# Effect of Stakeholder Involvement on Project Management Success in Nigeria's Fast-Moving Consumable Goods Industry

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## ABSTRACT

*In the FMCG sector of Nigeria, the study examined the impact of stakeholder participation on project management success. The study was simplified in order to assess the degree to which stakeholder engagement, support, and involvement effect project goals for a set of fast-moving consumer products in Nigeria. The study's qualitative design involved choosing seven FMCG companies in Nigeria: Dangote Sugar Plc, Nigerian Breweries Plc, Nestle Plc, Cadbury Nig Plc, Nigerian Breweries, Guiness Nig Plc, and Unilever Nig Plc. In order to create a cross-sectional period of 70 observations, secondary data on stakeholder involvement, support, and participation as well as the accomplishment of project objectives were sourced and gathered from yearly financial statement of account and Business Source Premier from 2013–2022. The data were subjected to panel regression analysis, and the results demonstrated that among a group of selected FMCGs in Nigeria, stakeholder involvement and participation have positive and significant effects on project goals, whereas stakeholder support has a negative and insignificant impact. Thus, it is concluded that one of the elements influencing project management performance in Nigeria's FMCG business is stakeholder involvement and participation.*

**KEYWORDS:** *Stakeholder involvement, Support, Participation, Success, Project management, Fast-moving consumable goods, Nigeria*

## Introduction

Unquestionably one of the largest sectors in the world, the fast-moving consumer goods (FMCG) sector includes a wide range of commodities, including meals, beverages, personal care items, electronics, home items, and much more (IBAN 2016). The items in this category are often inexpensive yet have a high unit sales turnover. This is due to the fact that FMCGs are consumables that are regularly utilised in households (Pradhan and Misra, 2014). However, the profit margin for each of the goods is modest. The majority of the time, rivals' actions or other factors make the items simple to replace. According to Anupam and Sharma (2012), each family spends a significant amount of its monthly expenditure on FMCGs. The FMCG industry, according to Bijuna and Sequeira (2012), mostly runs on low margin. Therefore, a product's performance is determined by the volume of sales. The base of the pyramid, which according to IBAN (2016) is made up of 4.5

billion individuals, is where the majority of money is made, with a total spending threshold of $5 trillion, of which around 50% ($2.3 trillion) goes towards purchases of FMCGs. This shows how important low-income consumers are to the continued existence and global success of FMCGs.

Lagos Business School (2016) observed that 71% of the income for FMCG enterprises in Nigeria, the study's primary country of interest, came from the strata at the bottom of the pyramid. As a result of this, it is important to remember that the majority of FMCG customers are known to be price sensitive, and as a result, FMCG companies must discover ways to reduce manufacturing costs in order to succeed and remain competitive in the market. Innovation can help with this (Odumeru, 2013; Suhag et al., 2017). The degree of innovation in Nigerian FMCG enterprises is, nevertheless, quite low, which necessitates stakeholder participation in the organization's project management success (Lekhanya, Olajumoke, & Nirmala, 2017; Muthoni, 2017).

The necessity for project managers to comprehend what supports or undermines effective stakeholder management (ESM) in the projects' delivery has arisen from the involvement of several stakeholders with diverse interests, power/influence, and expectations in FMCG delivery. The success of the project's planned goals and objectives depends greatly on the project manager's capacity to manage stakeholders in its delivery. This supported Chinyio and Omoloyaie's (2015) assertion that ESM provides a foundation for choosing which stakeholders to include in establishing a project's goals and gauging its performance. While Bodepudi (2018) believed that managing people to make sure that project team members are meeting the deadlines and adhering to the guidelines was the key element of project management, Chandrayan (2017) discovered that achieving a project's desired goal depends upon the skill-set of project managers and their human management traits.

