INFLUENCE OF STAKEHOLDER IDENTIFICATION ON PERFORMANCE OF PROJECTS BY NONGOVERNMENTAL ORGANIZATIONS, THE HUMANITARIAN SECTOR IN NAIROBI COUNTY, KENYA

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Abstract: **Many civil society organizations rely on external funding, which can be inconsistent and competitive. This can hinder project sustainability and growth. Over-reliance on foreign donors can lead to a lack of local ownership and may affect the relevance of projects to local needs. Civil society organizations may struggle with public perception, where they are viewed with suspicion or as foreign agents rather than local advocates. The performance of projects undertaken by civil society organizations in Kenya has been a subject of scrutiny, particularly in terms of their effectiveness and impact. Therefore, this study sought to investigate the influence of stakeholder identification on performance of projects by nongovernmental organizations, the humanitarian sector in Nairobi County, Kenya. The design was descriptive. Seven civil society projects in Kenya were the focus of the study. There were 96 respondents, including 20 project managers and 76 members of the project team. A survey with 96 participants was taken. The review utilized an organized survey with both shut and questions that could go either way. Descriptive statistics was used to analyze quantitative data, and metrics like mean and standard deviation were used to summarize the distribution of the data. Inferential measurements, including connection and multiple regression analysis were used to assess the existing relationship between the study variables. The study findings showed that Stakeholder identification positively influences project performance, with a significant impact at the 0.05 level. This means that better stakeholder identification improved project outcomes. This study concluded that clearly identifying stakeholders is importance at the beginning of the project. The study recommends that the organizations should prioritize effective stakeholder identification processes, ensuring that all relevant parties are involved and their interests are aligned with project goals.**

Keywords: **Stakeholder Identification, Project Performance.**

1. INTRODUCTION

Multiple factors frequently influence a project's success, including its clearly defined goals, the execution methods employed, and the active involvement of stakeholders whereby each of these components contributes to the overall outcome, but perhaps one of the most critical factors is the collaboration among stakeholders (Zwikael, Elias & Ahn, 2019). Nederhand and Klijn (2019) observe that when stakeholders who may include team members, clients, suppliers, and other interested parties work together effectively, they can share a variety of points of view, expertise, and resources, which encourages a sense of ownership and dedication to the project and can boost motivation and output. In addition, open communication among stakeholders' aids in the early identification of potential difficulties, enabling prompt interventions and plan modifications.

According to Xue, Zhang, Su, Wu, and Yang (2018), the project's effectiveness is significantly enhanced by the alignment of stakeholder interests and objectives. This is because when all parties are on the same page regarding the project's goals and desired outcomes, a unified direction is created that can streamline decision-making processes and reduce disagreements. Shaukat, Latif, Sajjad, and Eweje (2022) assert that the involvement of stakeholders lead to innovative solutions and creative problem-solving enabling the project team to explore new ideas and approaches that may not have been considered otherwise through leveraging the unique skills and insights of each stakeholder. Therefore, this collaborative environment encourages a culture of continuous improvement, where feedback is valued and integrated into the project's evolution.

Stakeholder involvement is crucial for civil societies to enhance their initiatives, as shown in various case studies. In Brazil, community health programs have thrived due to local residents' engagement, effectively addressing health issues and improving outcomes (Abreu & Gomes, 2018). Similarly, in India, the participation of farmers in agricultural projects has enabled NGOs to develop tailored training programs, resulting in higher crop yields and empowering farmers through a sense of ownership and cooperation (Baud & Dhanalakshmi, 2023). Therefore, by leveraging the knowledge, skills, and resources of various stakeholders, civil societies can create more effective, sustainable, and impactful initiatives that really address the issues of the networks they serve.

Engaging stakeholders is essential for civil societies in various African nations to improve their projects. In Uganda, agricultural projects that involve farmers and local experts have enhanced food security by tailoring strategies to farmers' unique challenges, resulting in better crop yields (Tukahirwa, Mol & Oosterveer, 2020). Marijani (2022) notes that when community members feel invested in outcomes, they are more likely to support initiatives beyond external funding, as seen in a Tanzanian water sanitation project where local involvement ensured facilities met local needs and fostered ownership. Therefore, the involvement of stakeholders fosters a sense of ownership and accountability.

