

# THE ROLE OF STAKEHOLDERS IN BUSINESS MODEL INNOVATION IN CONSTRUCTION ORGANISATIONS IN SRI LANKA

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## ABSTRACT

*The Business Model (BM) has become a distinctive feature that guides enterprises in fighting against challenges and navigating toward success. Construction organisations also face challenges due to expanding project scopes, increasing project participants, external factors and tight budgets. Hence, innovating BMs to keep up with the changing market and retain the competitive edge is essential. In this context, the stakeholders play a vital role in Business Model Innovation (BMI). There is therefore a need to investigate the role of stakeholder in BMI. Hence, this paper investigates the role of stakeholders in BMI in Sri Lankan construction organisations. This research gap was addressed using a literature review followed by in-depth semi-structured interviews with 20 experts using the qualitative research approach. Collected data were analysed through content analysis. Findings revealed that stakeholder engagement in BMI is led by the mutual benefits gained by all parties while creating a win-win situation. Semi-structured interview findings revealed that government, shareholders, clients, Board of Directors (BoDs) and management significantly influence BMI, while stakeholders such as employees, sub-contractors, competitors, financial providers and material suppliers possess a moderate influence. As per the interview findings, shareholders provide capital and foster innovation, BoDs/top management make final decisions after evaluating all suggestions, middle and low-level managers execute BMIs and guide subordinates, clients shape BMs to fit project needs, and the government influences BMIs through regulations. In conclusion, the stakeholders in construction industry can use the research findings in developing BMIs and implementing them successfully.*

**Keywords:** Business Model (BM); Business Model Innovation (BMI); Construction Organisations; Sri Lanka; Stakeholder Role.

## 1. INTRODUCTION

Construction organisations frequently deal with challenges caused by the external environment due to economic uncertainty, the highly competitive global construction market, technological changes, and the impact of regulatory bodies and laws (Liu et al., 2017; Martins et al., 2015). Further, these organisations also face challenges that arise

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within the businesses due to expanding project scopes, increasing project participants, and tight budgets (Antunes & Gonzalez, 2015). Accordingly, firms in the construction industry must develop Business Models (BMs) to adopt the best modifications to survive and prosper in dynamic business settings packed with internal changes and external influences (Martins et al., 2015). BMs have received considerable attention in recent years (Abeynayake et al., 2022a), and BM is defined as a plan that creates value for an organisation (Pekuri et al., 2013;). BMs significantly influence how (a) well international construction organisation's function and (b) these firms make decisions about their BMs in the hope that they will provide better results (Jang et al., 2019). However, with the economic, social, and environmental challenges, the need for profound and comprehensive BMs has become essential for organisations (Shakeel et al., 2020), indicating the need for Business Model Innovation (BMI). Yunus et al. (2010) conceptualised BMI as a way of generating new sources of profit by finding novel value propositions. Further, the BMI process necessitates changes made holistically to an organisation's value-creation, value-delivery, and value-capture activities (Bouncken & Fredrich, 2016). While proposing a roadmap for BM adaptation in the construction industry, Abeynayake et al. (2022a) mentioned that BM is a novel concept in Sri Lanka, probably because BM adaptation in the industry has not been sufficiently studied.

On the other hand, the stakeholders of a firm have the capabilities in influencing the goals of a business while their engagement in business creates sustainable value, which empowers changes within a business environment (Marcon Nora et al., 2023; Stocker et al., 2020). This implies that the stakeholders could influence BMI (Han et al., 2022). When considering the construction industry, engagement of direct stakeholders such as clients, consultants, and contractors, and indirect stakeholders such as suppliers, government, regulatory bodies, financial institutions and competitors is crucial as they influence the decisions, operations and other activities of construction organisations (Pekuri et al., 2013; Han et al., 2022; Abuzeinab & Arif, 2014). Furthermore, Han et al. (2022) highlighted that due to the rapid evolution of the new knowledge and technology areas and resource scarcity in the construction industry, the need for stakeholders with the relevant knowledge and resources for BMI development has become vital. Although stakeholder engagement is vital for BMI in the construction industry, it is less discussed and researched in the field (Pekuri et al., 2013). There is, therefore, a need to examine the stakeholders' involvement in BMI. Hence, this paper aims to investigate the role of stakeholders in BMI in Sri Lankan construction organisations.