In project management, it is frequently acknowledged that a project is guaranteed to be successful if it is finished entirely in accordance with the necessary requirements, within the allocated scope, time, and money. Stakeholders are a crucial component of any project, thus the project manager must foster relationships with various groups of individuals in order to finish the work. Since project success depends on more than simply the work of the project team, top management, functional managers, clients, suppliers, contractors, and other parties are frequently involved in determining whether a project succeeds or fails. In 2014, Dekkar and Qing. In order to position the organisation and the industry in a way that will ensure its long-term survival in a competitive climate, involving stakeholders in this crucial sector is highly urgent and strategically required (Berebon, and Sorbarikor 2020). As a result, when persons who have an interest in the projects participate in making choices, their interests are likely to be taken into account.  As a result, the project is seen as having been successful by all parties involved in terms of service quality. According to Shanks (2010), a project is well carried out when its goals are continuously met and the beneficiaries receive the results that were anticipated. Pinto and Prescott (2016) note that the majority of project implementation issues are caused by actors and variables that are not directly under the project manager's control. Therefore, it is essential that project managers are aware of the goals and standards by which project success will be judged.

According to Takim (2017), a structured procedure is more efficient for identifying project stakeholders early on in the project's development.  Depending on the interests of the stakeholders, different priorities are employed to manage their demands and expectations in the public and private sectors. The government and consultants, according to Newcombe (2018), place more

focus on ensuring that their stakeholders are happy, informed, and educated by offering forums, open communication interfaces, and visual tools. This confirms the notion that the government and its advisors are likely to place a high priority on any factors that might have an impact on a project in terms of social duties and political involvement.

According to Magassouba, Tambi, Alkhlaifat, and Abdullah (2019), involving stakeholders in project identification, planning, implementation, and monitoring improves project performance. They go on to say that understanding the project environment and making sure that all necessary requirements and technical specifications are incorporated into the project are key to making a successful project identification. To deal with their possible impact on the project, it is necessary to identify authentic and valid stakeholders and to comprehend their strength, closeness, and influence. According to Nyabera (2015), programmes with stakeholder representation have successful implementation rates. In order for organisations to effectively involve stakeholders in project execution, he also recommends that project personnel get ongoing training on stakeholder analysis and involvement. Additionally, it is crucial for project managers to make sure that sufficient stakeholder identification is done for the precise job, communication, information distribution, consultative meeting, monitoring, and evaluation. This is because consumer products production is a fast-moving environment. This suggests that it will be simple to accomplish the project's established goals and objectives if the aforementioned traits are detected in the project's early stages. As a result, a project manager whose team lacks these traits is unlikely to be successful. Ineffective stakeholder participation has been cited as one of the major reasons projects fail in Nigeria, according to Zarewa (2019). As a result, the study explores the connection between stakeholder involvement and project management success in Nigeria's fast-moving consumer goods.

**Statement of the Problem**

Stakeholder participation in project management is to achieve the targeted and effective project execution and minimise needless justifications that can prevent the project from being successful (Olander and Landin 2008). The aforementioned comments suggest that a project's success will be impacted by ineffective stakeholder participation in its execution. Chinyio and Olomolaiye (2015) found that inefficient stakeholder participation will decrease the likelihood of a project's success owing to stakeholder disputes, lead to unhappiness with the project's outcomes, and negatively disrupt budget and schedule. Eskerod and Jespen (2013) found in another study that following a project's plan exactly was not a guarantee for success because the project might still fail if stakeholders are not handled properly.

One of the primary reasons initiatives fail in Nigeria, even those involving fast-moving consumer items, is ineffective stakeholder participation. For instance, FMCGs must be competitive in order to stay in business while they deal with a variety of economic issues. The decreasing value of the naira and the late payment of wages by many government and public employers are only two of the difficulties the sector is now facing (Lagos Business School 2016). Due to these and other difficulties, FMCG companies are forced to implement competitive business strategies in order to remain in operation (Buul and Omundi 2017; Suh and Lee 2018). The discussion that came before it made it abundantly evident how important it is to recognise successful stakeholder participation in project management since it has the potential to assure business survival and performance.

It has however been observed that despite huge and critical studies on stakeholders involvement and project management studies in developing countries, not many studies have been recorded in Nigeria context and the few studies that exist in Nigeria have put much effort into construction companies (Oyeyipo, Odeyinka, Owolabi and Afolabi 2019; Alayande and Wasiu 2021); oil servicing sector (Berebon and Sorbarikor 2020); research environment (Ekung, Okonkwo and Odesola 2014). In further discovery, Christopher-Isike (2017) examined the importance of adopting credible stakeholder engagement as a core management function, with particular reference to Nigerian business organisations. Yet, the study focused on Niger-Delta region, whereas, this study will focus on South-west region in Nigeria. Also, many of the existing studies have successfully employed analytical technique of percentage count, descriptive analysis, content analysis, review of past studies, Spearman rank order correlation Coefficient and factor analysis with no particular study(ies) that could determine the existing relationship between/among studied variables. Hence, this study would breach methodological gap by employing correlation analysis (Panel regression analysis) which aligns with the subject matter (topic). This technique is quintessential as it would aid to determine which of stakeholder variables stimulates/correlates most with project management success in Nigeria's FCMGs manufacturing setting.

