

‘ENHANCING STAKEHOLDER COMMITMENT’ THE ANTECEDENT ROLE OF STAKEHOLDER PARTICIPATION

Sophia Namiyingo

Makerere University Business School, Uganda

Nakiwala Mariam Kabogo

Islamic University in Uganda (IUIU), Uganda

Sudi Nangoli 

Makerere University Business School, Uganda

nangolisudi@gmail.com

Mahmood Jaaza

Makerere University Business School, Uganda

Rehema Namono

Faculty of Management Sciences, Busitema University, Uganda

Abstract

This study sought to examine the antecedent role of Stakeholder Participation on the level of Stakeholder Commitment in Health Projects managed by NGOs in Uganda. The study adopted a cross sectional, quantitative survey design. The study sample comprised of 86 health projects. The data collected was edited for incompleteness and inconsistencies and analyzed using Pearson's correlation coefficient and regression analysis. Findings showed that there is a significant positive relationship between Stakeholder Participation and Stakeholder Commitment and that the independent dimensions of stakeholder participation, that is, consultation, Decision Making, and Role participation, have a significant positive relationship with Stakeholder Commitment. The results imply that project managers in charge of health projects ought to

ensure commitment of project stakeholders especially the beneficiaries by creating an atmosphere of feeling like they are part of the family of the project implementation team. This study provides empirical results from selected health projects in Uganda to reecho the fact that stakeholder participation plays a significant role in enhancing commitment to projects envisaged

Keywords: Project management, Stakeholder participation, Stakeholder commitment, Health projects, strategy, Uganda

INTRODUCTION

Stakeholder Participation and Stakeholder Commitment continue to attract attention as conduits for enhancing project success across various sectors (Hassan et al., 2013; Bossert 1990; Addae, Parboteeah, and Davis, 2006). The success of Health related programs has also been linked to the effectiveness with which key stakeholders participate in undertakings at hand (Hannah, 2008; Goodman, and Steckler 1988). In line with the conceptualization of Freeman (1984), this study uses the term ‘Stakeholder’ to mean anyone whose knowledge, views and actions affect the success of the project. Kerzner (2006) and Nalweyiso et al.,(2015) have indicated that it is important for a project management team to identify stakeholders that can affect a project, and then manage their differing demands throughout the project stages in order to be involved in the activities of the project so as to achieve the intended project goals. Different stakeholders have different stakes in the project (PMI 2013). For example, final users may focus on the quality of products and their ability to revitalize their lives, Managers may be concerned with business advantage, marketing personnel are concerned with the cost and packaging, people who will use the product focus on usability, technicians think more about technology lawyers focus on the list is endless. Project managers usually have little formal power over stakeholders outside the project organization. According to a particular USAID study, most health projects implemented by NGOs are unsustainable due to insufficient funding and lack of participation of primary stakeholders (USAID, 2007).

Many times, primary stakeholders like the community do not whole heartedly embrace project undertakings which lowers their individual commitment towards the pursuance of project targets (Ahimbisibwe and Nangoli, 2012; Xiaojin, 2006). This follows the fact that they hardly associate with the benefits usually promised at project inception owing to lack of participation. Up to date, increased efforts to enhance Stakeholder Participation and Commitment from both practitioners and academicians, is yet to yield any sustainable positive results(Bryde, 2010). This study therefore is part of the efforts to examining the effect of stakeholder participation on

commitment as a key stride towards supporting the sustainability of health projects that are implemented in Uganda by NGOs. The following sections of this paper present a brief review of literature on Stakeholder participation and Stakeholder commitment, it presents the methods used in the study, the detailed findings and their discussion, the conclusion and recommendations, and suggested areas for further research.

Stakeholder participation and Stakeholder commitment

Kerzner(1996),indicates that Stakeholder Participation leads to increased commitment to the project. Also, a study by Kanungo, (1982) supports this the view that Stakeholder Participation is an antecedent to organizational commitment. It also specifically argued that those individuals with high levels of project involvement, which stems from positive experiences on-the-job (Kanungo 1982; Witt 1993; Cohen 1999), make attributions for these experiences to the project. Thus, having previously received benefits from the project and being obligated by the norm of reciprocity (Gouldner, 1960) to repay them, and high role involvement, makes stakeholders feel compelled to reciprocate in some form. Cohen (1999) adds that stakeholders reciprocate to the extent that their positive experiences are attributed to the efforts of project officials. These are reciprocated with increased affective organizational commitment to the persons who caused them. According to Tansky *et al.*, (1997), Role participation influences affective commitment to the project and continuance commitment to the project. Another argument by Cohen (1999) is that role participation is positively related to normative commitment. Stakeholders that internalize the appropriateness of being loyal to their community initiatives (Meyer & Allen, 1997) are likely to be more participative in their roles than those who do not. Strong normative commitment translates into high role participation because one will invest his/her efforts to meet his/her beliefs regarding loyalty expectations. Furthermore, becoming highly involved in one's role is a kind of self persuasion of the good of being a normative, committed stakeholder. Further still, role participation and stakeholder commitment were the key structures in Cohen's (2000) study, and there was a strong relationship between role participation and stakeholder commitment. Mathieu and Zajac (1990) made a Meta analysis that examined the relationships among antecedents, correlates, and consequences of stakeholder commitment. They found moderate relationship between role participation and stakeholder commitment and the relationship between role participation and Affective Commitment was stronger than that of role participation and Continuous Commitment. Likewise, Ketchand and Strawser (2001) stated that the relationship between role participation and Affective Commitment was stronger than that of Continuance Commitment. From the above literature review it can be hypothesized that:

