

THE MEDIATING EFFECT OF TEAM COMMUNICATION ON THE PERFORMANCE OF AFFORDABLE HOUSING PROJECTS IN NAIROBI METROPOLITAN AREA, KENYA

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Abstract: Kenya faces a substantial shortage of affordable housing, especially in the Nairobi Metropolitan Area (NMA), where swift urbanization and population expansion have exceeded available availability. Notwithstanding governmental involvement via the Affordable Housing Programme, projects frequently encounter delays, budget overruns, and poor quality. The significance of project environment dynamics is acknowledged, although the mediating influence of team communication on project outcomes remains insufficiently explored. This study, informed by Shannon and Weaver's Communication Theory, investigated the mediating influence of team communication on the efficacy of affordable housing projects in the NMA. The study encompassed 24 projects executed from 2017 to 2024, gathering data from 264 participants, including project managers, contractors, developers, architects, engineers, quantity surveyors, and construction managers. Structured questionnaires were employed, and the data were analyzed utilizing descriptive statistics, multiple regression, and mediation analysis in accordance with Baron and Kenny's (1986) paradigm. Results demonstrated that project environment dynamics did not exert a direct influence on project performance. They substantially improved team communication, which consequently had a profound positive impact on project outcomes. Mediation analysis established that team communication completely mediates the association between project environment dynamics and project performance. The study concludes that efficient team communication is essential for enhancing the effectiveness of affordable housing initiatives. It improves coordination, decision-making, and conflict resolution, therefore reducing inefficiencies. The study recommends that policymakers and project managers to institutionalize organized communication frameworks, utilize digital platforms, and enhance stakeholder communication skills to optimize project execution and improves Kenya's affordable housing development.

Keywords: Team Communication, Project Performance, Affordable Housing, Project Environment Dynamics.

I. INTRODUCTION

Kenya experiences a significant affordable housing crisis, especially in the Nairobi Metropolitan Area (NMA), where swift urbanization and population expansion have exceeded housing availability. A recent dashboard from the Centre for Affordable Housing Finance in Africa (CAHF) estimates that Nairobi requires approximately 150,000 to 200,000 housing units annually, with only a small fraction accessible to low-income households, leading to a significant shortfall and the proliferation of informal settlements (CAHF, 2021). This disparity underscores systemic inequalities in housing accessibility and the challenges faced by low-income individuals in obtaining sufficient accommodation.

The Government of Kenya has initiated multiple policy measures under the Affordable Housing Programme, part of the Big Four Agenda, including the Affordable Housing Act of 2024, designed to address the housing deficit through legal frameworks and financial strategies (UN-Habitat, 2025). Despite this, adoption remains limited. By December 2022, merely 27,786 mortgages had been granted, indicating restricted access to housing finance for Kenyans (UN-Habitat, 2025). The deficit is exacerbated by financial, cost-related, and regulatory obstacles that impede the execution of affordable housing initiatives.

The success of projects in the affordable housing sector is further hampered by environmental factors including insufficient planning, stakeholder conflict, and resource misallocation. Research indicates that although governance and technical competencies are crucial, effective communication within project teams markedly affects the translation of these elements into results (Mwangi & Kisimbi, 2020; Serah & Sang, 2019). Inadequate planning, unresolved stakeholder disputes, and insufficient team coordination frequently result in delays, budget overruns, and lower standards in housing development (Serah & Sang, 2019).

Consequently, team communication serves as a vital link, connecting environmental dynamics with performance. Literature relevant to construction emphasizes that enhanced internal team communication can mitigate failures, foster innovation, improve stakeholder satisfaction, and streamline decision-making (Albuali, 2021). In affordable housing projects, marked by numerous stakeholders and complex deliverables, communication serves as the essential element that ensures alignment and prompt implementation.

This study examines the mediating effect of team communication on project performance, utilizing Shannon and Weaver's Communication Theory, which emphasizes structured information flow, which regards communication as a strategic intangible asset. This research emphasizes on affordable housing projects in NMA to yield empirical insights that might guide policy, refine management practices, and eventually promote the provision of low-cost quality housing in Kenya.

