 and SD of 0.486 suggesting that most of the respondents agreed on this issue.

Again, on the next item, it was evident that most of the respondents responded in the affirmative when asked whether understanding the ‘intangibles’ parts of communities thus, norms, values and traditions of a community will facilitate an organization stakeholder engagement process. It had a

mean value of 4.08 and SD of 1.085 suggesting that most of the respondents rating on this item fell within the agreed score.

Likewise, on the subsequent item under this construct, it was apparent that most of the respondents agreed that commencing the engagement process earlier in the project development will improve the patronage and acceptance of the engagement process by all stakeholders. Specifically, it had a mean value of 4.44 and SD of 0.598.

Additionally, as to whether ensuring transparency in the entire engagement process will improve its acceptance and patronage by all parties, it was revealed that most of the respondents rating fell within the strongly agreed score. It recorded a mean value of 4.59 and SD of 0.850.

The last but not the least item under this item sought to establish from the respondents whether undertaking monitoring and evaluation at the early stages of the exploration will improve the firm engagement outcomes. Specifically results from Table 4.3 reveal that most of the respondents rating on this item fell within the strongly agree score. It had a mean value of 4.56 and SD of 0.641.

With the last item under this construct, it was revealed that most of the respondents rating fell within the agreed score when asked whether building competencies of all stakeholders will improve their participation in the engagement process. It had a mean value of 4.18 and SD of 0.854.

Findings from the study revealed that corrective measures such as undertaking the stakeholder mapping earlier, understanding the 'intangibles' parts of communities that is their norms, values and traditions, ensuring transparency in the entire engagement process, undertaking monitoring and evaluation at the early stages of the exploration and building competencies of all stakeholders

in the engagement process were identified by the respondents as the main corrective measures that can be implemented by their organization to improve its stakeholder engagement outcomes in the Sanzule oil project.

On this score, findings from this study is in line with the works of Wilson et al. (2016) as their work posited that one of the key element that do make community engagement meaningful it when the firms seek to appreciate the ‘intangibles’ thus, the elements or traditions that are specific to the socio-economic, political, cultural and geographical context of a project.

Similarly, findings from this study support the studies of IFC (2014) as their work indicated that for stakeholder engagement process to be effective, then it is required that engaging firms need to be transparent at all times since this exercise can build mutual trust and eventually ensure effective collaboration among participating organizations.

Again, findings from this study correspond with the reports of IFC (2014) as their work argued that for organization to be able to address all the possible forms of challenges associated with its stakeholder engagement then it is required that such organization should seek to undertake its monitoring and evaluation at the early stages of the exploration.

Equally, findings from this study align with the works of Wilson et al. (2016) as their work postulated that to eschew the possible challenges associated with stakeholder engagement process, firms are required to build the competencies of its stakeholders. The authors reasoning behind this suggestion is based on the fact that in most often times, the key stakeholders namely; state agencies, companies, civil society and communities’ members and leaders may lack the understanding when it comes to project long term impact on its stakeholders. Hence, it has been

found that improving upon the capacities of the key players in a project development had a significant impact in ensuring effective stakeholder engagement (Mier, 2013).

# KNUST



## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter of the study presents the summary of the findings, conclusions and finally recommendations on the findings made.

#### **5.2 SUMMARY OF FINDINGS.**

The main problem of the study was to examine how stakeholder engagement influence on project execution success. Specifically, the study population came from all the stakeholders that were either affected by the project or played a key part in the project.

The first specific objective of the study sought to identify the various categories of stakeholders, their needs/interests and responsibilities in the Sanzule project. Expressly, on this study objective, it was revealed that in all four stakeholder groups were affected or played a key part in the Sanzule oil project. They include the community leaders, community members, the Ellembelle District Assembly and one NGO who still implementing the company's livelihood Restoration Plan.

Expressly, as to how the community leaders were involved in the project, it was revealed that the exploration company used measures such as community durbars, community engagement activities and leadership meetings at the chief palace as the means for their stakeholder engagement.

