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قسم / تخصص Project management



عنوان البحث

The Impact of Effective Communication with Stakeholders on Project Performance in Saudi Organizations.

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In today's fast-paced and complex project environments, success is no longer determined solely by technical execution or available resources. One of the most critical elements that influence project outcomes is how well communication is managed — especially with stakeholders.

Stakeholders, whether internal or external, play a key role in shaping project expectations, supporting decisions, and determining success. Therefore, effective communication with stakeholders is essential for aligning goals, minimizing conflicts, and ensuring smooth project delivery.

As projects grow in size and complexity, communication becomes even more important. It involves not only the transfer of information but also building mutual understanding, addressing concerns, and fostering participation. Without clear communication, misunderstandings are likely to arise, leading to project delays, cost overruns, and dissatisfaction.

According to the Project Management Institute (PMI, 2021), project managers spend up to 90% of their time communicating, which highlights the importance of structured communication throughout the project lifecycle.

Given this context, this research aims to explore how effective stakeholder communication impacts project performance. It will analyze the relationship between communication quality and project outcomes, and examine how communication plans can enhance coordination, reduce risks, and improve decision-making in project environments.

Research of the Problem:

مشكلة الدراسة:

Modern organizations strive to implement projects efficiently to meet their operational and strategic goals. However, in practice, many projects continue to face recurring challenges such as delays, cost overruns, and poor deliverable quality. Despite advancements in project management tools and techniques, these issues persist, suggesting the presence of deeper challenges related to human interaction and communication within the project environment.

Several studies have identified poor communication with stakeholders as one of the primary reasons for such project failures. Lack of clarity, delays in information sharing, or failure to involve stakeholders at the right time often leads to decision-making problems, misaligned expectations, and workflow disruptions.

This problem is particularly critical in complex projects that involve multiple internal and external parties or operate in fast-changing environments. Therefore, this study will aim to understand the relationship between communication quality and project performance, and to assess whether effective stakeholder communication can improve outcomes and reduce the risk of failure.

Based on this, the present study poses the following question:

To what extent does effective communication with stakeholders impact project performance?

And can communication quality serve as a predictor of project success or failure?

Significance of the Study:

أهمية الدراسة:

The practical significance of this study lies in addressing the urgent need among organizations to improve project outcomes and reduce failure rates, which are often driven more by behavioral and managerial factors than by technical ones. One of the leading causes is poor stakeholder communication, which results in delayed decisions, conflicting expectations, and a lack of necessary support (Radujković & Sjekavica, 2017)

This study aims to provide practical insight into improving communication processes within project environments. It is expected to help project managers evaluate current communication effectiveness, identify weaknesses, and implement tailored strategies to match project needs and stakeholder dynamics. The findings may support project management offices (PMOs), service-oriented organizations, and public sector entities in managing risk and improving stakeholder satisfaction.

As projects grow in complexity and stakeholder involvement increases, the implementation of effective communication planning becomes essential. This study is expected to serve as an actionable tool for enhancing project performance and achieving goals with greater efficiency.

Objective of the Study:

أهداف الدراسة:

This study aims to examine the relationship between effective communication with stakeholders and project performance. It seeks to analyze how communication quality influences project outcomes such as time, cost, quality, and stakeholder satisfaction. In addition, the research intends to offer a practical framework to support project managers in improving communication strategies and developing tools for stakeholder engagement.

Main Objective:

To analyze the impact of effective communication with stakeholders on project performance in modern and complex project environments.

Sub-objectives:

1. To identify the key concepts and elements of effective communication in project management.

This objective helps establish a strong theoretical foundation by defining critical communication components such as message clarity, channel selection, and communication timing.

2. To measure the relationship between communication quality and project performance in four dimensions: time, cost, quality, and stakeholder satisfaction.

This supports empirical testing using quantitative tools (e.g., surveys, statistical analysis).

3. To analyze the common challenges project managers face in communicating with stakeholders, especially in multi-party or dynamic environments.

This objective aims to uncover real-world obstacles to communication, such as cultural differences or conflicting expectations.

4. To provide practical, actionable recommendations for improving stakeholder communication strategies in future projects.

This directly benefits practitioners by offering feasible solutions applicable in real organizational contexts.

Research Questions:

تساؤلات الدراسة:

Research questions guide the direction and scope of the study. They are derived from the research problem and objectives, and they help in forming the structure of data collection and analysis.