Statement of the Problem

Affordable housing has been recognized as a fundamental component of Kenya's development strategy within the Big Four Plan. Nonetheless, despite several project endeavours in the Nairobi Metropolitan Area, numerous affordable housing projects persistently underperform, encountering delays, budget overruns, and deficiencies in quality (Irungu, Diang'a & Gwaya., 2022). These inefficiencies jeopardize the achievement of affordable housing objectives and compromise the socio-economic welfare of urban inhabitants urgently requiring adequate shelter. Researchers ascribe these issues to not just technological and budgetary limitations but also to organizational and behavioural elements, including inadequate communication among project teams (Mbuguah, 2016). However, empirical research regarding the impact of communication dynamics on project performance in the housing sector is still scarce.

Effective team communication is increasingly acknowledged as a vital factor in project success, as it enhances coordination, decision-making, and knowledge dissemination across stakeholders (Leje, Kasimu & Kolawole, 2019; Oyebola, Tihamiyu & Olateju, 2023). In affordable housing projects, where interdisciplinary teams work together under stringent timelines and financial constraints, the effectiveness of communication dictates the management of risks and the execution of tasks. Inadequate communication may result in misconceptions, redundant efforts, and postponements in decision-making, ultimately jeopardizing project delivery (Kemuma & Lango, 2023; Makau & Moronge, 2018). Notwithstanding this acknowledgment, there exists insufficient empirical study within the Kenyan housing sector investigating how team communication influences the relationship between project dynamics and overall performance.

Moreover, although research in different contexts has demonstrated that good communication improves collaboration and stimulates innovation (Zhang & Li, 2024 ; Iqbal, Xavier & Dantas, 2021), its mediating role in affordable housing construction in Nairobi remains largely unexplored. The lack of such data creates a void in both theory and practice, constraining project managers and policymakers in formulating solutions that utilize communication for improved results. Consequently, it is essential to examine the mediating role of team communication on the performance of affordable housing projects in the Nairobi Metropolitan Area, to offer actionable insights that can improve project delivery and support the achievement of Kenya's housing strategy.

II. LITERATURE REVIEW

Theoretical Literature Review

Communication Theory of Organizations

This study is based on the Communication Theory of Organizations formulated by Shannon and Weaver (1949), which highlights the significance of organized channels for effective information dissemination. The Communication Theory of Organizations (CTO) asserts that communication is not simply a tool in organizations, but the fundamental process by which organizations are produced, maintained, and altered (Putnam & Nicotera, 2009). Organizations arise and operate as individuals consistently generate meaning, coordinate tasks, and negotiate roles through communication. This viewpoint posits that the success or failure of organizational results, including project performance, is fundamentally dependent on the quality and effectiveness of communication processes. In affordable housing projects involving several stakeholders, including contractors, consultants, government agencies, and communities, communication serves as the foundation for project coordination and execution.

Affordable housing initiatives are intrinsically complex, defined by constrained resources, rigid timeframes, and conflicting stakeholder interests. The CTO asserts that communication in such environments fosters common knowledge, goal alignment, and effective dispute resolution among members (Lewis, 2011). Ineffective communication results in misinterpretations, redundancy in work, and delayed responses, all of which adversely impact project performance (Keyton, 2025). This corresponds precisely with the current study, which posits that team communication mediates the relationship between project dynamics and performance outcomes. In the absence of efficient communication, even well-financed and technically proficient housing projects may fail to fulfil their goals.

The CTO underscores that communication is a dynamic, continuous process rather than a singular exchange of information (Gibbs, 2010). This indicates that in project teams, ongoing communication and feedback mechanisms are essential to adjust to evolving project conditions. In affordable housing initiatives in Nairobi, communication facilitates prompt progress reporting, risk detection, and collaborative problem-solving among various stakeholders. The mediating function of communication serves as the conduit via which organizational structures (project environment, leadership, resources) are converted into measurable performance results, including timely completion, cost management, and quality housing units.