Again, on this same objective, it was evident that the main approach used by the community leaders in voicing out their needs and concerns to the implementing organization was through community meetings, fora, letters and grievance mechanism. Likewise, it was evident that the concerns and interests indicated to the exploration organization by the community leaders were varied with some stating the need for schools, potable source of water, and employing directly from their community. Again, as to whether the community leaders played active role in the project implementation process, it was evident that most of the community leaders were discontent largely because their outfit were only informed on the update of the project at the organization convenience time.

Additionally, as to whether the exploration company involved the entire community in their discussions before commencing their operations in the community, it was revealed that community members were merely informed about the project but not adequately involved in the project implementation. Likewise, with regards to the concerns and interest raised by the community

members prior to the commencement of the project, results from the study revealed that the respondents wanted the exploration company to provide amenities such as schools place of easement as well as borehole facilities for their community. Also, as to whether the community members' views and concerns expressed prior to the beginning of the project were met or not, results from the study suggest that most of community members needs and concerns were addressed but still room for more.

Also, findings from the study revealed that the assembly was formally informed of the project via the formal meetings with their outfit. Again, as to how their outfit was consulted or communicated about the project, it was evident that the approach used these institutions were through engagement, workshops and correspondence.

Again, results from the study showed that the assembly through meetings was able to express their concerns and interests they have about the project to the exploration company. Specifically, the concerns the assembly espoused to the implementing organization was the need for the organization to enforce all the safety and health issues in their operations as well as comply with all the environmental requirements of the nation.

The next study objective was to establish the challenges that impeded the exploration company in their stakeholder engagement management in the Sanzule project. Evidently, on this objective, it was revealed that factors such as absence of broadly defined legal and policy charter to guide stakeholder engagement, lack of understanding of the local context situations, project inability to connect to the indigenous people expectations, customs and traditions, as well as organization inability to identify the right key stakeholders during the project implementation and absence of effective stakeholder engagement at the initial stages of the project assessment were identified by

the respondents as the main issues that obstructed their organization stakeholder engagement processes in the Sanzule project execution.

On the final objective, the study sought to identify key measures that can be employed by the exploration company to address the challenges associated with their stakeholders' management in the Sanzule project. Specifically, on this objective, finding from the study showed that remedial measures such as undertaking the stakeholder mapping earlier enough prior to the commencement of the project, and understanding the 'intangibles' parts of communities thus, norms, values and traditions of a community. Ensuring transparency in the entire engagement process, undertaking monitoring and evaluation at the early stages of the exploration and building competencies of all stakeholders in the engagement process.

### **5.3 Conclusion**

Findings from the study suggest that the implementing organization just informed leaders of the community about their purpose of their company on their land but needs to involve in the day-today implementation project.

Again, findings from the study suggest that the role played by the participating NGO played an essential role in the project by implementing the social project (Livelihood Restoration Plan) for the project-affected persons.

Finally, it was revealed that factors such as absence of broadly defined legal and policy charter to guide stakeholder engagement, lack of understanding of the local context situations, project inability to connect to the local people expectations, customs and traditions and the organization inability to identify the right key stakeholders during the project implementation were the main challenges that inhibited the exploration company stakeholder engagement process.

## 5.4 Recommendations

Firstly, it was revealed that the inability of the exploration company to understand the local context situations made it difficult for them to adapt their engagement strategies and approaches to reflect that of the local conditions. Accordingly, on this score it is recommended to the management of the exploration company to first seek to understand the ‘intangibles’ parts of the communities they will be operating thus, norms, values and traditions before deciding to commence any exploration activities in the near future since having this understanding of the local knowledge will ease and improve their stakeholder engagement process.

Again, it was evident that the company inability to identify the right key stakeholders during the project implementation process affected the entire stakeholder engagement process. Accordingly, it is recommended to the management of the exploration company to undertake their stakeholder mapping earlier enough prior to the commencement of their project since this will give them adequate information on who to engage with and how to engage and at what rate the engagement should take.

Finally, it was established that the absence of effective stakeholder engagement at the initial stages of the project assessment and development constrained the entire stakeholder engagement process. On this note, it is recommended to the management of the exploration company to begin their engagement process earlier in the project development since this will improve the patronage and acceptance of the engagement process by all stakeholders.