**Research Questions and Scope**

What connection exists between the impact of stakeholders and the management of project success in Nigeria's FMCG sector? How much does stakeholder support affect the FMCG business in Nigeria in terms of project goals being met? What function does stakeholder involvement play in the FMCG sector of Nigeria in ensuring that project goals are successfully met? The recommended FMCG companies in this study are Dangote Sugar Plc, Nigerian Breweries Plc, Nestle Plc, Cadbury Nig Plc, Nigerian Breweries, Guiness Nig Plc, and Unilever Nig Plc during a 10-year period, or from 2013 to 2022. These FMCG firms were chosen because they are among the top FMCG manufacturers in Nigeria and have been listed with the Nigerian Stock Exchange for more than ten years. In the FMCG sector of Nigeria, this study seeks to ascertain the impact of stakeholder engagement on project management success. According to the study's hypotheses, the FMCG business in Nigeria is not significantly impacted by stakeholder engagement, support, or influence when it comes to project performance.

**2.0    LITERATURE REVIEW**

Stakeholders are an essential part of effective project management. Their participation might take many various forms, including expressing input, contributing resources, or taking part in decision-making. Stakeholder participation in project management may significantly affect the project's success or failure. According to studies, initiatives with a high level of stakeholder participation have a higher chance of accomplishing their goals and living up to stakeholder expectations (Turner & Müller, 2005). Involving stakeholders early on in the project life cycle may also assist detect possible risks and disputes and reduce the need for later, expensive adjustments (Mehrotra & Sankar, 2014).

Clear communication, teamwork, and a shared comprehension of the goals and expectations are necessary for effective stakeholder participation. Project managers must identify stakeholders, their interests, and the extent of their involvement before adjusting their engagement and communication tactics (Freeman et al., 2010). Understanding the function and effects of

stakeholder participation on project management performance is essential in the context of Nigeria's FMCG sector. Efficacious project management and stakeholder involvement are necessary due to the industry's substantial problems, which include fierce rivalry, changing customer tastes, and supply chain disruptions (Adesua & Olufemi, 2019). Thus, examining how stakeholder participation affects project management performance may shed light on industry best practises and ideas for enhancing project results. Project management literature has conducted extensive study on the connection between stakeholder participation and project management performance. Stakeholder participation has been demonstrated to be essential for project success and has been noted as a crucial element in accomplishing project goals (Fong et al., 2021). Participating stakeholders assist identify possible project risks and possibilities and ensure that their interests and expectations are taken into account throughout decision-making.

A number of studies have also highlighted the beneficial relationship between stakeholder participation and project success, showing that projects with high stakeholder participation are more likely to achieve their goals and be finished within the allocated time and budget (Chinyio and Olomolaiye, 2015). A greater knowledge of the needs and expectations of the project can result from improved communication and collaboration amongst project stakeholders, which is another benefit of stakeholder participation. Nevertheless, despite the advantages of stakeholder engagement, problems can still occur, such as stakeholder disputes, a lack of commitment from stakeholders, and issues with stakeholders' expectations (Osei-Kyei & Chan, 2018). These difficulties may adversely affect a project's success.

The interests of stakeholders within an organisation are the main emphasis of stakeholder theory, according to an essay by Abrams 1951 (as referenced in Yusoff & Alhaji, 2012). According to the principle, business organisations always work to strike a balance between the various interests of its stakeholders. The main objective is to guarantee that each stakeholder group is given a reasonable amount of thought and pleasure. To guarantee that each group is satisfied to some extent, it is suggested that corporate organisations work to strike a balance between the interests of their many stakeholders. Freeman (1984) emphasised that companies have stakeholders, which comprise organisations and people whose rights may be respected or violated and who are impacted by corporate activities, either favourably or adversely. This notion states that businesses should recognise both direct and indirect stakeholders.