Recent studies corroborate this perspective, demonstrating that good communication within organizations fosters collaboration, cultivates trust, and improves performance (Zhang & Li, 2024). In project settings, communication has been shown to diminish uncertainty, synchronize expectations, and promote creativity, all of which are essential for large-scale housing projects (Malik, Fu, Rasool, Wani & Zaman, 2023). By anchoring the study in the Communication Theory of Organizations, the research underscores that communication is not merely an intervening variable but a fundamental force that influences project performance results.

Empirical Literature Review

Bedir, Agduman, Bedir, and Erhan (2023) conducted a study to examine the mediating role of communication skills in the relationship among team cohesion, empathy, and competitive performance in athletes. The study encompassed a sample of 241 curlers from 69 teams within the Turkish Curling League, used structural equation modelling (SEM) to assess the direct and indirect relationships among the variables. The results demonstrated that communication skills entirely governed the relationship among team cohesion, empathy, and competitive performance. The findings emphasized the significance of effective communication in fostering motivation, enhancing task distribution, promoting team collaboration, and bolstering adaptability, all of which contributed to increased performance. The study established that team cohesion and empathy primarily affect competitive performance through communication skills.

Demirdag (2022) investigated the relationship between leadership styles and 21st-century competencies, highlighting the mediating role of communication skills. The research utilized a correlational methodology and sampled 542 educators from elementary, middle, and high schools through stratified sampling. Data analysis using Pearson's correlation to determine the relationships among the variables, followed by structural equation modelling (SEM) to examine the mediating effect of communication skills between leadership styles and 21st-century competencies. The findings indicated significant relationships among the dimensions, with communication skills acting as an indirect mediator between leadership style and 21st-century competencies. The study emphasized that effective communication enhances collaboration, fosters trust, and promotes a positive work environment, all of which are vital for job engagement and responsiveness to organizational needs.

Kateb and Ramanathan (2019) examined the mediating role of communication skills in the relationship between transformational leadership and job satisfaction among employees in private institutions in Syria. The study employed a quantitative methodology, selecting a random sample of 247 academic and administrative staff from seven private institutions. The analysis employed Partial Least Squares Structural Equation Modelling (PLS-SEM) to examine both direct and indirect effects among the variables under inquiry. The results indicated that communication skill plays a vital mediating role, emphasizing that effective communication is fundamental for organizational functioning, coordination, and strategic direction. The study revealed that poor communication by leaders increases employee uncertainty and stress, consequently affecting job performance.

Suh and Battaglio (2022) investigated the mediating role of internal communication in the relationship between strategic human resource management (SHRM) and perceived organizational performance. The research conducted a comparative analysis of public, nonprofit, and for-profit organizations to demonstrate the varying effects of internal communication across different institutional contexts. The findings emphasized the significance of internal communication in fostering collaboration, articulating organizational strategies, and augmenting employee participation in decision-making processes. The study concluded that effective internal communication is essential for enhanced organizational performance. Furthermore, it highlighted that organizational type, degrees of publicity, and external environmental factors significantly influence job characteristics and, consequently, internal communication practices.

III. RESEARCH METHODOLOGY

The study adopted a descriptive design. The research focussed on twenty-four affordable housing projects initiated in the Nairobi Metropolitan Area from 2017 to 2024. A total of 264 respondents participated, consisting of 24 project managers, 24 contractors, 24 developers, 48 architects, 48 engineers, 48 quantity surveyors, and 48 construction managers. The research employed a census of 24 affordable housing projects due to small population size. Structured questionnaires were utilized to collect primary data for the research. A pilot study was conducted on the Buxton Affordable Housing Project in Mombasa County to facilitate the census of all affordable housing projects within the counties comprising the Nairobi Metropolitan Area. The content validity evaluation was utilized to determine the validity of the study tools. Cronbach's alpha was utilized to calculate a correlation coefficient for evaluating the internal consistency of the study instrument. Descriptive statistics, consisting of mean and standard deviation, were employed to assess quantitative data. The research additionally utilized inferential statistics, including multiple regression analysis. Tables and figures were employed to depict the outcomes of the data analysis.

IV. FINDINGS

The descriptive statistics results of project leadership are presented in Table 1.