Osman (2020) emphasizes that stakeholder engagement improves in Kenya the effectiveness of educational projects. A literacy initiative in rural areas thrived with local teachers and parents' involvement, leading to a curriculum better suited to students' needs and improved outcomes. Bellion (2022) highlights an environmental conservation project that successfully collaborated with local authorities, securing funding and support for effective reforestation and increased community awareness. Thus, the active involvement of stakeholders is not merely beneficial but essential for the success of civil society projects in Kenya.

Stakeholder Identification is crucial to any project success. According to Elneel, Fakharudin, Ahmed, Kahtan and Abdullateef (2022) Partner recognizable proof is viewed as one of the underlying periods of task advancement. The identification and selection of genuine stakeholders is the primary impediment to project success or failure. The provenance of stakeholders along with knowledge of their level of impact, demands, and equilibrium between expectations are essential to a project's performance. This awareness operation remains constant all through the project's existence (PMBOK, 2017). In order to determine the nature and extent of stakeholder influence, the likelihood that they will do so, and the conditions under which they are functioning, it is essential to carry out a stakeholder evaluation and examination. This would lead to enhancements in the project, specifically by aiding project leaders in formalizing a project administration procedure (Mello & Monteiro, 2022).

The civil society area in Kenya assumes a significant part in the nation's social, political, and monetary scene. It envelops a different scope of associations, including non-legislative associations (NGOs), people group based associations (CBOs), religious associations, promotion gatherings, and grassroots developments. Common society in Kenya assumes a vital part in advancing majority rules system, basic liberties, and civil rights. Various projects have been undertaken by civil society organizations (CSOs) across the country to address a wide range of issues which include; Advocacy for human rights, electoral monitoring and advocacy, environmental conservation, gender equality and women's empowerment, health projects, youth engagement and empowerment and community development and poverty alleviation.

2. STATEMENT OF THE PROBLEM

The performance of projects undertaken by civil society organizations (CSOs) in Kenya has been a subject of scrutiny, particularly in terms of their effectiveness and impact. Statistical information regarding the inadequate performance of these projects can be analyzed through various dimensions, including funding, project outcomes, stakeholder engagement, and sustainability (Muok & Kingiri, 2022). According to CSO report of 2023, indicates that only about 40% of projects initiated

by CSOs achieve their intended outcomes. This low success rate can be attributed to various factors, including poor planning, lack of clear objectives, and inadequate monitoring and evaluation mechanisms. Surveys conducted among beneficiaries of CSO projects often reveal a dissatisfaction rate of around 25-35%, indicating that many projects do not meet the needs or expectations of the communities they aim to serve.

CSO report of 2023 shows that under 50% of Civil Society Organization (CSO) projects effectively engage community members during planning and implementation. This lack of involvement can create a gap between projects and community needs, leading to ineffective interventions. Without active participation, projects may lack relevance, resulting in low engagement and impact. Additionally, many CSOs struggle to establish productive partnerships with local governments and stakeholders, which are vital for community initiatives. Approximately 45% of CSOs report facing challenges in collaboration, such as bureaucratic hurdles, differing priorities, lack of trust, and poor communication. These issues limit resource mobilization and hinder the ability to leverage local expertise, leading to fragmented community development efforts.

In this framework, over the past years, numerous investigations have been conducted with the aim of examining the management of stakeholders in project performance. Koiwanit and Filimonau (2023) discovered that effective stakeholder cooperation has an impact on solid waste management subsequent to investigating the connection between partner joint effort and strong waste administration on the Thai island of Koh Phayam, in any case, the exploration focused on Thai. In addition, Li, Wang, Wang, and Xie (2022) investigated the effects that various stakeholder collaboration strategies had on risk prevention performance within the digital innovation ecosystem. The discoveries support the gainful effect of partner joint effort on powerless moderation execution. By and by, the examination was centered around risk counteraction. In addition, Zeho, Prabowo, Estiningtyas, Mahadiansar, and Sentanu (2020) sought to determine how accountability in the management of village funds and rural development was supported by stakeholder cooperation. Stakeholder collaboration in the management of village funds was found to be beneficial to the development of village accountability and improved performance.