Based on the issue of how effective communication with stakeholders influences project performance, the research will be guided by the following questions:

Main Research Question:

To what extent does effective communication with stakeholders impact project performance?

Sub-questions:

1. What are the key elements that define effective communication in project management?
2. How do message clarity, timing, and channel selection influence project performance indicators such as time, cost, and quality?
3. What are the major challenges faced by project managers in communicating with stakeholders in multi-party projects?
4. To what extent are stakeholders satisfied with the level of communication during project implementation?
5. What strategies can be proposed to improve communication in future projects based on the findings?

Research Hypotheses:

فروض الدراسة:

Research hypotheses are proposed to test the relationships between key variables derived from the research objectives and questions. In this study, it is hypothesized that there is a statistically significant relationship between communication effectiveness with stakeholders and project performance.

Main Hypotheses:

1. There is a statistically significant positive relationship between effective stakeholder communication and overall project performance.
2. Effective communication positively impacts the project's ability to meet its goals within the planned time, budget, and quality scope.

Sub-hypotheses:

- There is a positive relationship between message clarity and adherence to project schedules.
- Timely communication improves stakeholder responsiveness and decision-making support.
- The choice of communication channels affects stakeholder satisfaction with project outcomes.
- Poor communication increases the likelihood of delays and cost overruns.

First: Arabic Studies

1. The Impact of Project Management Practices on Institutional Performance Effectiveness (Arabic)

- Objective: This study analyzed how various project management practices—especially stakeholder communication—can enhance institutional performance in charitable organizations in Mecca. It emphasized the importance of structured communication between project teams and internal/external stakeholders.
- Methodology: Descriptive-analytical method using questionnaires distributed to charity staff.
- Population: Employees and decision-makers in charitable institutions in Mecca.
- Key Findings: The results indicated a strong positive correlation between communication effectiveness and project output. Projects with better communication frameworks achieved faster completion, reduced errors, and stronger collaboration.
- Recommendations: It recommended training project teams in communication planning and creating written communication frameworks at the initiation stage of each project.

2. Stakeholder Management in Projects: A Chance for Success and Development (Arabic)

- Objective: The study focused on the impact of stakeholder management on increasing the probability of success in development projects. It outlined how identifying and managing stakeholders systematically leads to better engagement and goal alignment.
- Methodology: Comparative theoretical analysis of local and international models for managing stakeholders in projects.
- Population: Conceptual frameworks and documented models in Arab organizations.
- Key Findings: It revealed that structured stakeholder engagement reduces internal project risks and increases satisfaction from both internal and external groups.

- Recommendations: It encouraged the use of analytical tools like stakeholder mapping, and proposed dynamic communication strategies tailored to influence level and interest.

3. Identifying Key Stakeholders and Communicating with Them Using Capital Evaluation (Arabic)

- Objective: This study developed a framework that utilizes capital evaluation tools to identify key stakeholders and assess their impact on project priorities and communication strategies.
- Methodology: Hybrid methodology: Theoretical modeling supported by case study evaluation from cross-sector organizations.
- Population: Samples from public service projects and development-oriented NGOs.
- Key Findings: The findings showed financial influence is a strong indicator of stakeholder priority, and should guide communication frequency and involvement level.
- Recommendations: The study proposed embedding financial importance scores within stakeholder matrices and using this to adjust communication intensity accordingly.

4. Communication and Collaboration with Stakeholders (Arabic)

- Objective: This study examined the direct relationship between project success and the level of collaboration and communication maintained with stakeholders during execution.
- Methodology: Integrative literature review supplemented by local organization case analysis.
- Population: Mixed samples from Arab public and private sector projects.
- Key Findings: The analysis showed that lack of collaboration and unclear communication causes stakeholder resistance, delay, and budget overruns.
- Recommendations: Recommendations included building collaboration frameworks with accountability, scheduled feedback mechanisms, and project newsletters.

5. Enhancing the Effectiveness of the Multi-Stakeholder Model in ICANN (Arabic)

- Objective: The study critically evaluated the multi-stakeholder model employed by ICANN in internet governance, focusing on participation, equity, and procedural clarity.
- Methodology: Institutional analysis using documentation review, meeting reports, and participant feedback.
- Population: Civil society organizations, government representatives, and tech industry participants in ICANN.
- Key Findings: Found structural gaps that weaken decision transparency and stakeholder influence, especially for marginalized regions.
- Recommendations: Recommended adopting quota-based representation, regular stakeholder consultation, and public transparency reports.

