



**DETERMINANTS OF PROJECT IMPLEMENTATION ON PERFORMANCE OF REAL ESTATE PROJECTS FINANCED BY REGISTERED SACCOS IN NAIROBI CITY COUNTY, KENYA**

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**ABSTRACT**

*The performance of projects in the Kenyan land development industry has of late been tempestuous. The study was particularly centered on the impact of task planning, venture correspondence, asset accessibility and partner's association on usage of land ventures actualized by SACCOS. The investigation was guided by the following specific objectives: to analyze the influence of project planning on performance of real estate projects financed by registered SACCOS in Nairobi City County; to establish the influence of project communication management on performance of real estate projects financed by registered SACCOS in Nairobi City County; to assess the influence of stakeholder involvement on performance of real estate projects financed by registered SACCOS in Nairobi City County; and to assess the influence of resource availability on performance of real estate projects financed by registered SACCOS in Nairobi City County. The study utilized descriptive examination outline. The target population of this study comprised of all the 153 land development ventures being actualized by the 38 SACCOS enrolled by SASRA in Nairobi County. It was established that most of the project implementation indicators had positive impact on performance of the real estate projects. The study further adopted a regression analysis to determine the relationship between the variables. The study findings showed that the four variables had a significant influence on performance of the real estate projects. The study recommended that a similar research should be conducted with an aim at investigating the determinates of project implementation on the performance of real estate projects financed by registered SACCOS in Nairobi with other variables or of other firms in other sectors, including the other counties in the Kenya. The findings showed that 69.4 % of the performance is explained by the four variables while 30.6 can be accounted by other factors captured by the standard error.*

**Key words:** Project Implementation, Project Planning, Project Communication Management, Stakeholder Involvement, Resource Availability, Performance of Real Estate Projects

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## INTRODUCTION

The development of land industry is essential in the by and large financial development and advancement of countries as it builds the prosperity of family unit by giving prevalent haven and setting up close to home riches that can be utilized for making of more riches. What's more, land industry advancement adds to work, the improvement in commercial banking and at last to the advancement of capital markets. All inclusive, the land advertises was at first ruled by institutional financial specialists as individual properties were not purchased and sold all the time like stocks and bonds (Lubowa, 2013). Rather than the very much developed nations that utilization stocks and bonds, financing of land improvement in the less developed states like Kenya is dominantly through home loan financing (Muriuki, 2013).

As early as 1980s, home loans and land improvement administrations were provided essentially by building social orders. Following the de-direction of the budgetary administrations industry, expanded number of building social orders was constrained to contend with banks and other money related gatherings who were putting forth the home loan administrations (FitzGerald, 2016). One of the results of the de-direction has been the persistently expanding rivalry in the land business as different firms currently offer home loans all the more openly and subsequently the interest for proprietor involved property has expanded.

Land ventures performance additionally faces challenges comprehensively. For designers in China to figure venture money related returns with the end goal to settle on speculation choices, the customary Excel model gives point gauge that is; a solitary incentive for each info variable, and in this way the model can just reflect one conceivable situation. Designers in China confront a gigantic level of vulnerabilities incorporating changes in economic situations which affect deal cost and time term of offering the item and vacillations in development

costs, notwithstanding the vulnerability of the land cost which is gotten from the extraordinary offering process in China (Tian, 2016).

The financing of US business property showcase is unique in relation to that of land advertise in parts of members, financing structure, securitization proportion or the nature of bank credits. As per Moody, up to 2007, the market estimation of American business land was 5.3 trillion US Dollars; the extent of market estimation of business properties is 36.6% for workplaces, 24% for condos, 22.1% for retail, 15.3% for modern properties, 2% for lodgings et cetera. As per Deloitte, the financing structure of American business land is half for bank advances, 25% for CMBS 18 (business sold based securities) issuing, 10% of advances from insurance agencies and 15% from different sources (Reid, 2018). Obviously, among the components impacting the usage of land ventures is financing.