This paper begins with an introduction followed by a literature review. Then, the research methodology, the research findings, and the discussion are presented, respectively, before concluding the findings with recommendations.

## **2. LITERATURE REVIEW**

A literature synthesis on BMI and stakeholder engagement in BMI in the construction industry are presented in the following sub-sections.

### **2.1 BUSINESS MODEL INNOVATION IN CONSTRUCTION INDUSTRY**

BMs fundamentally explain how organisations generate value while considering society and the environment (Dembek & York, 2022). BMI is an extension of the BM concept (Hossain, 2017). According to Jang et al. (2019), BMI supports an organisation's continuous value improvement. Further, BMI can be referred to as the search for a new

logic of the firm and new ways to create and capture value for its stakeholders (Casadesus-Masanell & Zhu, 2013). According to Kraus et al. (2020), innovation is always a driver for value creation, and a successful BMI is the path to value creation. Ever-increasing complexity and competition in the construction industry necessitate that construction organisations consider BMI to be a vital element in maintaining a competitive edge in the market. Abeynayake et al. (2022b) defined construction BM as a condensed conceptual illustration of a construction company that uses critical resources to create value by client requirements, taking into account the proper level of engagement from all relevant stakeholders in the fundamental processes leading to revenue and profit generation, and expressing the company's strategic decisions while being conscious of the opportunities and changes that must be made.

Construction professionals learned from the manufacturing sector (Das et al., 2023) and understood BMs as essential to creating value. Rottke et al. (2011) added a new angle to the study of BMs in the construction industry by examining how construction companies expand vertically into the real estate value chain through mergers and acquisitions to strengthen their position in the market. Furthermore, prefabrication was considered a case to be examined by Liu et al. (2017) during their study of BMI in Chinese construction companies. Further, the authors claimed that BMI can transform emerging technologies like prefabrication into valuable products and is likely to generate four times more revenue growth than innovations in products or services. Moreover, Pekuri et al. (2013) emphasised that managers in the construction industry had significant difficulties in explaining the BMs and value-creation logic of their organisation, indicating a lack of comprehension of client values and needs in the project delivery process. Further, the study revealed client satisfaction as a focal point of BMI in the construction industry. Hence, stakeholder involvement is pivotal in BMI.

## **2.2 STAKEHOLDER ENGAGEMENT IN BMI**

Construction is an impactful sector in terms of resource use and has a complex network of stakeholders (Senaratne et al., 2023). Integration and partnerships of stakeholders in the construction industry have been identified as crucial factors that influence the performance of construction projects. Nguyen and Mohamed (2021) stated that efficient stakeholder management is a vital success factor for construction projects. Hence, any organisation needs to understand its stakeholders properly (Guerra & Leite, 2021). According to Pekuri et al. (2013), the general impression is that success in the construction industry depends more on the individual qualities of personnel, particularly managers. Further to the authors, managers in many other industries feel the effects of globalisation on their companies' competitive position on differentiation and the strength of their organisational systems in response to changing environmental conditions.

Businesses that want to change and adapt in response to environmental factors must work more closely with stakeholders inside and outside the company (Abuzeinab et al., 2016). According to Han et al. (2022), construction companies to develop a BMI that could attract more clients since the engagement of clients is essential to increase the financial resources needed for BMI. Further to the authors, in the construction industry, knowledge and skills rapidly iterate, resources are increasingly difficult to obtain, and environmental dynamism positively moderates the relationship between BMI and corporate performance (Han et al., 2022). This indicates the need for stakeholders with the necessary knowledge, skills and resources for BMI.

According to Han et al. (2022), middle and low-level management engagement is crucial for construction companies to make wise strategic decisions in a changing environment because, in the face of intense industry competition, construction companies need to develop sound strategic thinking, spot possibilities in a changing environment, and innovate BMs to gain long-term competitive advantages. Further to the authors, when choosing the middle and low-level management, it is essential to consider how well team members cooperate internally and avoid any confusion due to unbalanced information in decision-making to assist businesses in developing strategies and BMI. Collaborative, informed decision-making among teams is imperative for construction BMI to respond to dynamic environmental changes and maintain a competitive advantage (Abuzeinab et al., 2016). Hence, stakeholder engagement, especially with clients and senior management, fuels BMIs (Han et al., 2022).