Table 1: Descriptive Statistics for Team Communication

Indicator	Mean	Std. Deviation
Project team members share critical updates in a timely manner	2.510	1.162
There is a structured communication framework within the project team	2.241	1.258
Digital communication tools (e.g., emails, project management software) are used effectively.	2.299	1.205
Regular meetings are held to ensure all stakeholders are informed about project progress.	2.241	1.061
Information sharing mean score	2.323	1.172
Team members actively provide constructive feedback.	2.349	1.184
Feedback from stakeholders is considered in decision-making.	2.454	1.460
There are established mechanisms for resolving communication-related conflicts.	2.324	1.069
Responses to project-related queries are timely and effective.	2.365	1.125
Feedback and responsiveness mean score	2.373	1.210
Communication supports timely decision-making	2.120	1.319
Well-structured project teams' coordination	2.651	1.046
Project-related issues effectively resolved	1.975	1.158
Miscommunication insignificantly impact project progress	2.788	1.461
Team coordination and decision making	2.384	1.246
Team Communication Aggregate Mean Score	2.360	1.209

Table 1 shows the results regarding the importance of team communication in affordable housing projects, categorized into three dimensions: team coordination and decision-making, feedback and responsiveness, and information sharing. The mean score for information sharing was 2.323 (SD = 1.172), indicating that respondents largely disagreed or were neutral regarding the adequacy of information exchange among project team members. The assertion that “Project team members share critical updates in a timely manner” had a mean score of 2.510 (SD = 1.162), but “there is a structured communication framework within the project team” was rated lower at 2.241 (SD = 1.258). The use of digital communication tools, such as emails and project management software, was rated poorly (M = 2.299, SD = 1.205), as were frequent stakeholder meetings (M = 2.241, SD = 1.061), highlighting shortcomings in both technological and procedural aspects of team collaboration.

The average score for feedback and response was 2.373 (SD = 1.210), reflecting a predominantly negative perspective. Participants exhibited limited agreement concerning the integration of stakeholder feedback in decision-making (M = 2.454, SD = 1.460), the anticipatory delivery of constructive feedback by colleagues (M = 2.349, SD = 1.184), and the presence of formal systems for resolving communication-related conflicts (M = 2.324, SD = 1.069). The timeliness and effectiveness of responses to project-related inquiries received a low rating (M = 2.365, SD = 1.125), indicating a need for improvement in communication responsiveness.

The average score for team collaboration and decision-making was 2.384 (SD = 1.246). The majority of respondents expressed their dissent on the implementation of team collaboration and decision-making in affordable housing projects. The ability of communication to enable swift decision-making was rated poorly (M = 2.120, SD = 1.319), whereas the effective resolution of project-related issues obtained the lowest rating of all indicators (M = 1.975, SD = 1.158). Despite a marginally more favourable perception of team coordination (M = 2.651, SD = 1.046) and the perceived influence of miscommunication on project progression (M = 2.788, SD = 1.461), the scores remain low, signifying persistent challenges in communication-driven coordination.

The general assessment of team communication effectiveness was notably low, indicated by a mean score of 2.360 and a standard deviation of 1.209. This indicates that, on average, respondents conveyed opinions fluctuating between disagreement and neutrality on communication within project teams. These findings contradict those of Hameed (2024) and Mahdi and Khan (2024), who demonstrated a strong positive correlation between excellent team communication and project success. The observed results indicate potential inefficiencies in communication strategies within affordable housing projects in Nairobi, highlighting a gap that may be addressed to enhance project success.

V. RESULTS OF REGRESSION ANALYSIS

Mediation of Team Communication on the Relationship between Project Environment Dynamics and Performance of Affordable Housing Projects

The study aimed to investigate the mediating effect of team communication on the link between project environmental dynamics and the performance of affordable housing projects in the Nairobi Metropolitan Area, Kenya. This objective was examined with the subsequent null hypothesis:

H₀₄: Team communication does not mediate the relationship between the project dynamic environment and the performance of affordable housing development in Nairobi Metropolitan Area, Kenya.