According to the stakeholder theory, directors have a responsibility to use reasonable judgement while managing the operations of the firm and that corporations should be governed so as to serve the interests of these stakeholders. We may more effectively handle issues with value creation, commerce, capitalism's ethical implications, and management attitude by adopting a stakeholder approach. The emphasis is on comprehending the connections between a business and the organisations and people it may affect or be affected by. According to Parmar et al. (2010), business is seen as a network of interactions between the many stakeholders engaged in its operations. This collaboration between these stakeholders is what allows value to be created and traded. This theory's main managerial recommendation is that managers acknowledge the legitimacy of various stakeholder interests and try to meet them in a spirit of cooperation. The legitimate interests of all relevant stakeholders must be taken into account at the same time for stakeholder management to be effective (Donaldson & Preston, 1995).

Numerous studies have looked closely at the connection between Nigeria's fast moving consumer goods sector and stakeholder participation in project management success. Taking Sajid, Ahmed, Rehman, Abrar, and Rashid's (2022) investigation as an example, how does clarity influence project stakeholders' satisfaction and success? investigating the connection between Punjab, Pakistan, project stakeholders and success. The findings indicate a strong and direct correlation between internal and external stakeholders and project success.  The results of this study demonstrate that while Subcontractor has a negligible link with project performance, Resident Engineer, the Role of Clarity, and Supplier/Vendor all have favourable substantial relationships. Findings reveal that the function of clarity greatly mediates the relationship between the success of the project and both the resident engineer and suppliers/vendors. Findings reveal that the function of clarity greatly mediates the relationship between the success of the project and both the resident engineer and suppliers/vendors.  Findings also indicate that the influence of clarity on the relationship between subcontractors and project success is negligible.

The mediation impact of stakeholder management on project performance success was explored by Nguyen and Mohamed in 2022. They found that good stakeholder management has a significant mediating influence on the success of the project as a whole. Throughout the project lifecycle, organisations may improve project results and succeed by managing stakeholders effectively. A thorough investigation of how stakeholder management affects project performance was done by Moulid, Muchelule, and Wechuli in 2021. Their investigation uncovered a number of important elements that enhance project performance. Project success was found to be positively and significantly impacted by stakeholder identification, engagement, planning, and monitoring. Organisations may optimise project results and improve overall performance by proactively identifying stakeholders, including them in project activities, creating strong stakeholder management strategies, and regularly monitoring their requirements and expectations.

Githinji et al. (2020) investigated how stakeholder participation affects project performance. Their study emphasised the significance of successfully managing stakeholder interaction. They discovered a strong and positive correlation between managing stakeholder involvement and project success. Project teams may assure better project outcomes, more stakeholder satisfaction, and ultimately greater project success rates by actively involving and resolving the interests and concerns of stakeholders. The favourable effects of tracking stakeholder involvement and stakeholder identification on project performance were also emphasised by their study. Monitoring stakeholder engagement efforts on a regular basis and correctly identifying stakeholders may result in greater alignment, fewer disagreements, and better project performance overall.

An empirical research was carried out by Mambwe et al. (2020) to look at the effects of stakeholder involvement on the performance of building projects. Their analysis showed a strong correlation between project success and stakeholder participation. Stakeholder participation that is effective has been found as a major predictor of project success. Organisations may benefit from stakeholders' knowledge, get insightful information, and forge deeper bonds by actively involving them throughout the project lifecycle. This leads to increased project performance. Stakeholder involvement may also be used as a key performance indicator for projects, helping organisations forecast and track project results. In 2019, Oyeyipo, Odeyinka, Owolabi, and Afolabi looked into the barriers to stakeholder management in large-scale building projects.  Project managers from 40 large construction projects in Lagos, Nigeria were randomly chosen for the case study research.

The study used a questionnaire as its primary research tool and used the purposive sampling method to choose its sample population. According to the report, the biggest barriers to efficient stakeholder management of large construction projects are poor communication, insufficient stakeholder identification, project complexity, and shifting stakeholder interests.