The Nigerian real estate sector is becoming quicker than normal GDP at a rate of 8.7% (GDP development at 7.4%) and is currently the 6th biggest part in the economy. This is driven by a developing white collar class driving interest for private property improvement and, by implication, retail, and modern and business land advancement. High Net worth Individuals (HNWIs) put 25% of their benefits in land compared to 18% or less in values and different instruments (PwC, 2015). Be that as it may, the Nigerian land showcase exhibits a considerable number of particular dangers for property financial specialists. There are existing issues with access to fund; with an absence of long haul obligation financing and an immature home loan showcase (contract advances speak to under 1% to the country's GDP (PwC, 2015).

The land showcase in East Africa is lively, determined by expanded spending on foundation, outside speculation, and diaspora settlement. The top of the line office showcase in East Africa sways between

cycles of oversupply and security as designers react to advertise elements, impacted by substantial partnerships setting up territorial central station and United Nations organizations and state companies requiring extra space. Nairobi drives the East African office showcase – companies and multinationals have been extending their quality in Nairobi rather than Johannesburg (South Africa), which has been the conventional center in Africa for multinationals working together in Africa (Dawn Property Consultancy, 2013).

Late clashes, political insecurity and low venture have seen the Kenyan real property market remain very dormant throughout the years despite the fact that it's as of late encountering a critical development (Gichuhi, 2012). The development has made a white collar class which has prompted the urban focuses coming up. What's more, locally, the African land and property showcase has been developing since the turn of the thousand years though gradually because of absence of huge ventures. The majority of the African nations' land markets including Kenya, Nigeria, Uganda and Zambia as of now have solid constructs with respect to which to expand on; high GDP development and interest for top of the line land is a key drive in these economies. There has been additionally an expanded effectiveness in financing as the nearby banks are vigorously contributing land and foundation.

It is evaluated that more than 80% of Kenyan populace has relocated from country territories, implying that that sanctuary is one of their fundamental needs. There is likewise an eminent popularity particularly in the top of the line showcase, or, in other words become considerably more as loan fees descend. To give you a clearer picture, the City Council of Nairobi support an expected 12,000 private and business building designs every month. Be that as it may, with the arrangement of province governments', was undoubtedly be more

unmistakable fascination in land advancement in different towns (Homes Expo Kenya, 2012).

Kenya's blasting land development segment keeps on being a decent chasing ground for co-agents, who are exploiting less expensive financing alternatives to purchase arrive, private and business structures and exchanging them to their individuals and the general population. Housing co-agents and Sacco's are known to offer preferred loaning rates over banks as they need to get individuals' endorsement in the evaluating not at all like banks which are after benefits. Housing Co-agents assume a basic job in the arrangement of Kenya's housing needs and have been given an objective of giving 25 percent of all housing units in a year. The State, through the National Co-agent Housing Union, gives moderate credit to co-agents engaged with housing ventures (Cytonns, 2016).

#### **Statement of the Problem**

The Kenya National Bureau of Statistics (KNBS) has assessed the Kenyan development populace at 4.2% and is required to achieve 50 million by 2020. The administration of Kenya looks to coordinate the supply of houses to the current interest by 2030 (RoK, 2016). Nonetheless, the Ministry of Housing, Land and Urban Development (2016) detailed that 48% of development extends in Nairobi County are as yet deficient and 10% has slowed down. A study done by Odeyinka and Yusif, (2010) demonstrated that 7 out of 10 land ventures studied in Nigeria endured delays in their execution. Similarly, in Kenya, despite the fact that Kenyans are swinging to SACCOs to satisfy their fantasy of home-proprietorship and disregarding contracts which were exorbitant, SACCOs confront numerous difficulties in conveying reasonable ventures for low and center wage workers. Frimpong et al., (2012) ascribes this to absence of viable undertaking administration, unpracticed and untrained venture chiefs, poor partner association, cost overwhelms and wasteful promoting exercises. There is thus a need to explore the components

influencing land ventures financed by SACCOS in Kenya since they are among these vast quantities of tasks that are being executed.