H1: Stakeholder participation positively relates with Commitment to the Project.

METHODOLOGY

The study adopted a cross sectional survey design. The study also adopted a quantitative approach since it was meant to test rather than generate theory and focused on describing and drawing inferences from the relationships of the variables. Descriptive and analytical designs were also used.

The study population comprised of 110 health projects conducted by selected NGOs in Uganda (NGO network, 2010). A sample of 86 NGOs was selected randomly to participate in the study. Final analysis was based on 55 projects after accounting for non responses and preliminary data cleaning. The unit of inquiry comprised of community representatives and the end users (beneficiaries) who were/had ever taken part in the sampled projects. From each selected project, 1 community representative and 1 beneficiary was sampled. The inclusion and exclusion criteria was that where a person was picked and found not to have participated in the selected projects, he/she was discarded and replaced with the next convenient person. The final analysis was however aggregated at the project level rather than the individual level.

Both secondary and primary data was used. Secondary data was partly obtained from reviewing related literature in journal articles and was also was partly captured from the sustainability review reports of the studied health NGOs between the year 2006 and 2011. Primary data was gathered from the responses of the unit of inquiry using questionnaires. The data was then aggregated at the project level.

Stakeholder participation was measured using the stakeholder involvement questionnaire developed by Kanungo (1982) and Schaeffer, (1994) and Arnstein (1969). Who identified the levels of stakeholder participation to involve job participation which tested the stakeholders' willingness to carry out the current project activities, consultation which involves testing the stakeholder views about the way they were involved by being consulted about the project before the initiation phase, and decision making which looked at the degree at which stakeholders participated in making decisions which impacted on them. Stakeholder Commitment to the project was measured using the instrument developed by Allen and Meyer (1990) in terms of three categories; Affective (stakeholder's emotional attachment to, identification with, and involvement in the project activities), Continuance (commitment based on the costs that a stakeholder associates with abandoning the project) and Normative (stakeholder's feelings of obligation to stay with the project).

The data collected was edited for incompleteness and inconsistency. The Statistical package for social scientists (SPSS) version 20.0 was used for data entry and analysis of data from questionnaires and data gathered otherwise was used for providing the context within which the quantitative findings were interpreted . Pearson's correlation coefficient was used to

establish the relationships between stakeholder Participation, and stakeholder commitment as a conduit for promoting the sustainability of health projects among NGOs in Uganda.

ANALYSIS AND FINDINGS

Sample Characteristics

Data were gathered and analyzed in order to examine the sample characteristics. Table 1 shows types of projects studied.

Table 1: Project types selected

| | | Count | Valid Percent | Cumulative Percent |
|--------------|--------------|-----------|---------------|--------------------|
| Project Type | HIV/AIDs | 30 | 54.5 | 54.5 |
| | Malaria | 15 | 27.2 | 81.7 |
| | Others | 10 | 18.3 | 100.0 |
| | Total | 55 | 100.0 | |

As shown in table 1 most health projects were engaged in HIV/AIDS and Malaria (81.7%) and the exceptions were 18.3%. These included projects like those involved in Primary Health Care, Maternal health and Child health. Particularly, those involved in HIV/AIDS contribute 54.5% and Malaria 27.2%.

Length of project

In addition to project type, data were collected and analyzed about the period for which the projects had been operational. Table 2 shows the results.

Table 2: Length of project

| | | Count | Valid Percent | Cumulative Percent |
|---|-----------------|-----------|---------------|--------------------|
| Period for which the project has been operational | Less than 2 yrs | 5 | 9.1 | 9.1 |
| | 2 - 5 yrs | 8 | 14.5 | 23.6 |
| | 6 - 8 yrs | 25 | 45.5 | 69.1 |
| | More than 8 yrs | 17 | 30.9 | 100.0 |
| | Total | 55 | 100.0 | |

Results in table 2 indicate that 69.1% of the health projects had been in operation for at most 8 years while the rest of the 30.9% had run for more than 8 years. In particular, 45.5% had operated for a period of 6-8 years, 14.5% were between 2 and 5 years and only 9.1% had operated for a period of less than 2 years.