Stakeholder participation was discovered to have a favourable and substantial impact on project performance in a research by Oyugah and Onyango (2019) that focused on road building projects. Involving stakeholders effectively may increase cooperation, decision-making speed, and project outcomes throughout the road building process. Organisations can increase project performance, manage risks, and establish confidence by addressing the worries and expectations of stakeholders. The link between stakeholder management and project success was examined by Maina and Kimutai (2018). Their findings showed that stakeholder identification and involvement had a favourable and significant impact on project performance. Organisations may create effective communication, manage expectations, and align project objectives by proactively identifying important stakeholders and including them in project activities. This improves project performance and increases stakeholder satisfaction. Stakeholder analysis and communication planning are critical in project management, according to Riahi (2017). According to their study, an effective communication strategy and comprehensive stakeholder analysis are crucial for maximising project success. Organisations may successfully meet stakeholder demands, manage their expectations, and ensure on-time project deliveries within the budget by identifying stakeholders and organising stakeholder management activities early on.

The degree of stakeholder involvement in project delivery and involvement in monitoring and assessment of public construction projects in Ghana was discussed by Tengan and Aigbavboa (2017). The study's pertinent data were gathered using a structured interviewing schedule as well as a questionnaire guide. Analysis of the data was descriptive. In Ghana, six significant parties were found to be involved in local government project delivery. The analysis made clear that while there was significant stakeholder involvement in project delivery, there was very little involvement in the monitoring and assessment of public projects at the local government level. Overall, the empirical study shows that there is a growing body of research emphasising the critical importance of stakeholder management and engagement in project performance. Improved project outcomes, increased stakeholder satisfaction, and greater project success rates are all results of properly involving stakeholders, recognising their requirements, and managing their expectations. Organisations may maximise project management success, reduce risks, and accomplish project objectives and outputs successfully by implementing proactive stakeholder participation practises.

## METHODOLOGY

The hypothesis of a causal link between the dependent and independent variables was tested using a cross-sectional study design. Quantitative data was utilised to numerically measure and statistically analyse the variables in order to meet the study's goals. The research concentrated on a few of the mentioned fast-moving consumer items that were produced in Nigeria from 2013 to 2022. Leading listed companies in Nigeria's fast moving consumer goods market will be chosen for the study using a purposive sample approach. Seven businesses will make up the sample, and they will each have a 10-year report on the impact of stakeholders on project management

performance (70 observations). Secondary data sources from Business Source Premier and industry reports were used in this investigation. The data are analysed using panel regression analysis.

The model proposed to guide this study is as follows:
$Y = \beta_0 + \beta_1 SI + \beta_2 SS + \beta_3 SP + \varepsilon$

Where:

Y: Achievement of project objectives in Nigeria's FMCG industry (dependent variable)

SI: Stakeholder involvement (explanatory variable)

SS: Stakeholder support (explanatory variable)

SP: Stakeholder participation (explanatory variable)

$\beta_0$: Intercept

$\beta_1, \beta_2, \beta_3$: Coefficients for stakeholder involvement, stakeholder support, and stakeholder participation, respectively

$\varepsilon$: Error term.

## RESULTS AND DISCUSSION

### 4.1    Descriptive Statistics

The outcomes of the descriptive statistics are presented and discussed in this section. The descriptive statistic for the dependent variable and the independent variables utilized in the study is shown in Table 4.1, where the minimum, maximum, mean, standard deviation, skewness, and kurtosis are provided.

**Table  4.1    Descriptive Statistics**

| Variable | Obs | Mean | Std. Dev. | Min | Max | Skewness | Kurtosis |
|---|---|---|---|---|---|---|---|
| AP | 70 | 1.58e+07 | 2.26e+07 | -7.05e+07 | 1.06e+08 | -.1179065 | 9.938204 |
| SI | 70 | 238519.7 | 381404.6 | 45987 | 1823688 | 0.7996416 | 8.643016 |
| SS | 70 | 322286.7 | 368347.4 | 82918 | 1509107 | 1.423054 | 4.511978 |
| SP | 70 | 2070300 | 2231064 | 94074 | 8815810 | 1.649931 | 5.059626 |