# KNUST

## References

- Aaltonen, K. & Sivonen, R., 2009. Response strategies to stakeholder pressures in global projects. *International Journal of Project Management*, Volume 27, p. 131–141.
- Agbesinyale, P., E., T. Y. & Dankwah, M., 2012. *Extractive Industries, the State and Host Communities: A Study of Gold Mining Industry in Ghana*, Cape Coast: Marcel Hughes.
- Agbesinyale, P., Tenkorang, E. Y. & Dankwah, M., 2016. Extractive Industries, The State And Host Communities: A Study Of Gold Mining Industry In Ghana. *Journal of Science and Technology*, 36(2), pp. 108-113.
- Aldrich, H. E. & Pfeffer, J., 1976. “Environments of organizations,”. *Annual Review of Sociology*, Volume 2, pp. 79-105.
- Andersen, E. S., 2008. *Rethinking project management: An organizational perspective*. England: Harlow, Essex.
- Ayatah, A., 2012. *Examining Stakeholder Management Challenges and Their Impact on Project Management In The Case Of Advocacy and Empowerment NGOs in the Upper East Region of Ghana*, Unpublished Commonwealth Executive Master's Degree In Business Administration, Kumasi: Kwame Nkrumah University of Science and Technology.
- Bourassa, M. & Cunningham, P., 2012. Engaging with the enemy: Understanding adversarial stakeholder processes and outcomes. In: A. Lindgreen, P. Kotler, J. Vanhamme & F. Maon, eds. *A Stakeholder Approach to Corporate Social Responsibility: Pressures, Conflicts and Reconciliations*. Farnham: Gower, p. 75–93.

- Bowen, F., Newenham-Kahindi, A. & I., H., 2010. When suits meet roots: The antecedents and consequences of community engagement strategy. *Journal of Business Ethics*, Volume 95, p. 297–318.
- Brenner, S. & Cochran, P., 1991. *A stakeholder theory of the firm: Implications for business and society theory and research*. s.l., Proceedings of the International Society for Business and Society .
- Bryman, A., 2012. *Social Research Methods*. New York: Oxford University Press Inc., .
- Bryman, A. & Bell, E., 2007. *Business Research Methods*. Oxford: Oxford University Press.
- Buckley, J., McCulloch, N. & Travis, N., 2017. *Donor-supported approaches to improving extractives governance Lessons from Nigeria and Ghana, WIDER Working Paper 2017/33* , Helsinki: United Nations University.
- Burchell, J. & Cook, J., 2008. Stakeholder dialogue and organisational learning: Changing relationships between companies and NGOs. *Business Ethics: European Review*, Volume 17, p. 35–46.
- Burns, N. & Grove, S., 2001. *The practice of nursing research: conduct, critique and utilization (4th ed)*. Philadelphia, Pennsylvania, USA.: W.B.Saunders.
- Cavanaugh, M., 1984. A typology of social power. In: A. Kakabadre & C. Parker, eds. *Power, politics and organisations*. London, England: John Wiley.
- Choi, J. & Wang, H., 2009. Stakeholder relations and the persistence of corporate financial performance. *Strategic Management Journal*, Volume 30, pp. 895-907.
- citifmonline.com, 2014. *Ghana Commissioning of Atuabo Gas Plant under threat*, Accra: citifmonline.com.
- Collins, L. & Usher, S., 2004. Project Pascalea – public and stakeholder consultation in developing high-profile corporate environmental strategy. *Corporate Social Responsibility and Environmental Management* , Volume 11, p. 95–102.
- Cording, M., Harrison, J., Hoskisson, R. & Jonsen, K., 2014. Walking the talk: A multi-stakeholder exploration of organizational authenticity, employee productivity and postmerger performance. *Academy of Management Perspectives* , 28(1), pp. 38-56.
- Creswell, J., 2014. *Research design: Qualitative, Quantitative, and Mixed Methods Approaches*. Los Angeles: SAGE Publications Ltd..
- Davis, G. & Cobb, J., 2009. Resource Dependence Theory: Past and Future. *Research in the Sociology of Organizations*, pp. 1-31.