### **2.3 FACTORS THAT AFFECT STAKEHOLDER ENGAGEMENT IN BMI**

Yu and Leng (2018) stated that different stakeholder interests and levels of influence might impact the outcomes of construction development projects by either directly influencing the results or indirectly influencing them. Hence, increasing stakeholder interest in the business would increase the attention received for a BMI (Han et al., 2022). The following sub-sections present factors that enhance and hinder stakeholder engagement in BMI.

#### **2.3.1 Factors that Enhance Stakeholder Engagement in BMI**

One key factor contributing to enhanced stakeholder engagement is market orientation, where organisations align strategies with market needs and preferences (Han et al., 2022). Further to the authors, this approach attracts new clients and increases profitability by responding effectively to market dynamics. Meanwhile, training is crucial in keeping employees motivated and aligned with organisational goals (Abuzeinab & Arif, 2014). Further to the authors, by offering incentives and empowering staff, organisations ensure that stakeholders understand the significance of BMI and their role in its implementation. Moreover, effective internal and external communication channels are vital for stakeholder engagement (Zarewa, 2019). Abuzeinab and Arif (2014) stated that clear messaging helps attract clients, collaborate with the supply chain, and educate end-users about sustainable practices. According to Abuzeinab et al. (2016), providing all employees with roles and explaining their roles properly would drive the organisation towards common objectives and goals, fostering a sense of ownership and commitment at their optimum level of involvement in BMI initiatives. Additionally, tailoring strategies to meet stakeholders' interests, such as providing economically viable solutions and flexible working patterns, enhance engagement and fosters a collaborative environment (Eyiah-Botwe et al., 2016).

#### **2.3.2 Factors that Hinder Stakeholder Engagement in BMI**

Stakeholders face challenges when involved in BMI in the construction industry due to its unique nature (Pekuri et al., 2013). According to Zarewa (2019), the factors that hinder stakeholder engagement can be personal, such as insufficient knowledge, conflict of interests, and attitudes that depend on the qualities of the individuals or could be organisational, such as lack of leadership, insufficient time allocation for work, and limited information available. Insufficient knowledge and training among stakeholders on the principles and benefits of BMI hinders their engagement in the construction

industry. Without a solid understanding and proper training, it is challenging for employees to contribute their best to the company, and they may view BMI as unnecessary or disruptive, which diminishes their willingness to participate (Abuzeinab & Arif, 2014). Wilson and Rezgui (2013) identified a lack of technical capacity, limited access to information, and insufficient support among stakeholders as factors that hinder their ability to engage in BMI activities meaningfully. Moreover, maintaining robust relationships with stakeholders is crucial for a successful business, and failure to nurture these relationships can leave stakeholders feeling undervalued or marginalised, reducing their willingness to engage in BMI initiatives (Agyekum et al., 2023).

## **2.4 STAKEHOLDERS ENGAGE IN BMI IN SRI LANKAN CONSTRUCTION INDUSTRY**

Weerakkody and Thoradeniya (2012) described how the Sri Lankan construction industry is securing the involvement of all relevant stakeholders at the design stage and preserving coordination among them in resolving crucial issues related to accomplishing the main goals of building projects. According to Jayathissa et al. (2016), the most common stakeholders in road construction projects are the government, the general public, insurance companies, the media, environmental pressure groups, and funding bodies. In contrast, Kulathunga (2018) has identified clients, end users, consultants, and contractors as the primary stakeholders of building construction projects in Sri Lanka. Haigh and Sutton (2012) suggested that strategic planning should prioritise early stakeholder participation in Sri Lankan post-disaster reconstruction programmes. Hence, it is evident that the engagement of stakeholders is vital to the BMI in the construction industry. Identifying the roles of different stakeholders in BMI would encourage its development in construction organisations. Furthermore, as per the literature review, some factors enhance and hinder stakeholder engagement in BMI. Proper identification of these factors in BMI would be vital to maintain a competitive edge in a dynamic environment for construction organisations.