The requirement for this investigation is likewise founded on the current relevant and reasonable research gaps exhibited by past examinations led on the subject. This fills the current logical research gaps since past examinations for example Golob, Bastic and Psunder (2012), Muthoka (2015) and Mukunga (2012) explored different components impacting execution of venture usage other than land ventures.

### **Objectives of the Study**

To establish the determinants of project implementation on performance of real estate projects financed by registered SACCOS in Nairobi City County. The specific objectives were:-

- To analyze the influence of project planning on performance of real estate projects financed by registered SACCOS in Nairobi City County.
- To establish the influence of project communication management on performance of real estate projects financed by registered SACCOS in Nairobi City County.
- To assess the influence of stakeholder involvement on performance of real estate projects financed by registered SACCOS in Nairobi City County.
- To assess the influence of resource availability on performance of real estate projects financed by registered SACCOS in Nairobi City County.

## **LITERATURE REVIEW**

### **Theoretical Review**

#### **Theory of Planning**

The hypothesis was created by the Project Management Institute in the year 1999. As indicated by the hypothesis, the arranging forms are organized into center procedures and encouraging procedures. There are ten center procedures: scope arranging,

scope definition, movement definition, asset arranging, action sequencing, action length assessing, cost evaluating, and plan advancement, cost planning and undertaking plan improvement. The yield from these procedures, the task designs, makes up a contribution to the executing forms (PMI, 2013).

Correlation with hypotheses in the general field of activities uncovers that the viewpoint is that of administration as-arranging (Johnston and Brennan 1996). Here, it is accepted that the association comprises of an administration part and an effector part. Administration at the activities level apparently consists of the concentrated creation, modification and usage of plans. This way to deal with administration sees a solid causal association between the activities of administration and results of the association.

The hypothesis is imperative to the examination since it considers the significance of task wanting to the accomplishment of a venture. A venture plan gives the guide to the key turning points and timetables for the tasks. It gives the job and obligation grid to guarantee responsibility through utilization of work separate structures. The hypothesis likewise gives the definite data from the task contract on the most proficient method to deal with change that digresses from the extent of the venture.

#### **Structural Functionalism Theory**

Herbert Spencer and Robert Merton (1898) were significant supporters of this point of view. As indicated by this hypothesis, formal associations comprise of numerous groupings of various people, all cooperating amicably to accomplish a shared objective. It contends that most associations are expansive and complex social units comprising of many interfacing sub-units which are once in a while in agreement however usually they are in polar restriction to one another.

Functionalism is worried about the idea of request, formal work in associations and in how arrange

appears to win in the two frameworks and social orders regardless of the adjustments in staff which continually happens (Persons, 1975). The hypothesis looks to comprehend the connection between the parts and the entire framework in an association specifically and recognize how dependability is generally accomplished. Basic functionalism additionally advocates for an investigation of the apparent irreconcilable circumstances obvious among gatherings of laborers (Carr and Capey, 1982).

The hypothesis along these lines clarifies the job of partner inclusion in undertaking execution. The hypothesis fittingly clarifies that undertaking administrators must consider uniting alternate gatherings into building a durable and an objective arranged framework that draw together towards accomplishing objectives and how to oversee the two clashes and fervors. The hypothesis is important to the investigation as it assumes a key job in clarifying the pre-essentials required for an agreeable working ground between venture engineers and partners in order to make the progress of the task.

### **Resource Based View Theory**

Wernerfelt's concept of assets pushed Barney (1984) to propose the hypothesis. The hypothesis depicts how entrepreneurs manufacture their business from the assets and capacities that are as of now had or can be gained. Assets have been observed to be imperative predecessors to items and at last to execution. Asset might be substantial or immaterial and are bridled into qualities and shortcomings by organizations and in this manner prompt upper hand. The asset based hypothesis keeps on being refined and observationally tried (Hitt, Carnes and Xu, 2016).

The asset based view tends to the assets and abilities of the firm as hidden elements of execution. Abilities don't depend just on firm assets: they are more than asset sets, in excess of an element of earlier asset arrangement. Capacities administer how assets are changed into items through firm particular

authoritative standards and schedules; through the advancement, administration and exchange of data and information by means of human capital and through the production of a hierarchical culture that backings the company's worldwide exercises and gets from an aggregate learning process (Carnes, Hitt and Xu, 2015).