- Davis, R. & Franks, D., 2011. "The cost of conflict with local communities in the extractive industry". s.l., SRMining Proceedings.
- de Luque, M., Washburn, N., Waldman, D. & House, R., 2008. Unrequited profit: How stakeholder and economic values relate to subordinate perceptions of leadership and firm performance. *Administrative Science Quarterly*, Volume 53, pp. 626-654.
- Denzin, N. & Lincoln, Y., 2011. *The SAGE Handbook of qualitative research (4th ed., pp. 97–128)*. Thousand Oaks, CA: Sage.
- Eskerod, P. & Vaagaasar, A., 2014. Stakeholder Management Strategies and Practices during a Project Course. *Project Management Journal*, 45(5), p. 71–85.
- Eweje, G., 2006. The role of MNEs in community development initiatives in developing countries: Corporate social responsibility at work in Nigeria and South Africa. *Business and Society*, Volume 45, p. 93–129.
- Eweje, G. & Palakshappa, N., 2009. Business partnerships with nonprofits: Working to solve mutual problems in New Zealand. *Corporate Social Responsibility and Environmental Management*, Volume 16, p. 301–364.
- Fabig, H., Boele, R. & Wheeler, D., 2002. Paradoxes and dilemmas for stakeholder responsive firms in the extractive sector: Lessons from the case of Shell and the Ogoni. *Journal of Business Ethics*, Volume 39, p. 297–318.
- Freeman, R., 1984. *Strategic management: A stakeholder approach*. Boston: Pitman Publishing.
- Freeman, R. E., Harrison, J. S. & Wicks, A. C., 2007. *Managing for stakeholders: Survival, reputation, and success*, New Haven, CT: Yale University Press.
- Freeman, R. E., Harrison, J. S. & Wicks, A. C., 2007. *Managing for stakeholders: Survival, reputation, and success*, New Haven, CT: Yale University Press.
- Freeman, R. E. et al., 2010. *Stakeholder theory: The state of the art*, Cambridge: Cambridge University Press.
- Frooman, J., 1999. Stakeholder influences strategies. *Academy of Management Review*, Volume 24, p. 191–205.
- Frynas, J., 2005. The false development promise of corporate social responsibility: Evidence from multinational oil companies. *International Affairs*, Volume 18, p. 581–598.
- Gable, C. & Shireman, B., 2005. Stakeholder Engagement: A Three-Phase Methodology. *Environmental Quality Management*, Volume Spring, pp. 9-24.

- Gemünden, H. G., Dammer, H. & Jonas, D., 2008. Die zusammenarbeit der akteure im multiprojektmanagement. In: C. Steinle, V. Eßeling & T. Eichenberg, eds. *Handbuch multiprojektmanagement undcontrolling: Projekte erfolgreich strukturieren und steuern*. Berlin, Germany: Schmidt (Erich), pp. 31-47.
- Greenwood, M., 2007. Stakeholder engagement: Beyond the myth of corporate responsibility. *Journal of Business Ethics*, Volume 74, p. 315–327.
- Hamann, R., 2004. Corporate social responsibility, partnerships, and institutional change: The case of mining companies in South Africa. *Natural Resource Forum* , Volume 28, p. 278–290.
- Hamann, R. & Acutt, N., 2003. How should civil society (and the government) respond to corporate social responsibility? A critique of business motivations and the potential partnerships. *Development Southern Africa*, Volume 20, p. 255–270.
- Hamel, G., 2006. The why, what and how of management innovation. *Harvard Business Review*, 84(2), p. 72–84.
- Hannan, M. T. & Freeman, J., 1977. “The population ecology of organizations,”. *American Journal of Sociology*, Volume 82, pp. 929-964.
- Harrison, J., Bosse, D. & Phillips, R., 2010. Managing for stakeholders, stakeholder utility functions and competitive advantage. *Strategic Management Journal*, Volume 31, pp. 5874.
- Harrison, J., Freeman, R. & Sá de Abreu, M., 2015. Stakeholder Theory As an Ethical Approach to Effective Management: applying the theory to multiple contexts. *Rev. bus. manag., São Paulo* , 17( 55), pp. 858-869.
- Henisz, W., Dorobantu, S. & And Lite J. Nartey, L., 2014. Spinning gold: the financial returns to stakeholder engagement. *Strategic Management Journal*, Volume 35, p. 1727–1748.
- Henisz, W., Dorobantu, S. & Nartey, L., 2014. Spinning gold: The financial returns to stakeholder management. *Strategic Management Journal*, Volume 35, pp. 1727-1748.
- Heugens, P., Van Den Bosch, F. & Van Riel, C., 2002. Stakeholder integration: Building mutually enforcing relationships. *Business & Society* , Volume 41, p. 36–60.
- Heugens, P., Van Den Bosch, F. & Van Riel, C., 2002. Stakeholder integration: Building mutually enforcing relationships. *Business & Society* , Volume 41, p. 36–60.
- Huijstee, M. & Glasbergen, P., 2008. The practice of stakeholder dialogue between multinationals and NGOs. *Corporate Social Responsibility and Environmental Management* , Volume 15, p. 298–310.