## **3. RESEARCH METHODOLOGY**

A research design serves as a roadmap for research and in this study, it includes a background inquiry, a survey of the literature, data collection, and data analysis. Since this research aimed to investigate the role of stakeholders in BMI in Sri Lankan construction organisations, a qualitative approach was selected. Interviews with industry experts was applied as the suitable research strategy. Accordingly, semi-structured interviews were used as the data collection method as it is one of the most important sources to collect qualitative data. As Dawadi et al. (2021) stated, semi-structured interview technique was used in this study due to its: (a) flexibility, (b) less chance of missing any data and identifying aspects the researcher may have missed, (c) ability to collect in-depth and detailed information, and (d) integration of human touch that allows the researcher to identify the actual feelings and emotions of the participants. BM is a rarely explored subject in the context of construction literature, so the above characteristics of qualitative research would immensely help to have a comprehensive understanding without missing any data while extracting practical information from industry professionals.

Accordingly, 20 semi-structured interviews were conducted with industry experts having more than 10 years of experience to identify the role of stakeholders in BMI in Sri Lankan

construction organisations. However, the data collection was limited to the owners and the top-level managers of the construction organisations as the top-level management is involved in strategic decision making and BMI. Furthermore, snowball sampling was used to make the selection of respondents more effective. The profile of respondents is given in Table 1.

*Table 1: Profile of the respondents*

<b>Respondents</b>	<b>Designation</b>	<b>Experience</b>	<b>Type of the firm</b>
R1	Director	17 years	Consultant
R2	Contract Manager	13 years	Contractor
R3	Owner/Director	20 years	Consultant
R4	Deputy General Manager	26 years	Contractor
R5	Owner	21 years	Consultant
R6	Co-Owner	25 years	Consultant
R7	Co-Owner	25 years	Consultant
R8	Senior Manager	11 years	Consultant
R9	Deputy General Manager	13 years	Contractor
R10	Co-Owner/Director	21 years	Contractor
R11	Owner	32 years	Consultant
R12	Director	16 years	Contractor
R13	Deputy General Manager	20 years	Contractor
R14	Chief Executive Officer	20 years	Consultant
R15	Director	13 years	Consultant
R16	Director	49 years	Consultant
R17	Owner/ Director	26 years	Consultant
R18	Contract Manager	13 years	Contractor
R19	Owner	12 years	Consultant
R20	Deputy General Manager	12 Years	Contractor

Since the organisation's top management is mainly involved in BMI, interviews were limited to the organisation's owners, directors, and senior managers. This selection made the information collected more reliable and realistic as the respondents work closely with the BMs than the other stakeholders of the construction organisations. Out of 20 respondents, 55% of respondents have more than 20 years of experience while others (45%) have experience between 10 to 20 years. Further, 60% of respondents represent consultancy organisations while the others (40%) attach to contractor organisations. Furthermore, the data collection was carried out until data saturation was reached and no new themes or insights emerged. This indicates the consistency in the responses given by the respondents representing both consultancy and contractor organisations.

The collected data were analysed by using code-based content analysis techniques. QSR NVivo.12 software was used in data analysis as it manages all data very easily. The key findings derived through data analysis are presented below.

## 4. RESEARCH FINDINGS AND DISCUSSION

The interview guideline was structured under four sections. Section 1 focussed on gathering information about the respondents' profile. The next section explored the respondents' opinions on the factors that should be focused on BMI in a construction organisation. Section three collected insights on stakeholder influence on BMI in the construction industry. The final section explored the role and contribution of various stakeholders in BMI in the construction industry. The key findings are presented below.

### 4.1 FACTORS TO BE FOCUSED IN BMI IN A CONSTRUCTION ORGANISATION

All 20 respondents agreed and emphasised that BMIs of all organisations in the construction industry, whether a consultancy firm or a contractor firm, should focus on making profits for the owners or their shareholders. However, R10 highlighted that sometimes the BMI may have to consider their survival or long-term benefits over making profits. Nevertheless, almost all the respondents highlighted that BMIs in the construction industry should focus on client satisfaction. Similarly, Pekuri et al. (2013) and Jang et al. (2019) also highlighted the importance of considering client satisfaction in BMI.