In spite of the investigations that had been carried out by different academics, there are still several discrepancies as the emphasis of the different studies varies in terms of context and consequence. These reason underscore the relevance of this research, hence the study's goal was to investigate how nonprofit organizations' initiatives in Kenya's Nairobi County's humanitarian sector operate in relation to stakeholder identification.

3. LITERATURE REVIEW

Theoretical Literature Review

Stakeholder Theory

Stakeholder notion was originally formulated as a viewpoint or method for strategic management by Freeman 1984. The stakeholder approach emphasizes the significance of cooperation over market rivalry, which has historically been seen as the primary catalyst of societal well-being. Stakeholder theory suggests that managers should aim to foster collaborative partnerships with stakeholders by harmonizing their concerns, rather than following traditional economic beliefs that prioritize agency theory (Freeman and Phillips, 2002).

Managers should be able to come to agreements that benefit all parties and ensure that everyone leaves with something, claim Freeman, Harrison, and Wicks (2008). In more contemporary business models, an organization creates products that it may sell to consumers in order to make a profit and pay its owners and investors. This strategy takes into account the needs of employers, shareholders/investors, suppliers, and consumers Ketokivi and Mahoney (2016). Stakeholder theory states that political parties, governments, The aforementioned scenario should involve prospective employees, communities, trade unions, associated businesses, potential employees, and the general public.

Numerous organizations in the present day are acknowledging the significance of tackling environmental and social concerns, and are integrating these factors into their plans and activities. By embracing a stakeholder viewpoint, organizations can gain a deeper understanding of how their actions influence society and the environment, and can implement measures to reduce adverse effects and generate beneficial results for all stakeholders (Elkington & Kolk 2021).

Instead of focusing solely on shareholders, stakeholder theory contends that businesses should take into account the interests and influences of all parties whose decisions they make. This approach is especially significant with regards to common society projects in Nairobi City Province, Kenya, where different partners assume a pivotal part in molding project results. Projects can guarantee that the requirements and points of view of all stakeholders are taken into account by involving local communities, government agencies, NGOs, and actors from the private sector. Collaborative efforts can also leverage the strengths of various stakeholders, resulting in innovative solutions to complex social challenges.

Empirical Literature Review

To evaluate the impacts of partner examination and distinguishing proof on the execution of street development projects in Elgeyo Marakwet Province, Mugata and Yusuf (2018) led study. The sample for the study included a total of 1933 people, including county employees who worked in the road department, personnel from several organizations involved in building roads, project contractors, and members of the local community who benefited from the initiative. The participants were split into two homogeneous groups using stratified random sampling: those who were directly involved in the initiative and those who were beneficiaries. Following that, 103 participants were chosen by the proportionate random sample method from the first category. In addition, 377 community members were picked by a straightforward random selection process. Analysis revealed that Elgeyo Marakwet's road development projects were implemented in large part as a result of the process of identifying and assessing stakeholders. A mixed research method was utilized in the research and it differs from the descriptive research approach that this study utilized.

Olatunde, Awodele and Odeyinka (2021) conducted a research to determine whether there was a connection between strategies for identifying stakeholders and project outcomes in Southwestern Nigeria. The examination utilized a review of everybody to pick 30 undertaking directors from a pool of 106 task facilitators and customers dealers who had taken an interest in the management of stakeholders (SM) for construction initiatives purchased by privately held companies between the years of 2008 and 2017 in the designated region. These project managers were identified through an initial survey. A subsequent survey was created to get the participants' feedback. The mathematical information gathered were evaluated utilizing normal score (AS) investigation and Examination of fluctuation. It was found that there was a great association between partner ID and venture result. The study concentrated on building projects in Nigeria, but this study focused on humanitarian organization projects in Nairobi, Kenya.