*Source: STATA 14 Output*

The standard deviation, which measures the degree of discrepancy, shows that AP, EPS, SS, and SP have standard deviation coefficients of 2.26e+07, 381404.6, 368347.4, and 2231064 respectively. As can be seen from Table 4.1, AP has the highest degree of discrepancy while SP has the lowest degree of discrepancy. When the mean and standard deviation of each variable are compared, it is clear that all the variables are dispersed about the mean, with each variable's mean being lower than the standard deviation. The maximum and minimum values of each individual variable are shown by the max and min, which also show how variable each variable is. There is a lot of diversity across all the factors. Skewness illustrates the shape of the distribution. With skewness coefficients of 0.7996416, 1.423054, and 1.649931, respectively, the skewness shows

that SI, SS, and SP are positively skewed and are tailed to the right. AP, on the other hand, is left-tailed and negatively skewed, with a skewness value of -0.1179065. AP, SI, SS, and SP are all leptokurtic, with kurtosis coefficients of 9.938204, 8.643016, 4.511978, and 5.059626, respectively, all more than 3. Kurtosis evaluates the sharpness of the peak of a distribution.

## 4.2     Correlation Matrix

The correlation matrix is an analytical tool that describes the connection between dependent and independent variables, as well as the connections between the independent variables themselves. Pearson analysis was used to calculate correlation values between the following explained and explanatory variables.

**Table 4.2        Correlation Matrix**

|     | AP | SI | SS | SP |
|-----|-----|-----|-----|-----|
| AP | 1.000 | | | |
| SI | -0.0474 | 1.000 | | |
| SS | -0.7430 | -0.5188 | 1.000 | |
| SP | 0.6286 | 0.6837 | -0.7455 | 1.000 |

*Source: STATA 14 Output*

The correlation coefficients for each set of related variables, AP, SI, SS, and SP, are shown in Table 4.2. The association is high, moderate, or weak, depending on whether the correlation coefficient is between 0.7 and 0.99, 0.40 and 0.69, and 0.00 and 0.39, respectively. According to the study's findings, there is a modest and unfavourable link between AP and SI, with a correlation value of -0.0474. Similar to this, there is a somewhat positive and negative connection between AP and SP, as well as a moderately positive and negative correlation between AP and SS, both of which have a correlation coefficient of -0.6286.  SI and SS have a moderately negative correlation, but SI and SP have a moderately positive connection, with coefficients of -0.5188 and 0.6837, respectively. Last but not least, SS and SP have a -0.7455 weakly positive association. The regressors are not multicollinear since the correlation coefficients fall within the acceptable range of -0.79 to +0.79.

## 4.3     Robustness Test

Here, the study provides the results of the robustness tests performed to confirm the accuracy and precision of the statistical conclusions that may be made from the research. Included in this group are the tests for multicollinearity, heteroskedasticity, the Hausman specification, and poolability.

**Table 4.3        Multicollinearity Test**

| Variable | VIF | 1/VIF |
|----------|-----|-------|
| SI | 9.21 | 0.154924 |
| SS | 6.27 | 0.275378 |
| SP | 2.64 | 0.378732 |
| Mean VIF | 6.04 | |

*Source: STATA 14 Output*

Even if multicollinearity did exist, the mere fact that some of the independent variables have a significant relationship with one another would not prove it. Collinearity diagnostics, which reveal

that there is no multicollinearity between the independent variables based on the Variance Inflation Factor (VIF) and tolerance values, provide additional support for the lack of multicollinearity in the data. The variance inflation factor (VIF), which was under ten, and the tolerance values, which were both under one, revealed no harmful multicollinearity among the independent variables. The Variance Inflation Factor (VIF), with a median value of 6.04, disproves multicollinearity.

**Table 4.4 Heteroscedasticity Test**

| Breusch-Pagan / Cook-Weisberg test for heteroskedasticity |
| --- |
| Ho: Constant variance |
| Variables: fitted values of AP |
| chi2(1) = 0.24 |
| Prob > chi2 = 0.6241 |

*Source: STATA 14 Output*

This test's goal is to establish if error term variation is continuous. The study's beta coefficient, coefficient of determination ($R2$), and F-statistic will all yield false results if heteroskedasticity is present because of the variability in the residuals or error term. In Stata 14, the Breusch-Pagan/Cook-Wiesberg test was used to determine if the present study had heteroskedasticity. The null hypothesis is true if the residual variance is constant. When the P value is less than 5%, heteroskedasticity is evident, and there is substantial support for rejecting the null hypothesis at that point. The Breusch-Pagan/Cook-Wiesberg test findings are shown in Table 4.4. A Chi2 (1) value of 0.24 and a P value of 0.6241 show that the research model does not exhibit heteroscedasticity. A Hausman specification test for the Fixed and Random effect model was performed to equalise the variance among samples because there was no evidence of heteroscedasticity. This will guarantee that the study can draw reliable and accurate results.