Second: English Studies

6. Stakeholder Management in Projects: Strategies for Effective Communication (English)

- Objective: This study analyzed various strategies for communicating with stakeholders in project environments, especially in high-change scenarios. It focused on how cultural context and trust-building influence project outcomes.
- Methodology: Integrative literature review covering journals, reports, and books on project stakeholder management.
- Population: Global multi-sectoral projects and academic cases.
- Key Findings: It found that communication tailored to the stakeholder's expectations and culture is more effective than generic strategies.
- Recommendations: Recommended stakeholder-specific communication planning and use of visual tools like charts, reports, and feedback trackers.

7. Project Management Communication Strategies to Engage Stakeholders (English)

- Objective: This study explored how early and structured communication plans affect stakeholder engagement, especially during large organizational transformations.
- Methodology: Qualitative case study using structured interviews and document analysis.
- Population: Project managers and internal stakeholders in IT transformation projects.
- Key Findings: It found that when stakeholders are informed early, they show more cooperation and fewer objections.
- Recommendations: The authors recommend formalizing communication plans at the beginning of the project and assigning communication officers.

8. Improving Software Engineering Team Communication Through Social Networks (English)

- Objective: This study examined how communication structures within software development teams affect performance. It used social network analysis to study team cohesion.
- Methodology: Social Network Analysis (SNA) based on real-time communication data.
- Population: Remote and in-house agile development teams in multinational companies.
- Key Findings: Found that teams with higher communication density deliver software faster and maintain higher morale.
- Recommendations: Recommends ongoing communication mapping and early detection of isolated team members.

9. A Perspective-Based Understanding of Project Success (English)

- Objective: The study reviewed how different stakeholders define and evaluate project success over time. It focused on the subjective nature of 'success' in project environments.

- Methodology: Longitudinal case study tracking the same stakeholders over the full lifecycle of a government project.
- Population: Government agencies, end users, and developers in a digital service transformation project.
- Key Findings: Results showed conflicting interpretations of success at different phases: budget vs. usability vs. innovation.
- Recommendations: Recommended regular alignment meetings to revisit success criteria and manage expectations.

10. FLOW Mapping: Planning and Managing Communication in Distributed Teams (English)

- Objective: This applied study tested the FLOW Mapping tool for visualizing and improving communication patterns in geographically distributed project teams.
- Methodology: Applied field experiment using a visual mapping tool in live project teams.
- Population: Distributed academic and software development project teams.
- Key Findings: Found that using FLOW Mapping significantly reduced delays and improved team alignment.
- Recommendations: Recommends incorporating FLOW Mapping during project planning and revisiting maps at each phase gate

The Impact of Effective Communication with Stakeholders on Project Performance

This study is grounded in several theoretical models that explain how communication and stakeholder engagement influence the overall performance of projects. These theories provide a conceptual lens to understand the mechanisms through which communication affects stakeholder satisfaction, decision-making, and project outcomes.

- Stakeholder Theory (Freeman, 1984)

Stakeholder Theory emphasizes that the success of any project depends not only on meeting internal goals but also on satisfying the needs and expectations of all involved parties—both internal and external. In the context of this study, effective communication becomes the bridge that connects the project team with stakeholders, allowing mutual understanding, expectation alignment, and conflict resolution.

- Communication Theory (Shannon & Weaver, 1949)

This model conceptualizes communication as a process involving a sender, a message, a channel, and a receiver—while considering the impact of potential noise or disruptions. In project environments, especially those involving multiple stakeholders, this theory highlights the importance of clarity, feedback loops, and message adaptation to prevent miscommunication and delays.

- Agency Theory

Agency Theory explains the relationship between project sponsors (principals) and project managers (agents). A lack of transparent and timely communication can lead to misaligned goals and distrust. This theory supports the idea that structured stakeholder communication reduces information asymmetry, builds trust, and improves decision-making quality, which ultimately enhances project performance.

- Organizational Information Processing Theory (OIPT)

OIPT posits that projects must process increasing amounts of information to cope with complexity and uncertainty. Effective stakeholder communication systems—such as regular updates, visual dashboards, and two-way reporting—serve as information-processing tools that reduce ambiguity and improve performance under pressure.