Kingori and Waithaka's study from 2023 looked at how change management strategies affected the efficiency of the Kenya Bureau of Standards in Nairobi, Kenya. The examination was based on the universality of the decent scorecard model, partner hypothesis, asset based view hypothesis, advancement hypothesis. The research used a descriptive research approach. Kenyan Bureau of Standards was the study's intended audience. 730 personnel from many different divisions within the company made up the respondents. The participants were divided into departments using stratified sampling. The respondents were chosen by means of a straightforward random selection procedure. 258 people made up the sample. The analysis did not include the 26 surveys that the preceding group evaluated. All of the participants were given questionnaires to complete in order to gather primary data. The study discovered, among other things, that the Kenya Bureau of Standards' effectiveness had been much enhanced by the identification and collaboration of stakeholders. The study used Bureau standards as its data source, however this analysis would concentrate on NGOs in Nairobi County, Kenya.

Gichimu and Mutuku (2022) studied the link between stakeholder management and project performance in Nyeri County, Kenya, focusing on 53 county-funded projects from 2016/2017 and 2017/2018. They sampled 212 participants through cluster sampling, including 53 from the public, project officers, staff, and contractors. A descriptive research design was used, with data collected via a questionnaire. Reliability was measured with Cronbach's Alpha, and validity was confirmed by the supervisor. Data analysis was conducted using SPSS, employing both inferential and descriptive statistics, with results displayed in tables. The study found that contract management, communication management, and conflict management positively and significantly influenced project performance.

4. RESEARCH METHODOLOGY

The design was descriptive. Seven civil society projects in Kenya were the focus of the study. There were 96 respondents, including 20 project managers and 76 members of the project team. A survey with 96 participants was taken. The review utilized an organized survey with both shut and questions that could go either way. Descriptive statistics was used to analyze quantitative data, and metrics like mean and standard deviation were used to summarize the distribution of the data. Inferential measurements, including connection and multiple regression analysis were used to assess the existing relationship between the study variables.

5. FINDINGS

The descriptive statistics results on stakeholder identification are presented in Table 1.

Table 1: Descriptive Analysis of Stakeholder Identification

	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Mean	Std Dev
Project managers gain a better understanding of the needs and expectations of various stakeholders through stakeholder assessment	3.4%	6.9%	3.4%	41.4%	44.8%	4.17	1.03
Stakeholder assessment helps to inform resource allocation decisions	2.3%	8.0%	5.7%	40.2%	43.7%	4.15	1.01
Stakeholder categorization helps project managers to identify key players whose needs and expectations must be prioritized	4.6%	2.3%	1.1%	31.0%	60.9%	4.41	0.98
Classifying stakeholders allows project managers to gather insights from the right individuals when making decisions	4.6%	5.7%	5.7%	40.2%	43.7%	4.13	1.07
Project managers can identify potential risks early in the project lifecycle by prioritizing stakeholders	4.6%	1.1%	2.3%	35.6%	56.3%	4.38	0.96
Prioritizing stakeholders lead to improved relationships and a better reputation for the organization	1.1%	3.4%	4.6%	43.7%	47.1%	4.32	0.81
Aggregate mean score						**4.26**	**0.97**

The statement "Stakeholder categorization helps project managers to identify key players whose needs and expectations must be prioritized" had the highest mean score of 4.41 with 91.9% of respondents agreeing or strongly agreeing. Similarly, the statement "Project managers can identify potential risks early in the project lifecycle by prioritizing stakeholders" scored 4.38, showing that respondents recognize the importance of prioritizing stakeholders in risk management.

Statements like "Stakeholder assessment helps to inform resource allocation decisions" and "Project managers gain a better understanding of the needs and expectations of various stakeholders through stakeholder assessment" received high mean scores of 4.15 and 4.17, respectively. This highlights that respondents believe stakeholder assessment plays a strategic role in aligning project resources with stakeholder needs. The statement "Classifying stakeholders allows project managers to gather insights from the right individuals when making decisions" had a mean of 4.13, reinforcing the view that stakeholder identification contributes to more informed and inclusive decision-making. The statement "Prioritizing stakeholders leads to improved relationships and a better reputation for the organization" had a high mean of 4.32, suggesting that stakeholder identification also supports long-term organizational credibility and trust.