- Idemudia, U. & Ite, U., 2006. Corporate – community relations in Nigerian oil industry: Challenges and imperatives. *Corporate Social Responsibility and Environmental Management* , Volume 13, p. 194–206.
- International Council on Mining and Metals, 2010. *Good practice guide: Indigenous peoples and mining*, s.l.: ICMM <http://www.icmm.com/page/1161/mining-and-indigenous-peoplesissues-review> Accessed on 15/07/2011.
- International Council on Mining and Metals, 2015. *Draft Indigenous Peoples and Mining Good Practice Guide for Consultation*, London: ICMM see [www.icmm.com/ips-gpg-feedback](http://www.icmm.com/ips-gpg-feedback).
- International Finance Corporation, 2014. *A Strategic Approach to Early Stakeholder Engagement*, Pennsylvania Avenue, N.W. Washington, D.C.: IFC.
- IPMA, 2006. *International competency baseline, 3rd ed.*, Zurich, Switzerland: International Project Management Association.
- Jensen, M. C. & Meckling, W. H., 1976. “Theory of the firm: managerial behavior, agency cost, and ownership structure”. *Journal of Financial Economics*, Volume 3, pp. 305-360.
- Jepsen, A.L and Esterod, P.2009. *Project Stakeholder Management*. United Kingdom: Gower
- Jones, T. & Wicks, A., 1999. Convergent stakeholder theory. *Academy of Management Review* , Volume 24, p. 206–221.
- Kaler, J., 2002. Morality and strategy in stakeholder identification. *Journal of Business Ethics*, Volume 39, p. 91–99.
- Kapelus, P., 2002. Mining, corporate social responsibility and the “community”: The case of Rio Tinto, Richards Bay Minerals and the Mbonambi. *Journal of Business Ethics*, Volume 39, p. 275–296 .
- Kepore, K. & Imbun, B., 2011. Mining and stakeholder engagement discourse in a Papua New Guinea Mine. *Corporate Social Responsibility and Environmental Management* , Volume 18, p. 220–233.
- Kolk, A. & Lenfant, F., 2012. Business-NGO collaboration in a conflict setting: Partnership activities in the Democratic Republic of Congo. *Business & Society*, Volume 51, p. 478–511.
- Kolk, A. & Lenfant, F., 2013. Multinationals, CSR and partnerships in Central African conflict countries. *Corporate Social Responsibility and Environmental Management* , Volume 20, p. 43–54.