- Social Exchange Theory

This theory views relationships as exchanges based on trust, cooperation, and mutual benefit. Within project teams and stakeholder groups, transparent communication fosters trust and long-term commitment. The more stakeholders feel heard and respected, the more likely they are to actively support project success.

Research Methodology and Methods:

المنهجية وطرق البحث:

This study adopted a quantitative, descriptive-correlational approach to analyze the relationship between effective stakeholder communication and project performance. This methodology is well-suited for measuring quantifiable variables, testing hypotheses based on participants' responses, and determining the strength and direction of the relationship between communication practices and project success indicators.

A structured questionnaire was developed as the primary data collection tool, comprising three main sections: demographic information, stakeholder communication practices, and project performance indicators (such as time, cost, quality, and stakeholder satisfaction). The questions in the second and third sections were constructed using a 5-point Likert scale, allowing respondents to indicate their level of agreement with various statements.

The study targeted a sample of project managers, team members, and stakeholders across various sectors, including construction, information technology, and non-profit organizations — all operating within Jeddah, Saudi Arabia. A stratified random sampling technique was employed to ensure balanced representation across different sectors. The expected sample size ranged from 150 to 200 participants, which is statistically appropriate for correlation and regression analysis.

The questionnaire was reviewed by project management experts to ensure face validity, and a pilot test was conducted on a small sample to confirm clarity, structure, and internal consistency of the items.

Data analysis was carried out using SPSS software, applying descriptive statistics (mean, standard deviation), Pearson correlation analysis, and linear regression to test the research

hypotheses and determine the impact of stakeholder communication practices on overall project performance.

A structured, self-administered questionnaire will be employed as the primary instrument for data collection in this study. This tool is chosen due to its effectiveness in capturing participants' perceptions regarding stakeholder communication practices and their impact on project performance. The questionnaire will be developed based on relevant literature in project management and organizational communication to ensure comprehensive coverage of the study variables.

The questionnaire will consist of three main sections:

1. Demographic Information: This section will include general participant details such as age, gender, job title, sector of employment, and years of experience in project management.
2. Stakeholder Communication Practices: This section will measure the frequency and quality of communication methods used within projects (e.g., meetings, email, digital platforms), the level of stakeholder involvement, and responsiveness across project stages.
3. Project Performance Indicators: This part will assess perceived project outcomes in terms of adherence to schedule, budget compliance, quality of deliverables, and stakeholder satisfaction.

Items in Sections 2 and 3 will be measured using a five-point Likert scale, ranging from 1 ("Strongly Disagree") to 5 ("Strongly Agree"), to capture the level of agreement with each statement.

To ensure content validity, the questionnaire will be reviewed by academic experts in project management. A pilot study will also be conducted with a small sample (15–20 participants)

from the target population to evaluate clarity, coherence, and internal consistency. Necessary modifications will be made based on the feedback received.

The final version of the questionnaire will be distributed electronically through online platforms. Participation will be voluntary, and all responses will be treated with complete confidentiality and used solely for academic purposes.

Scope and Delimitations of the Study:

حدود الدراسة :

This study will operate within defined delimitations and limitations, which help clarify the research scope and its potential constraints.

- Delimitations (Scope of the Study)

The research will focus on projects conducted in Jeddah, Saudi Arabia, particularly in sectors such as construction, information technology, and non-profit organizations. The targeted population will include project managers, team members, and project stakeholders who are involved in either ongoing or recently completed projects.

The study will specifically examine the impact of stakeholder communication practices on project performance, relying on a structured questionnaire as the primary instrument for data collection. A quantitative, cross-sectional design will be used, allowing data to be collected at a single point in time.

- Limitations (Potential Constraints)

There are several limitations that may affect the generalizability of the findings. First, the use of a self-administered questionnaire may introduce response bias, as participants might report subjective views rather than objective observations. Second, the study's geographical restriction to Jeddah may limit the applicability of the results to other cities, regions, or countries with different organizational cultures or project environments. Third, the cross-sectional nature of the research will prevent the analysis of changes over time or across different phases of the project lifecycle.

Despite these limitations, the study is expected to offer valuable insights into the role of effective stakeholder communication in enhancing project success within the Saudi context.

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