The aggregate mean score was 4.26 (out of 5), indicating a strong overall agreement among respondents that stakeholder identification is a critical element of successful project implementation. The standard deviation of 0.97 reflects a moderate level of variation, suggesting general consensus among respondents, with only a few outliers. The findings affirm that effective stakeholder identification was widely practiced and valued by civil society organizations in Nairobi. It contributes directly to better project planning, risk identification, informed decision-making, and enhanced stakeholder relations. These results imply that stakeholder identification processes are likely to positively influence project performance, making it a vital area for continuous improvement.

This study finding are consistent with the finding of Mugata and Yusuf (2018) who established that Elgeyo Marakwet's road development projects were implemented in large part as a result of the process of identifying and assessing stakeholders. Further, the study concurred with Kingori and Waithaka (2023) study that discovered, among other things, that the Kenya Bureau of Standards' effectiveness had been much enhanced by the identification and collaboration of stakeholders.

Inferential Analysis Results:

Correlation Analysis

Table 2: Correlation Analysis

		Stakeholder Identification	Project Performance
Stakeholder Identification	Pearson Correlation	1	
	Sig. (2-tailed)		
Project Performance	Pearson Correlation	**.680****	1
	Sig. (2-tailed)	0.000	
	N	87	87

The correlation between stakeholder identification and project performance (Pearson Correlation: 0.680, p-value= 0.000), showed that there was a strong positive relationship between stakeholder identification and project performance. As stakeholder identification improves, project performance also tends to improve. This finding emphasized the importance of understanding and categorizing stakeholders early in a project. Effective identification helps prioritize key stakeholders whose needs, expectations, and risks should be addressed, leading to more successful outcomes.

Regression Analysis

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.854a	0.73	0.716	0.38625

The correlation (R = 0.854) between the predicted values and actual values of project performance was strong, suggesting that the model explained a substantial portion of the variability in project performance. The coefficient of determination (R Square = 0.73) indicates that 73% of the variance in project performance was explained by the stakeholder identification.

Table 4: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.312	0.207		1.509	0.135
	Stakeholder identification	0.165	0.058	0.231	2.830	0.006

The results showed that Stakeholder identification (β = 0.165, p = 0.006) had a positive and significant effect on project performance. The β coefficient of 0.165 implied that for each unit increase in stakeholder identification, project performance increases by 0.165 units, holding other variables constant. The p-value (0.006) is less than 0.05, indicating that the effect of stakeholder identification is statistically significant. Effective identification of stakeholders helps ensure that their needs are addressed, improving the overall success of the project. This study finding are consistent with the finding of Mugata and Yusuf (2018) who established that Elgeyo Marakwet's road development projects were implemented in large part as a result of the process of identifying and assessing stakeholders. Further, the study concurred with Kingori and Waithaka (2023) study that discovered, among other things, that the Kenya Bureau of Standards' effectiveness had been much enhanced by the identification and collaboration of stakeholders.

6. CONCLUSIONS

The study concluded that clearly identifying stakeholders is importance at the beginning of the project. Proper stakeholder identification ensures that all relevant parties are included, whose needs and expectations are considered. This approach improves coordination, decision-making, and, ultimately, the overall success of the project.

7. RECOMMENDATIONS

The study recommendation is that the Organizations should prioritize effective stakeholder identification processes, ensuring that all relevant parties are involved and their interests are aligned with project goals. This can lead to better resource allocation and smoother execution, contributing to enhanced project performance. NGOs should implement strategies for active stakeholder engagement from the early stages of the project. This engagement fosters collaboration, allows for the incorporation of diverse perspectives, and enhances project buy-in, ultimately improving project outcomes. Develop and enforce policies that require the use of a standardized stakeholder mapping framework at the initiation phase of all projects. This will ensure consistent identification of stakeholders and guide engagement and communication strategies.

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