Mediation analysis was conducted using a four-stage approach as recommended by Baron and Kenny (1986). The composite metric of team communication is initially regressed against the performance of affordable housing projects. Table 2 illustrates a significant association between project environment dynamics and the performance of affordable housing projects.

Table 2: Regression analysis for the composite of project environment dynamics affecting performance of affordable housing project

ANOVA Analysis

Model	SS	df	MS	F	Sig
Regression Model	0.88453	1	0.88453	2.84	0.0932
Residual	73.8080	237	0.31143		
Total	74.6926	238	0.3138		

Model Summary

Model	R	R-Squared	Adjusted R-Squared	Standard Error
1	0.1086	0.0118	0.0077	0.55806

Regression Coefficients

Dependent variable: Affordable Housing Development Performance					
Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. error	Beta		
Project Dynamic environment	0.11055	0.06559	0.13422	1.69	0.093
Constant Term	2.3125	0.16783		13.78	0.000

The ANOVA results in Table 2 indicate that the proposed model is not statistically significant, with $F(1, 238) = 2.84$, $t = 1.69$, and a p-value of 0.0932. Since the p-value above the 0.05 significance level, we fail to reject the null hypothesis, suggesting that the model does not well fit the data. This suggests that the dynamics of the project environment do not substantially forecast the success of affordable housing projects inside the model. The R-squared outcome indicates that project environment dynamics account for just 0.77% of the variance in affordable housing performance at the 95% confidence level. The derived equation was:

$$AH = 2.312 + 0.1105PED + \varepsilon \dots\dots\dots 3.2$$

Where;

PED - Composite index for project environment dynamics (exogenous variable) which is a multi-dimensional variable

AH – Performance of affordable housing development (dependent variable)

ε : Error term

The computed regression model (Model 3.2) demonstrates that the variation in performance attributable to project environment dynamics is statistically negligible, with a regression coefficient $\beta = 0.11055$, $t = 1.69$, and $p = 0.0932$. Since the p-value is above the 0.05 threshold, the association is considered statistically insignificant at the 95% confidence level. This suggests that project environment dynamics do not significantly impact the performance of affordable housing projects.

In the second step of the analysis, team communication is regressed on project environment dynamics to examine the potential mediating pathway. The results of this regression are presented in Table 3.

Table 3: Regression analysis for the composite of project environment dynamics affecting team communication

ANOVA Analysis

Model	SS	df	MS	F	Sig.
Regression Model	5.1218	1	5.12179	18.27	0.0000
Residual	66.1451	236	0.28028		
Total	71.2669	237	0.30070		

Model Summary

Model	F (1, 236)	R-Squared	Adjusted R-Squared	Standard Error
1	18.27	0.0719	0.0679	0.52941

Regression Coefficients

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. error	Beta		
Project Dynamic	0.26612	0.06225	0.18892	4.27	0.000
Constant Term	1.6954	0.15935		10.04	0.000

Table 3 indicates that project environment dynamics contribute 6.79% to the variance in team communication, as seen by an adjusted R-squared value of 0.0679. The ANOVA results demonstrate that the regression model is statistically

significant, with $F(1, 237) = 18.27$, $t = 4.27$, and a p-value of 0.000, which is below the 0.05 significance threshold. This signifies a strong model fit, indicating that project environmental dynamics have a statistically significant positive impact on team communication in affordable housing initiatives. The derived equation was:

$$TC = 1.6954 + 0.2661PED + \varepsilon \dots \dots \dots 3.3$$

Where;

TC - mediating variable (composite index for team communication)

PED - Composite index for project environment dynamics (exogenous variable) which is a multi-dimensional variable

ε : Error term

The generated regression model (Model 3.3) indicates that project environment dynamics have a statistically significant positive effect on team communication, with a regression coefficient $\beta = 0.26612$, $t = 4.27$, and $p = 0.000$. The p-value, significantly below the 0.05 significance threshold, demonstrates that the link is statistically significant at the 95% confidence level. This suggests that team communication improves as project environment dynamics improve. When team communication is minimal (i.e., a constant of zero), project environment dynamics maintain a baseline influence measured at 1.6954. A one-unit increase in project environment dynamics results in a 0.26612-unit enhancement in team communication, hence affirming the strength and direction of this correlation.