- Kolk, A. & Lenfant, F., 2013. Multinationals, CSR and partnerships in Central African conflict countries. *Corporate Social Responsibility and Environmental Management* , Volume 20, p. 43–54.
- Kreiner, K., 1995. In search of relevance: Project management in drifting environments. *Scandinavian Journal of Management*, 11(4), p. 335–346 .
- Kumar, R., 2011. *Research Methodology: A step by step guide for beginners*. Los Angeles: SAGE Publications Ltd.
- Loch, C. & Kavadias, S., 2011. Implementing strategy through projects. In: P. W. G. Morris, J. K. Pinto & J. Söderlund, eds. *The Oxford handbook of project management* . Oxford, England: Oxford University Press, p. 224–251.
- Lundin, R. A. & Söderholm, A., 1995. A theory of the temporary organization. *Scandinavian Journal of Management*, 11(4), p. 437–455 .
- Luning, S., 2012. Corporate social responsibility (CSR) for exploration: Consultants, companies and communities in processes of engagements. *Resource Policy*, Volume 37, p. 205–211.
- Malhorta, N. & Birks, D., 2007. *Marketing research: An applied approach (3rd ed.)*. Harlow : Prentice Hall Inc.
- Meyer, J. W. & Rowan, B., 1977. “Institutionalized organizations: formal structure as myth and ceremony”. *American Journal of Sociology*, Volume 83, pp. 41-62.
- Mier, F., 2013. Promoting Dialogue and Building Trust in Peru: Strengthening Social Accountability to Improve the Impact of Mining Canon. In: C. Sheldon, A. Casis, G. Caspary & V. Seiler, eds. *Innovative Approaches for Multi-Stakeholder Engagement in the Extractive Industries*. Washington D.C.: World Bank Group, pp. 33-41.
- Murphy, D. & Bendell, J., 1999. Partners in time? Business, NGOs and sustainable development. *UNRISD Discussion Paper* , Volume 109, p. 1–72.
- Mzembe, A., 2016. Doing Stakeholder Engagement Their own Way: Experience from the Malawian Mining Industry. *Corporate Social Responsibility and Environmental Management* , Volume 23, p. 1–14.
- Nguyen, N. H., Skitmore, M. & Wong, J. K. W., 2009. Stakeholder impact analysis of infrastructure project management in developing countries: A study of perception of project managers in state owned engineering firms in Vietnam. *Construction Management and Economics Economics*, 27(11), p. 1129–1140.
- Noland, J. & Phillips, R., 2010. Stakeholder engagement, discourse ethics and strategic management. *International Journal of Management Reviews* , Volume 12, p. 39–49.

- Noland, J. & Phillips, R., 2010. Stakeholder engagement, discourse ethics and strategic management. *International Journal of Management Reviews* , Volume 12, p. 39–49.
- OECD , 2015. *Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractives Sector*, s.l.: Draft for comment. OECD Publishing.
- OECD, 2011. *Guidelines for Multinational Enterprises*, s.l.: OECD.
- Oliver, C., 1999. Strategic responses to institutional processes. *Academy of Management Review* , 16(1), p. 14–179.
- Parmar, B. et al., 2010. Stakeholder theory: The state of the art. *Academy of Management Annals*, Volume 3, pp. 403-445.
- Perks, R., 2012. How can public–private partnerships contribute to security and human rights policy and practice in the extractive industries? A case study of the Democratic Republic of Congo (DRC). *Resource Policy*, Volume 37, p. 251–260 .
- Peter, G., 2007. *What you Need To Know About Stakeholder Management: Proceedings of the Annual Symposium of the Project Management Institute*. Singapore , P J G Consulting Pte Ltd.
- Pfeffer, J. & Salancik, G., 1978. *The external control of organizations: A resource dependence perspective*. New York, NY: Harper & Row.
- Pfeffer, J. & Salancik, G. R., 1978. *The External Control of Organizations: A Resource Dependence Perspective*. New York: Harper & Row.
- Phillips, R. A., 2003. *Stakeholder theory and organizational ethics*. San Francisco: Berrett-Koehler Publishers.
- Phillips, R., Freeman, R. & Wicks, A., 2003. What stakeholder theory is not. *Business Ethics Quarterly*, Volume 13,, pp. 479-502.
- Porter, M. & van der Linde, C., 1995. Green and competitive: Ending the stalemate. *Harvard Business Review* , Volume 73, p. 120–133.
- Project Management Institute, 2008. *A guide to the project management body of knowledge (PMBOK® guide)*. Third edition ed. Newtown Square, PA: PMI.
- Qunilan, C., 2011. *Business Research Methods*. London: Cengage Learning.
- Reed, A. & Reed, D., 2009. Partnerships for development: Four models of business involvement. *Journal of Business Ethics* , Volume 90, p. 3–37.