**Table 4.5        Hausman Specification Test**

|  | Coefficients | | | |
| --- | --- | --- | --- | --- |
|  | Fe (b) | Re (B) | Fe-Re (b-B) | sqrt(diag(V_b-V_B)) S.E. |
| **SI** | -0.1536868 | -0.5803304 | 0.4266436 | 0.1303427 |
| **SS** | -0.7456301 | 0.0117266 | -8.138531 | 7.392901 |
| **SP** | 0.6410163 | 1.412588 | -0.771572 | 0.0490311 |
| chi2(1) = (b-B)'[(V_b-V_B)^(-1)](b-B) | | | | |
|         =   9.02 | | | | |
|     Prob>chi2 =   0.0291 | | | | |

*Source: STATA 14 Output*

The Hausman specification test is used to compare the output of the fixed and random effect models. The Hausman test checks whether independent and dependent variables in random effects models adhere to the condition of orthogonality. If there is no relationship between the independent variables and the unit effects, estimates in the fixed effects model should be equivalent to those in the random effects model. The Hausman test statistic measures the difference between the two estimations. Under the orthogonality null hypothesis, it has a chi-square distribution with degrees of freedom equal to the number of regressors in the model. We need to show that there is a

statistically significant difference between the two models (p 0.05) in order to reject the null hypothesis and select the fixed effects model. When the Hausman test reveals a significant difference (p 0.0291), the random effects estimator is preferred over the fixed effects estimate. The results of the Hausman specification test in Table 4.6 of the current inquiry, which indicate that (p 0.05), demonstrate that the fixed effect is favoured to the random effects model.

**Table 4.6      Poolability Test**

| |
|---|
| **u_i=0:** |
| **$F(4, 21) = 8.43$** |
| **Prob > F = 0.0809** |

*Source: STATA 14 Output*

The poolability test may be used to decide between a fixed effect regression and a pooled OLS regression. Results from the linked test are included in the fixed effect model. If the difference is not statistically significant, pooled OLS regression is advised over the fixed effect model. The findings of this inquiry did not yield enough evidence to disprove the null hypothesis and rule out the use of a fixed effect model, as shown by the p-value of 0.0809. For the analysis, pooled OLS regression was utilised.

## 4.4     Pooled OLS Regression

The pooled OLS presents the regression of the model with the achievement of project objectives (AP) as the dependent variable and stakeholder influence (SI), stakeholder support (SS), and stakeholder participation (SP) as the independent variables.

**Table 4.7      Pooled OLS Regression**

| AP | Coef. | Std. Err. | z | P>|z| |
|---|---|---|---|---|
| **SI** | 0.5803304 | .120551 | 4.81 | 0.000 |
| **SS** | -8.138531 | 6.563137 | -1.24 | 0.233 |
| **SP** | 1.412588 | .8227848 | 3.72 | 0.005 |
| _cons | -3.58796 | 14.17119 | -0.25 | 0.803 |
| R-squared   = 0.8381 | | | | |
| Adj R-squared  = 0.8077 | | | | |
| Number of obs  =   20 | | | | |
| Prob > F   = 0.0000 | | | | |

*Source: STATA 14 Output*

The model's pooled OLS regression is shown in Table 4.7. The table shows that SI has a positive influence of 0.5803304 on AP, which means that a rise in SI will result in an increase in AP of 0.5803304, demonstrating a clear correlation. A prob value of 0.000 demonstrates the statistical significance of this impact. A unit increase in SS will result in an insignificant 8.138531 drop in AP, suggesting a reversal effect. SS has a negative and negligible impact of -8.138531 on AP with a prob value of 0.233. Additionally, SP has a positive impact of 1.412588 on AP, indicating that a rise in SP will cause an increase in AP of 1.412588. This effect is significant with a probability value of 0.005, and it is also positive. The R-square demonstrates that, altogether, SI, SS, and SP account for 83.81% of the changes in AP over the chosen time, whereas other unexplained

components are responsible for 16.19% of the changes in AP. The model is fit and the chosen variables are statistically significant in regressing AP with a prob value of 0.0000, according to the F-stat's prob value.