In the third step of the mediation study, team communication is regressed against the success of affordable housing projects, with the results detailed in Table 4.

Table 4: Regression analysis for the composite of team communication affecting performance of affordable housing project

ANOVA Analysis

Model	SS	df	MS	F	Sig
Regression Model	16.1005	1	16.1005	64.90	0.0000
Residual	59.0427	238	0.24808		
Total	75.1432	239	0.31441		

Model Summary

Model	R	R-Squared	Adjusted R-Squared	Standard Error
1	0.4629	0.2143	0.2110	0.49807

Regression Coefficients

Dependent variable: Affordable Housing Performance					
Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. error	Beta		
Team Communication	0.471596	0.058539		8.06	0.000
Constant Term	1.47229	0.141867		10.38	0.000

Table 4 shows that the adjusted R-squared value is 0.2110, indicating that team communication explains 21.10% of the variance in the success of affordable housing projects. The ANOVA results validate the statistical significance of the regression model, with $F(1, 239) = 64.90$, $t = 8.06$, and a p-value of 0.000, which is well below the 0.05 threshold for significance. The results indicate that the proposed regression model effectively aligns with the survey data and that team communication substantially influence the performance of affordable housing projects at the 95% confidence level. The derived equation was:

$$AH = 1.4722 + 0.4715 TC + \varepsilon \dots \dots \dots 3.4$$

Where;

TC - mediating variable (composite index for team communication)

AH – Performance of affordable housing development (dependent variable)

ε : Error term

The estimated regression model (Model 3.4) demonstrates that team communication has a statistically significant positive effect on project performance, as indicated by a regression coefficient $\beta = 0.4715$, $t = 8.06$, and a p-value of 0.000, which is below the 0.05 threshold. This verifies that the link is statistically significant at the 95% confidence level. Maintaining consistent team communication, the model yields a baseline project performance score of 1.4722. Moreover, for every one-unit improvement in team communication, project performance increases by approximately 0.4715 units, indicating a strong and statistically significant positive link between the two variables.

These findings validate prior research, emphasizing the crucial role of team communication in enhancing project effectiveness. Consistent with this study's findings, Bedir et al. (2023) established that effective team communication significantly and favourably influences project outcomes, with high communication levels associated with enhanced performance. Similarly, Kateb and Ramanathan (2019) observed a positive impact of team communication on the operations of private organizations in Syria. Nyandongo and Davids (2024) demonstrated a significant association between team communication and the success of telecommunications firms in Kenya. The results correspond with the conclusions of Zhang and Li (2024), who highlighted a strong correlation between team communication and project performance, affirming the universality of this link across all sectors and geographies.

In the fourth and final step of the mediation study, the performance of affordable housing was regressed against team communication and project environment dynamics to assess the mediating effect of team communication on the relationship between project environment dynamics and project performance. The results of this regression analysis are summarized in Table 5.

Table 5: Regression analysis for composite of project environment dynamics and team communication affecting the performance of affordable housing project

ANOVA Analysis

Model	SS	df	MS	F	Sig
Regression Model	16.1787	2	8.0893	32.50	0.0000
Residual	58.4841	235	0.2488		
Total	74.6628	237	0.3150		

Model Summary

Model	R	R-Squared	Adjusted R-Squared	Standard Error
1	0.4655	0.2167	0.2167	0.4988

Regression Coefficients

Dependent variable: Affordable Housing Performance					
Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. error	Beta		
Team Communication	0.48099	0.0613	0.4245	7.84	0.000
Project environment Dynamics	-0.01793	0.0608	-0.0127	-0.29	0.769
Constant Term	1.49881	0.1826		8.21	0.000