- Retolaza, J., Ruiz, M. & San-Jose, L., 2009. CSR in business start-ups: An application method for stakeholder engagement. *Corporate Social Responsibility and Environmental Management* , Volume 16, p. 324–336.
- Rowley, T., 1997. Moving beyond dyadic ties: A network theory of stakeholder influences. *Academy of Management Review* , Volume 22, p. 887–910.
- Rwabizambuga, A., 2007. Negotiating corporate social responsibility policies and practices in developing countries: An examination of the experiences from the Nigerian oil sector. *Business and Society Review* , Volume 112, p. 407–430.
- Shift, 2013. *Discussion Paper Stakeholder Engagement and the Extractive Industry Under the OECD Guidelines for Multinational Enterprises.* , New York: www.shiftproject.org .
- Sisodia, R., Wolfe, D. & Sheth, J., 2007. *Firms of endearment: How world-class companies profit from passion and purpose*, Upper Saddle River, NJ: Wharton School Publishing.
- Tantalo, C. & Priem, R., 2014. Value creation through stakeholder synergy. *Strategic Management Journal*, DOI: 10.1002/smj.2337.
- United Nations Declaration on the Rights of Indigenous Peoples , 2007 . s.l.: UNDRIP .
- Vaagaasar, A. L., 2006. *From tool to actor: How a project came to orchestrate its own life and that of others.* PhD. Dissertation 10/2006, Oslo, Norway: Norwegian School of Management BI.
- Vaagaasar, A. L., 2011. Development of relationships and relationship competencies in complex projects. *International Journal of Managing Projects in Business*, 4(2), p. 294–307.
- Walsh, J., 2005. Taking stock of stakeholder management. *Academy of Management Review*, Volume 30, pp. 426-438.
- Williamson, O. E., 1975. *Markets and Hierarchies: Analysis and Antitrust Implications.* New York: Free Press.
- Wilson, E., Best, S., Blackmore, E. & Ospanova, S., 2016. *Meaningful community engagement in the extractive industries*, London: International Institute for Environment and Development (IIED).
- Wilson, E., Best, S., Blackmore, E. & Ospanova, S., 2016. *Meaningful community engagement in the extractive industries: Stakeholder perspectives and research priorities*, London: International Institute for Environment and Development (UK).
- Zadek, S., 2007. *The Civil Corporation.* London: Earthscan.

# KNUST

## Appendix

### Interview Schedule for Community Leaders and Members

1. What is your status in this community?
2. How where you consulted in the Sanzule project?
3. Did you indicate your community members concerns and interest to the company implementing this project in your community?
4. What approach did your institution used to communicate its needs to the implementing organization?
5. What specific interests did your community indicate to both the state agencies as well as the implementing organization during the project execution.
6. Did your institution play any key role in the entire project implementation?
7. What roles did your institution play in the entire project implementation?
8. Have your concerns shown during the project implementation all been addressed?

### Interview Schedule for District Assembly

1. What is your position in the assembly?
2. How where you consulted in the Sanzule project?
3. Did you indicate the assembly's concerns and interest to the company implementing this project in your community?
4. What approach did your institution used to communicate its needs to the implementing organization?
5. What specific interests did the assembly indicate to the implementing organization during the project execution.
6. Did the assembly play any key role in the entire project implementation?
7. What roles did the assembly play in the entire project implementation?
8. Have your concerns shown during the project implementation all been addressed?

## Interview Schedule for Participating NGO

1. What is your position in this organization?
2. How where you consulted in the Sanzule project?
3. Did you indicate your organization concerns and interest to the company implementing this project in your community?
4. What approach did your institution used to communicate its needs to the implementing organization?
5. What specific interests did your organization indicate to the implementing organization during the project execution?
6. Did your organization play any key role in the entire project implementation?
7. What roles did your organization play in the entire project implementation?
8. Have your concerns shown during the project implementation all been addressed?

## KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

### Topic: Influence of stakeholder engagement on project execution effectiveness

The aim of this study is to investigate how stakeholder engagement during project implementation influence project execution. The results of the study would provide a better understanding of how project developers can improve on its project implementation outcomes. Your responses, though voluntary, are greatly appreciated and would be treated with utmost confidentiality. Thank you.