In addition, R1 emphasised the importance of the value proposition of a BM, highlighting the need to add value to the work that clients undertake. The respondent further mentioned that adding value to the work would help a business to create a proper relationship with the clients. Accordingly, Rydehell (2019) and Yunus et al. (2010) also acknowledged the BM's ability to find new value propositions for a business. Despite this, R3 introduced the BM as a "way of conducting the business ethically while considering shareholder profit". This was asserted by R11 and R15, mentioning that integrity and ethical practice are something their organisations focus on, and even BMI also align with that.

### 4.2 STAKEHOLDER INFLUENCE ON BMI IN THE CONSTRUCTION INDUSTRY

Section three in the interview guideline aimed to collect insights of respondents on the influence of stakeholders on BMI in the construction industry based on their roles, decision-making power, ability to influence the factors in business environment and ability to allocate resources. The level of significance of the influence was categorised as significant, moderate and minor impacts based on the opinions of the respondents. The research findings on the stakeholders who influence BMI in construction industry were analysed using NVivo and shown in Figure 1.

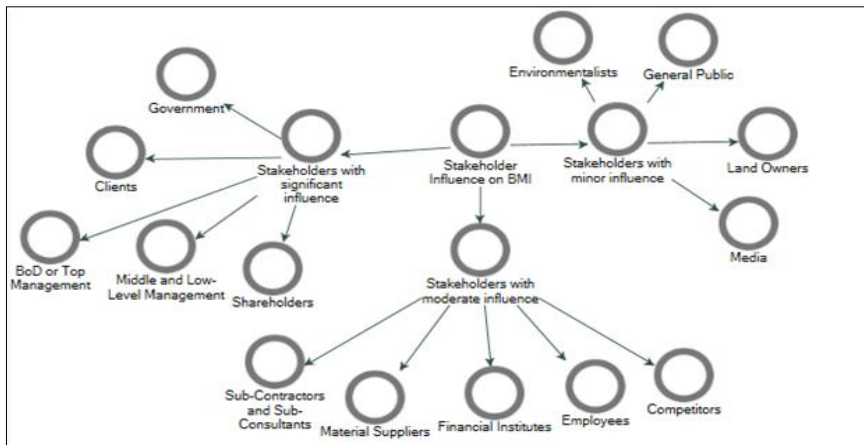


Figure 1: Stakeholder categorisation based on their influence over BMI in construction organisations

As shown in Figure 1, the respondents identified the stakeholders who have a significant influence on BMI, and this group includes shareholders, the Board of Directors (BoD)/top management, middle and low-level managers, clients, and government entities. This finding is in line with the research findings of Han et al. (2022), and Abeynayake et al. (2022b). Further, there are stakeholders with moderate influence on BMI, encompassing suppliers, employees, sub-contractors and sub-consultants, and financial institutes. The respondents identified stakeholders such as environmentalist, media, land owners and general public as the group with a minor impact on BMI in construction industry.

R14 described the decision-making power of stakeholders as having significant influence by highlighting *"their decision-making power, which directly shapes the direction and execution of BMIs"*. This underscores the pivotal role they play in driving the organisation towards BMI. R1 further elaborates on the influence of these stakeholders, emphasising *"governments and clients' impact over BMI by changing market demands, regulations, and policies within which the organisation operates"*. This projects how the actions and directives of these stakeholders shape the organisation's path to BMI. Nevertheless, respondents also commented on the stakeholders with moderate influence over BMI. According to R14, *"their contributions are valuable for day-to-day operations but may not directly impact the formulation or implementation of BMIs"*. While they may offer input or feedback on innovations, they generally lack the authority to drive substantial changes in BMs.

### **4.3 ROLE OF STAKEHOLDERS IN BMI IN CONSTRUCTION INDUSTRY**

The influence of stakeholders varies based on their roles and contributions to BMI in the construction industry. Respondents were asked to describe the specific roles of these stakeholders in BMI in construction organisations, and the findings are presented below.

#### **4.3.1 Role of Stakeholders with Significant Influence over BMI in the Construction Industry in Sri Lanka**

The respondents were requested to identify the role of shareholders, BoD/top management, middle and low-level managers, clients, and the government. The role of stakeholders with significant influence over BMI is discussed below.

**Shareholders:** As emphasised by R3, shareholders play a pivotal role in providing capital, resources, and investment for implementing new BMIs, significantly influencing the organisation's direction and pace of innovation. Additionally, R18 and R10 mentioned that the shareholders should be flexible in innovations and willing to take risks when successfully conducting BMI in a construction organisation.