Table 5 reveals an adjusted R-squared value of 0.2167, indicating that the interaction between project environment dynamics and team communication explains 21.67% of the variance in the performance of affordable housing projects. The regression model is statistically significant, as indicated by a p-value of 0.000, which is below the 0.05 threshold, so confirming significance at the 95% confidence level. The results demonstrate that integrating team communication as a mediator improves the model's explanatory power. The findings confirm that team communication partially mediates the association between project environment dynamics and the performance of affordable housing projects. The derived equation was:

$$AH = 1.4988 - 0.01792PED + 0.4809TC + \epsilon \dots\dots\dots 3.5$$

Where;

TC - mediating variable (composite index for team communication)

PED - Composite index for project environment dynamics (exogenous variable) which is a multi-dimensional variable

AH – Performance of affordable housing development (dependent variable)

ϵ : Error term

The findings collectively demonstrate that team communication fully mediates the relationship between project environment dynamics and the performance of affordable housing projects. The minimal direct influence of project dynamics on performance in the initial stage became statistically insignificant with the implementation of team communication in the final phase. Team communication regularly produced a significant influence, showing its mediating role. This implies that the dynamics of the project environment may indirectly influence performance by enhancing communication among teams, hence improving project outcomes.

The assessment of the tested hypothesis was performed based on the criteria established by Baron and Kenny (1986). This indicates that if, in the first step of regressing the performance of affordable housing projects against project environment dynamics, the coefficient for project environment dynamics is significant, and either in the second step of regressing team communication on project environment dynamics or in the fourth step of regressing the performance of affordable housing projects on both project environment dynamics and team communication is also significant, then some form of mediation is suggested. If, in step four, the project environment dynamics become negligible after considering team communication, then complete mediation is confirmed. If, in step four, the project's environmental dynamics remain significant after considering team communication, then partial mediation is confirmed.

The study indicated that in step four, the project environment dynamics were not significant after considering team communication, with the coefficient of project environment dynamics decreasing from $\beta=0.11$ to $\beta=-0.02$. Thus, the study rejected the null hypothesis, concluding that team communication fully mediates the relationship between project environment dynamics and the performance of affordable housing projects in the Nairobi Metropolitan Area, Kenya. The efficacy of the correlation between project environmental dynamics and the performance of affordable home development was wholly elucidated by team communication. This suggests that the dynamics of the project environment do not directly impact performance; rather, they effect performance indirectly through coping strategies.

The results align with prior empirical studies, including Demirdag (2022), who emphasized communication's ability to foster trust and positive team dynamics, and Suh and Battaglio (2022), who illustrated that efficient internal communication is crucial for transforming strategic HRM initiatives into enhanced performance. This study highlights the critical importance of team communication as a key factor in project success. In affordable housing development, where projects often encounter ambiguity, complexity, and shifting stakeholder expectations, structured and flexible communication strategies are essential. For project teams to excel, communication must be viewed not only as a task, but as an essential and continuous activity that promotes adaptive learning, coordination, and performance. Moreover, previous research conducted across other sectors demonstrates that the results are consistent with those of the current study, providing empirical proof that the findings may be generalized to affordable housing projects despite their unique characteristics.

VI. CONCLUSIONS

The study concludes that team communication significantly mediates the enhancement of performance in affordable housing projects within the Nairobi Metropolitan Area. Effective communication enhances coordination, mitigates conflicts, improves decision-making, and guarantees timely information dissemination among stakeholders, thus bridging gaps caused by changing project environments. The results highlight that in the absence of robust communication systems, even well-funded projects may encounter inefficiencies, delays, and budget overruns. Therefore, the integration of organized and technology-driven communication tactics is crucial for successful project execution and enduring results.

VII. RECOMMENDATIONS

The study recommends project managers and policymakers in the affordable housing industry to prioritize organized team communication frameworks facilitated by contemporary digital platforms to enhance project coordination and performance. Training programs must be implemented to improve communication skills among stakeholders, and project governance frameworks should incorporate explicit reporting routes and feedback systems. Moreover, investing in information technology systems that facilitate real-time cooperation is essential for mitigating delays and diminishing disagreements. Institutionalizing good communication techniques can enhance efficiency, ensure timely delivery, and promote sustainable outcomes in affordable housing initiatives within the Nairobi Metropolitan Area.

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