Sources of funds

Further, primary data were collected to identify the sources of funds for health projects as seen in table 3.

Table 3: Sources of funds

| | | Count | Valid Percent | Cumulative Percent |
|-------------------------|---------------------------------|-----------|---------------|--------------------|
| Major Source of Funding | Donors | 32 | 58.2 | 58.2 |
| | Community Groups | 15 | 27.3 | 85.5 |
| | Local Authorities/ Institutions | 8 | 14.5 | 100.0 |
| | Total | 55 | 100.0 | |

The results further indicate that the major source of funding for the health projects among NGOs came from the donors and community groups (85.5%), and the remaining (14.5%) of the funding came local authorities like District, Parishes and Sub-counties.

Relationship between study Variables

Spearman correlation was used to analyze the relationship between the study variables as seen in table 4.

Table 4: Relationships

| | | 1 | 2 | 3 | 4 | 5 |
|--------------------------------------|---------------------|--------|--------|--------|--------|--------|
| Stakeholder Participation (1) | Pearson Correlation | 1 | .646** | .540** | .421** | .464** |
| | Sig. (2-tailed) | | .000 | .000 | .003 | .001 |
| | N | 50 | 50 | 50 | 49 | 50 |
| Role Participation (2) | Pearson Correlation | .646** | 1 | .346* | .403** | .346* |
| | Sig. (2-tailed) | .000 | | .014 | .004 | .014 |
| | N | 50 | 50 | 50 | 49 | 50 |
| Decision Making (3) | Pearson Correlation | .540** | .346* | 1 | .299* | .571** |
| | Sig. (2-tailed) | .000 | .014 | | .037 | .000 |
| | N | 50 | 50 | 51 | 49 | 51 |
| Consultation (4) | Pearson Correlation | .421** | .403** | .299* | 1 | .497** |
| | Sig. (2-tailed) | .003 | .004 | .037 | | .000 |
| | N | 49 | 49 | 49 | 49 | 49 |
| Stakeholder Commitment (5) | Pearson Correlation | .464** | .346* | .571** | .497** | 1 |
| | Sig. (2-tailed) | .001 | .014 | .000 | .000 | |
| | N | 50 | 50 | 51 | 49 | 51 |

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

* Correlation is significant at the 0.05 level (2-tailed).

From the results in table 4 above, stakeholder participation and Stakeholder Commitment were significant and positively related ($r = .464$, $p < .01$). At the same time, the dimension of

stakeholder participation that is consultation ($r = .497$, $p < .01$), Decision Making ($r = .571$, $p < .01$) and Role participation ($r = .346$, $p > 0.5$) had also positive relationship with Stakeholder Commitment. These results show that once stakeholder concerns and contribution are taken into account in the course of initiating and running projects, the Commitment of such individuals towards the project is most likely to be guaranteed.

Regression analysis

Regression analysis was used to examine the power of stakeholder participation in predicting stakeholder Commitment on project. Table 5 shows the results.

Table 5: Regression results

| Model | | Unstandardized Coefficients | | Standardized | t | Sig. |
|-------|---------------------------|-----------------------------|------------|--------------|-------|------|
| | | B | Std. Error | Coefficients | | |
| 1 | (Constant) | 1.930 | .432 | | 4.469 | .000 |
| | Stakeholder Participation | .432 | .119 | .464 | 3.627 | .001 |

a. Dependent Variable: Stakeholder Commitment

Results in table 5 reveal that stakeholder participation can predict stakeholder commitment, though not significantly ($Beta = .464$, $Sig = .001$).

DISCUSSION OF FINDINGS

Results from correlation coefficients indicated that there is a significant positive relationship between stakeholder participation and commitment to the project. As a qualification of H1, this means that for stakeholders to be committed to the project, they must be highly involved in the activities of the project. This is in line with Kerzner (1998) who asserts that stakeholder Participation leads to increased commitment to the project. Cohen (1999) adds that those individuals with high levels of project participation reciprocate with increased affective organizational commitment to the persons who caused them as supported in earlier studies by Thomas, and Thomas (2001). Finzi (2009) further adds that the point of identifying and getting to know stakeholders early means that we can involve the right people while implementing the project and throughout the project in order for them to be committed to project objectives. The relationship between stakeholder participation and commitment to the project is further emphasized by Cohen's (2000) study, who found a strong relationship between role participation and organizational commitment. Mathieu and Zajac (1990) made a Meta analysis and found a significant relationship between role participation and organizational commitment

and the relationship between role participation and Affective Commitment was stronger than that of role participation and Continuous Commitment. Likewise, Ketchand and Strawser (2001) found a strong relationship between role participation and Affective Commitment which was stronger than that of Continuance Commitment. Also as can be inferred from the study findings, this study validated the dimensions of stakeholder participation as consultation, Decision Making and Role participation.