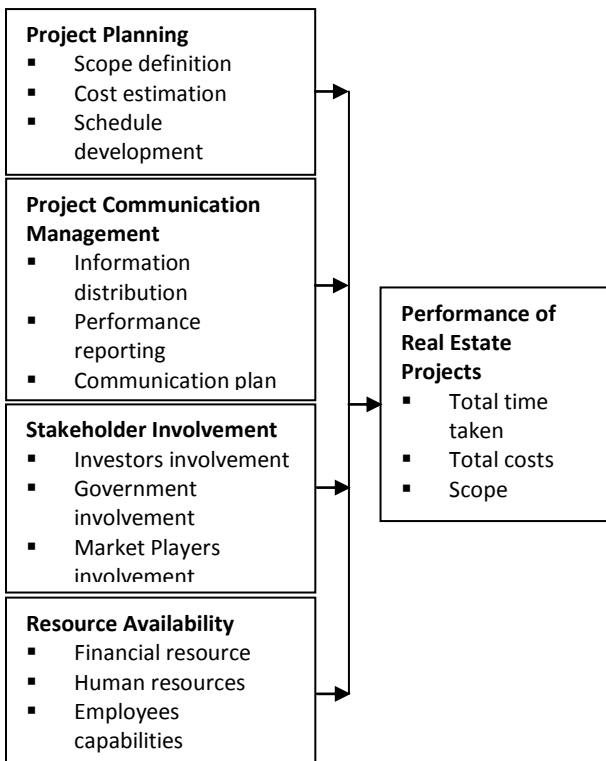
This hypothesis underpins the impact of asset accessibility in the usage of activities in this investigation. The hypothesis places that a firm with the correct blend of assets both unmistakable (money related assets, physical assets) and HR is probably going to perform better in actualizing its undertakings when contrasted with firms that don't have. A task that is very much supported and has skillful staff has higher odds of achievement.

### **Communication Theory**

Scudder (1980) proposed the correspondence hypothesis. The hypothesis proposes that each living being existing on the planet is specifically engaged with the procedure of correspondence in spite of the fact that the correspondence courses for various living creatures are not homogenous (Greene, 2013). At the point when this is translated in the corporate world setting, the hypothesis proposes that accomplishment of powerful business interchanges requires careful perception of the setting in which correspondences is occurring and distinguishing all the essential components which add to fruitful correspondence.

As indicated by Heath and Bryant (2013), on channels of correspondence, they contended that the channels are the fundamental vessels of the message conveyance. As per the hypothesis, they have been extensively talked about in the thought of the stream of data and data extravagance. As indicated by Kincaid (2013), correspondence can be translated as one action among a large group of others, for example, arranging, controlling, and overseeing.

## Conceptual Framework



**Independent Variables      Dependent Variable**

**Figure 1: Conceptual Framework**

**Source: Author (2019)**

### Empirical Review

Ouma (2016) led an investigation to set up the variables determining venture execution of health projects in Gedo Region, Somalia. The particular destinations were to: set up how correspondence, planning, money related help and monitoring and assessment determine venture execution. This exploration considered descriptive examination plan. The investigation found that World Vision Somalia has an arrangement for execution arranges that aides in surveying perception of an association for change and in addition the viability of the proposed change targets. Task arranging was connected to change in undertaking execution.

Fulgham and Shaughnessy (2013) suggested network commitment in venture planning can prompt distinctive sorts of undertaking achievement:

Attitudinal achievement in all likelihood when the task makes or enhances social capital, when networks take an interest in task planning, foundation, and day by day administration, and when benefits are impartially scattered without decision catch; conduct achievement doubtlessly when the venture puts resources into building limit of neighborhood people and organizations; natural achievement in all likelihood when the undertaking connects emphatically with social conventions and administration establishments, and monetary achievement no doubt when the undertaking puts resources into limit building.

