

**STAKEHOLDER MANAGEMENT ISSUES IN  
CONSTRUCTION PROJECTS: A CASE STUDY**

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Degree of Master of Business Administration in Project Management

Department of Civil Engineering

University of Moratuwa  
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## **DECLARATION**

I declare that this is my own work and this thesis does not incorporate without acknowledgement any material previously submitted for a Degree or Diploma in any other University or institute of higher learning and to the best of my knowledge and belief it does not contain any material previously published or written by another person except where the acknowledgement is made in the text.

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The above candidate has carried out research for the Masters in Business Administration thesis under my supervision.

Name of the supervisor: Dr. Lesley Ekanayake

Signature of the supervisor:

Date :

## **Abstract**

Construction industry, irrespective of its nature and magnitude, is affected by various problems which ultimately lead projects to failures. Surprisingly, most of these problems are non-technical but related to different aspects of Project Management.

Stakeholder Management is a critical component in Project Management which is largely responsible for either the successful delivery of a project or its failure. There are hundreds of examples from all over the world, for failures in construction projects due to ineffective management of Stakeholders.

The purpose of this study is to investigate how far the theories and concepts of Stakeholder Management are being practiced in the Construction industry of Sri Lanka by using a case study project and thereby to identify the main issues in Stakeholder management in construction projects.

In the study, among the few models developed for Stakeholder management in businesses, one model was selected as suitable and data collected was analyzed in comparison with the guidelines given in the selected model.

The main issue in Stakeholder management of construction projects, as identified in this study is that more attention is usually paid on the key stakeholders with all three attributes of Power, Legitimacy & Urgency whereas latent stakeholders are given less significance.

However, with the finding of the study it was noted that there is a tendency of latent stakeholders to behave dynamically to gain access to other stakeholders and become more powerful and influential towards the Project.

In order to overcome similar issues in future Projects, it is recommended not only to study the individual impact of each latent stakeholders but to analyze their impact with every possible combinations of other stakeholders.

It is recommended to expand the scope of the study in to different sectors of construction industry and to reach a more generalized conclusion on main issues of stakeholder management in construction projects in Sri Lanka.

Key words : Stakeholder, Stakeholder management model, Attributes,

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