CONCLUSION AND RECOMMENDATIONS

Since the findings revealed that stakeholder participation and commitment are positively related, Project managers in charge of health projects in NGOs ought to ensure commitment of project stakeholders especially the beneficiaries by creating an atmosphere of feeling like they (beneficiaries) are part of the family of the project implementation team. This could be through building relationships with such individuals such that they can view taking part in health projects as a matter of necessity as much as desire. The policy implications here entails requiring policy makers to ensure that project approvals involve checking for the extent to which the project at hand ensures participation of the diversity of stakeholders. In most cases end users of NGO projects have been looked as a negligible stakeholder group whose participation may be sidelined without affecting the success of the project but it is now pertinent that this attitude ought to change.

REFERENCES

- Addae, H.M., Parboteeah, K.P. and Davis, E.E. (2006). Organizational commitment and intentions to quit. *International Journal of Organizational Analysis* 14(3) 225-238. DOI 10.1108/19348830610823419.
- Ahimbisibwe A & Nangoli S. (2012): Project Communication, Individual Commitment, Social Networks, and Perceived Project Performance, *Journal of African Business*, 13:2,101-114
- Allen, N.J. and Meyer, J.P. (1990). The measurement and antecedents of affective, Continuance and normative commitment to the organization. *Journal of Occupational Psychology*, 63, 1-18.
- Arnstein, S.R.(1969). A ladder of citizenship participation. *Journal of American Institute of planners*, 35, pp.216.
- Bossert T.J. (1990). Can they get along without us? Sustainability of donor-supported health Projects in Central America and Africa. *Soc Sci Med* 30: 1015–1023.
- Bourne, L. (2005). *Project Relationship Management and the Stakeholder Circle*. Graduate School of Business, RMIT University, Melbourne.
- Bryde, J.D. (2010). Project management concepts, methods and application. *International Journal of Operations & Production Management*, 23(7), 775-93.
- Chesterman .B (2006). *Effective stakeholder Management; Project success through stakeholders Management Network Rails-Rail defects management system*.
- Cleland, D.I. (1999). *Project Management Strategic Design and Implementation*, (3rd ed), Mc Graw-Hill, Singapore.

- Coninck, J. (2009) Evaluating the Impact of NGOs in Rural Poverty Alleviation. A Uganda Country study. An article retrieved from www.cababstracts.org March 2012
- DFID, (1995). Technical note on enhancing Stakeholder Participation in Aid activities.
- Diallo, A. & Thuillier, D. (2004). The success dimensions of international development projects: the perceptions of African project coordinators. *International Journal of Project Management*, 22, 19-31.
- Finzi, (2009). Sustainability a question of stakeholder engagement.
- Freeman, R.E.(1984). *Strategic management a stakeholder Approach*, Boston, Pitman
- Goodman, R. M., & Steckler, A. B. (1988). The life and death of a health promotion program: An institutionalization case study. *International Quarterly of Community Health Education*, 8, 5–21.
- Hannah, S.(2008). Enhancing the role of Major Groups and stakeholders in implementation of UNEP's Programme of work 2012-11; A paper by Stakeholder Forum for sustainable future.
- Hassan B., Namagembe S., Nangoli S. Ntayi M. J., and Ngoma, M. (2013). "Performance of National Agricultural Advisory Services Projects in Uganda; does Stakeholder Commitment Matter?", *World Journal of Entrepreneurship, Management and Sustainable Development*.
- Kanungo, R.N. (1982). Measurement of job and work involvement. *Journal of Applied Psychology*, 67, 341-9.
- Kerzner, H. (2006). *Project Management: A Systems Approach to Planning, Scheduling and Controlling*, (9th ed). Wiley, New York, NY.
- Kerzner, H.(1996). *Project Management workbook-PNP?CAPN*
- Nalweyiso, G., Waswa Y., Namiyingo S., & Nangoli S. (2015). Towards The Successful Implementation of UPE: The Pivotal Role of Stakeholder Management. *Asian Journal of Management Science and Economics*. Vol. 2, No. 1, pp. 54-63. 2015 ISSN 2413-0591. *Multidisciplinary Journals*, www.multidisciplinaryjournals.com
- PMI. (2013). *A guide to the project management body of knowledge (PMBOK guide) (4th ed.)*. Project Management Institute.
- Thomas, Mol Thomas M.J.(2001) *Planning for Community Participation in CBR*. *Asia Pacific Disability rehabilitation Joirnal*.12 (1), pp-44-51.
- Xiaojin,.(2006). The relationship between key stakeholders project performance and project success. Perceptions of Chinese construction supervising Engineers. *An international journal of project management*. Vol. 24, issue,3, April 2006 page 256-260.