### Section A: Background

---

1. What age bracket do you belong to?

- I. 20 and below  II. 21-30  III. 31-40  IV. 41-50  V. above 50

2. What is your gender?

- I. Male  II. Female

3. Which job position do you to hold in your organization?

- I. Executive director  II. Financial officer  III. Others Please specify

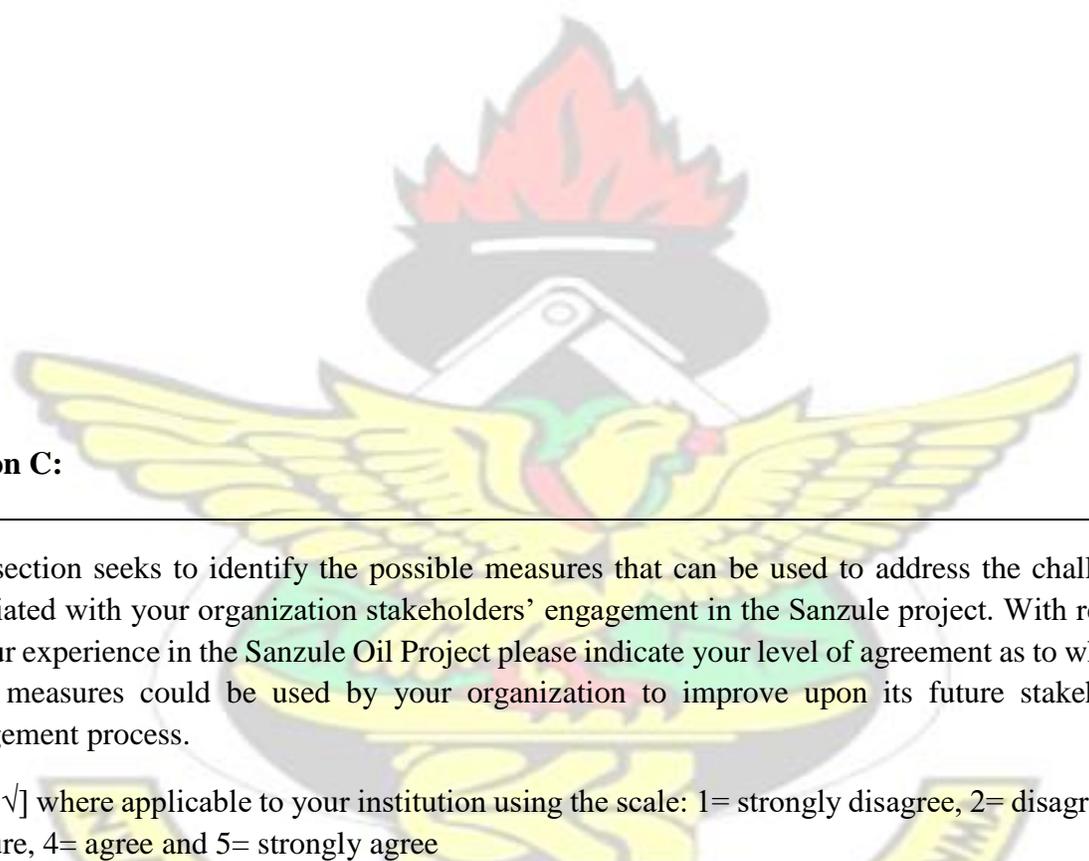
### Section B: Challenges Associated with Stakeholder Management

---



.....  
 .....  
 ...  
 .....

# KNUST



**Section C:**

This section seeks to identify the possible measures that can be used to address the challenges associated with your organization stakeholders’ engagement in the Sanzule project. With respect to your experience in the Sanzule Oil Project please indicate your level of agreement as to whether these measures could be used by your organization to improve upon its future stakeholder engagement process.

Tick [√] where applicable to your institution using the scale: 1= strongly disagree, 2= disagree, 3= not sure, 4= agree and 5= strongly agree

	<b>Remedial Measures</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
11	Undertaking the stakeholder mapping earlier enough prior to the commencement the project will give firms adequate information on who to engage with and how to engage and at what rate the engagement should take.					
12	Understanding the ‘intangibles’ parts of communities thus, norms, values and traditions of a community will facilitate an organization stakeholder engagement process.					

13	Beginning the engagement process earlier in the project development will improve the patronage and acceptance of the engagement process by all stakeholders.					
14	Ensuring transparency in the entire engagement process will improve its acceptance and patronage by all parties.					
15	Undertaking monitoring and evaluation at the early stages of the exploration will improve the engagement outcomes.					
16	Building competencies of all stakeholders will improve their participation in the engagement process.					

17. Any additional factors that can be employed to eschew the challenges associated with the stakeholder engagement process please state them below.

.....

.....

.....

.....

.....

.....

.....

.....

.....