**BoD/Top Management:** According to the respondents, top management is involving in and responsible for strategic decision making and BM development. R1 stated that BoD serves as a crucial guiding force in BMI endeavours. Their influence on the organisation's strategy ensures alignment with its mission and values in pursuing innovation. R16 noted that *"...BoD takes the final decision"*, highlighting that the board's diverse expertise and experience contribute to strategic decision-making in BMI, enabling them to identify emerging opportunities and navigate potential risks effectively. Furthermore, R14 emphasised that as a director, they should communicate with all the other stakeholders, and R7 emphasised that they should consider outsourcing or recruiting professionals, including specialists or advisors who are essential for BMI, before finally taking the decision. Hence, the decision taken would be much more balanced and informed. In



addition, many respondents mentioned that the environment or the culture that the directors build decides the engagement of other stakeholders in BMI.

**Middle and Low-Level Management:** Further to the respondents, middle and low-level management should be involved in the BMI process and share their ideas with top management. However, their primary role will be to implement the innovated BM in the organisation. R2 appreciated their current culture, where the middle and low-level managers get a chance to voice their thoughts as they actually experience the pros and cons of the BM in projects. Furthermore, R4 highlighted the importance of utilising managers' recruiting powers and other abilities in the best interest of the BMI.

**Clients:** According to the responses, many construction organisations innovate or completely change their BM to meet their client's requirements, which aligns with the highlights of Pekuri et al. (2013). Due to this, clients have become one of the main stakeholders influencing an organisation's BMI, as their feedback, preferences, and evolving needs serve as valuable inputs for the organisation to get more projects from the client. Furthermore, some clients take the risk of experimenting with innovations with construction organisations through projects.

**Government:** As emphasised by R2, the government has a significant influence over BMI through its regulatory frameworks and policies. On the other hand, the government is the biggest client in the construction industry. The government can facilitate or impede BMI within organisations in the changing regulatory environment. Accordingly, R11 mentioned that by offering incentives such as grants, tax breaks, or funding opportunities for construction organisations, governments can encourage businesses to invest in BMI initiatives, as the industry still has not recovered from the recent adverse economic conditions in Sri Lanka.

#### **4.3.2 Role of Stakeholders with Moderate Influence over BMI in Construction Industry in Sri Lanka**

The respondents were requested to identify the role of material suppliers, sub-contractors, sub-consultants, employees, financial institutes and competitors. The role of stakeholders with moderate influence over BMI is discussed below.

**Material Suppliers, Sub-Contractors, Sub-Consultants:** According to insights from R8, material suppliers are crucial for providing essential resources and components for construction projects. R9 and R13 said that similar to material suppliers, sub-contractors and sub-consultants provide specialised services or expertise to support specific aspects of construction projects. These stakeholders provide feedback and suggest new ideas while being dependable sources to the organisation, which would be the main contributions expected in BMI.

**Employees:** The term 'employees' represents all the organisation's employees, excluding directors and middle and low-level managers. R5 mentioned that "*employees deal with customers and other stakeholders frequently and have an updated knowledge about company environment; hence, I consider their opinion in BMI-related decision making*". Similar to R5, others also demonstrated that employees' primary role is to share their BMI experience while supporting its implementation.

**Financial Institutes:** As the respondents emphasised, the involvement of financial institutes, including banks, investors, and insurance organisations, is crucial in financial

activities or investment decisions in BMI. They support in funding BMI initiatives. R1 and R13 stated that financial institutes play a role as financial advisers in BMI.

**Competitors:** According to the respondents, competition is one force that drives organisations to innovate. Furthermore, R3, R7, R9, and R17 mentioned that the primary role of competitors is to maintain healthy competition and ensure that there is a difference among organisations, which increases the quality of the service provided. In addition, respondents mentioned that they analyse the concepts and techniques that have worked and failed for their competitors and try to adapt successful concepts and techniques in developing their BMIs, indicating the role of competitors in sparking innovations.

However, it was also identified that the above-mentioned roles and contributions could slightly vary according to the nature of the organisation. The summary of overall findings on the stakeholder's role in BMI is shown in Figure 2.