## 4.5    Test of Hypotheses

| AP | Coef. | Std. Err. | z | P>|z| |
|---|---|---|---|---|
| SI | 0.5803304 | .120551 | 4.81 | 0.000 |
| SS | -8.138531 | 6.563137 | -1.24 | 0.233 |
| SP | 1.412588 | .8227848 | 3.72 | 0.005 |

*Source: STATA 14 Output*

**Hypotheses 1** There is no significant relationship between stakeholder influence and the achievement of project objectives in Nigeria's FMCG industry**.**

The result of the pooled OLS shows that stakeholder influence has a significantly positive effect on the achievement of project objectives in Nigeria's FMCG industry.

Decision: Reject the hypotheses and conclude that stakeholder influence has a significant effect on the achievement of project objectives in Nigeria's FMCG industry.

**Hypotheses 2:** There is no significant impact of stakeholder support on the achievement of project objectives in Nigeria's FMCG industry**.**

The result of the pooled OLS shows that stakeholder support has an insignificantly negative effect on the achievement of project objectives in Nigeria's FMCG industry.

Decision: Accept the hypotheses and conclude that stakeholder support disclosure has an insignificant effect on the achievement of project objectives in Nigeria's FMCG industry.

**Hypotheses 3** There is no significant role of stakeholder participation in ensuring the achievement of project objectives in Nigeria's FMCG industry**.**

The result of the pooled OLS shows that stakeholder participation has a significantly positive effect on the achievement of project objectives in Nigeria's FMCG industry.

Decision: Reject the hypotheses and conclude that stakeholder participation has a significant effect on the achievement of project objectives in Nigeria's FMCG industry.

## 4.7    Discussion of Findings

The study demonstrates that stakeholder engagement and influence have a positive impact on the accomplishment of project objectives in Nigeria's FMCG sector. Therefore, an increase in stakeholder engagement and influence would result in a greater attainment of project objectives in Nigeria's FMCG sector. This is consistent with the study's a priori hypothesis. The findings of Moulid, Muchelule, and Wechuli's study from 2021, which revealed that stakeholder identification, engagement, planning, and monitoring were shown to have a favourable and substantial influence on project success, are likewise in agreement with this one. The outcome further demonstrates that in Nigeria's FMCG business, stakeholder support has a negative impact on project objectives being met. Therefore, in Nigeria's FMCG business, greater stakeholder

participation would result in less success in meeting project goals. This result deviates from the study's a priori expectations.

## CONCLUSION

As a result of the debate and analysis in the preceding section, the research reaches the following findings. The study's initial goal was to statistically and experimentally show how three measures of stakeholder involvement—stakeholder influence, stakeholder support, and stakeholder participation—combine to determine whether project objectives in Nigeria's FMCG industry are met. Second, the findings showed that in Nigeria's FMCG business, stakeholder influence has a positive, substantial impact on the accomplishment of project objectives. Therefore, it can be concluded that in Nigeria's FMCG business, stakeholder influence is one of the elements affecting stakeholders' engagement that affects the attainment of project objectives. Additionally, the study found that in Nigeria's FMCG business, stakeholder support had a negative but negligible influence on the accomplishment of project objectives. As a consequence, it is determined that throughout the research period, the FMCG industry in Nigeria did not benefit from stakeholder assistance in achieving project objectives. The study also found that, in Nigeria's FMCG business, stakeholder engagement had a positive, noteworthy impact on the accomplishment of project objectives. Therefore, it can be concluded that in Nigeria's FMCG business, stakeholder involvement is one of the stakeholders' involvement variables that affects the success of project objectives. It suggests that consumer goods companies try to increase the engagement of all stakeholders in their operations as this may help the companies be better able to accomplish their project goals. Additionally, businesses should urge stakeholders to get involved in the initiatives they've started.

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