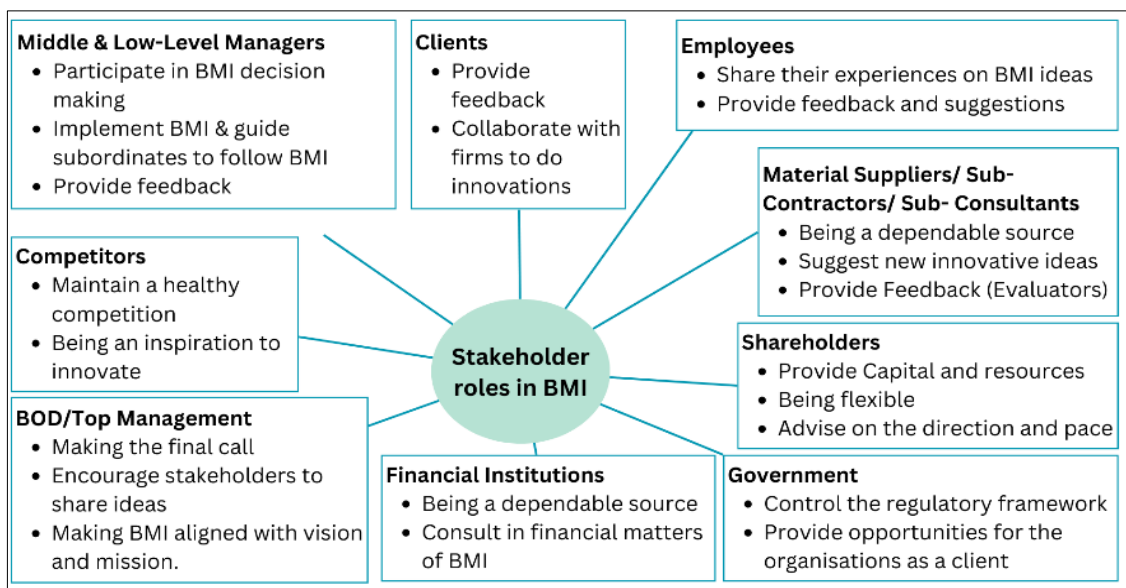


Figure 2: Stakeholder roles in BMI

As depicted in Figure 2, each stakeholder's role is different, indicating its uniqueness. For example, the government cannot make the final decision, while it can control the regulatory framework. Moreover, although employees, clients, and middle and low-level managers provide feedback on BMI, these roles also become unique due to their different perspectives. Accordingly, each stakeholder has some key roles to play in BMI. The quality of these roles being played determines the success of BMI. Hence, encouraging stakeholder engagement in BMI is vital for construction organisations.

## 5. CONCLUSIONS AND RECOMMENDATIONS

As one of the industries prone to many dynamic changes, construction organisations' BMs must be updated and innovative. Accordingly, BMI has been one of the main concepts adopted in the global construction industry to keep up with the dynamic changes. This study explored the roles of stakeholders in BMI, gathering insights from 20 respondents across roles. It was revealed that profitability, balanced with long-term viability, is one of the critical aspects of BMI. Moreover, client satisfaction and value propositions emerged as crucial in BMI. As per the study's findings, stakeholders such as shareholders,

BoD/top management, middle and low-level management, clients and government were recognised as stakeholders who can significantly influence the BMI, while employees, materials suppliers, sub-contractors, sub-consultants, and finance providers are stakeholders with moderate influence over BMI. The findings elaborated on the roles of stakeholders in BMI. For example, shareholders provide capital and foster innovation, BoD/top management makes the final call after evaluating all suggestions, middle and low-level managers execute BMs and guide subordinates, clients shape BMs to fit project needs, and governmental entities influence BMIs through regulations. Material suppliers, sub-contractors, sub-consultants, employees, and financial institutes contributed variably to projects and BMIs. It was noted that stakeholder engagement in BMI is led by the mutual benefits both parties earn, creating a win-win situation. Accordingly, the study highlights the importance of stakeholder engagement and collaboration as essential for BMI's success in construction, offering insights for industry decision-making. The findings of this research will be beneficial to the construction organisations in Sri Lanka as well as developing countries who share socio-economic, demographic or cultural traits similar to Sri Lankan construction industry. As the next step, this research will investigate the strategies to enhance stakeholder engagement in BMI in construction industry.

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