Ndemo (2012) led an examination whose main role was to decide the elements that impact the usage of ICT ventures at Telkom Kenya Ltd. The particular examination targets were to evaluate degree to which the specialized group impacts fruitful execution of ICT extends in Telkom Kenya Ltd in Nairobi County ,to explore the impact of task anticipating effective usage of ICT extends in Telkom Kenya Ltd in Nairobi County, to contemplate the impact of administration bolster on fruitful execution of ICT extends in Telkom Kenya Ltd in Nairobi County and to discover the effect of Information Technology framework on fruitful execution of ICT extends in Telkom Kenya Ltd in Nairobi County. A contextual analysis was utilized to acquire a top to bottom examination of an individual, foundation or wonder and stratified arbitrary testing system was embraced to choose an example size of 91 representatives from the number of inhabitants in 300 representatives of Telkom Kenya Ltd were working at Telkom Kenya Ltd home office at the time. The discoveries of the investigation demonstrated that foundation of viable correspondence structures to guarantee stream of correspondence decidedly affected the execution and culmination of undertakings.

Putri (2012) additionally led an investigation that whose intention was to look at the impacts of a correspondence procedure and arranging

intercession intended to advance group correspondence, group SMM, group mental parts, and group execution in the improvement obviously materials at the Indonesia Open University. The discoveries of the examination demonstrated that correspondence technique and arranging mediation emphatically affected group execution and helped groups enhance their item quality.

Another examination that was carried out by Rodney (2014) on the most proficient method to fulfill all partner desires on an undertaking with spotlight on Caltex Oil Kenya Ltd (COKL) researched how to distinguish the partners of a venture; their jobs and obligations; partners effect on tasks; how to meet their prerequisites; the impact partners have on activities; their significance to ventures; how to assemble their promise to ventures, and how to make them a fundamental piece of the group that is accused of the duty of executing the venture. The discoveries of the examination demonstrated that partners are the core of effective undertakings and that with the goal for tasks to be fruitful all partner desires must be met. The examination additionally found that COKL still didn't fulfill all partner desires in the ventures that they were embraced around then which clarified that high rate of undertaking disappointment in the organization.

Golob, Bastic and Psunder (2012) utilizing Slovenia as a contextual investigation, recognized that development quality, speed of land development deals and openness of 23 financing sources were critical factors in the land development market. In spite of the fact that the investigation was gotten from past examinations, the scientists additionally incorporated the ability of financial specialists, land proprietors, tenure right holders, land clients, chairmen, supervisors, inhabitants, land organizations and organizations, outline and development organizations, and different people crosswise over Slovenia, with changing spans of work involvement and shifting training levels.

Mwathi (2013) attempted a review to set up whether the sources of financing influence the advancement of land improvement in Kenya. The independent factors included; contract financing, investment funds, investment and value financing. An engaging review configuration was utilized since it is led to portray the current circumstance, what individuals at present accept, what individuals were doing right now et cetera. The number of inhabitants in this investigation was all the land firms in Nairobi. The discoveries showed that home loan financing was the most utilized wellspring of financing, with value and investment was minimal wellspring of financing utilized.

## **METHODOLOGY**

This investigation utilized a descriptive research outline. Descriptive research designs help provide answers to the questions of who, what, when, where, and how associated with a particular research problem. The objective examination populace was incorporated in all the land development projects by the 38 enlisted SACCOS by SASRA and working in Nairobi. The census approach was utilized in light of the fact that the sample estimates is not sufficiently huge for testing.

The investigation used a five point Likert scale survey to gather essential information.

Pilot study was completed to test the legitimacy and dependability of the instruments.

The quantitative information was examined utilizing Statistical Package for Social Sciences (SPSS) adaptation 21 programming. The regression model was used to determine whether the impact of every one of the autonomous factors on the needy variable is noteworthy.

## **FINDING AND DISCUSSION**

Under this study, a total number of 153 questionnaires were administered and a total of 145 questionnaires were returned for analysis. This



indicated a 94.77% response rate which according to Mugenda and Mugenda (2009), is excellent and sufficient for analysis.

**Table 1: Descriptive Analysis on Project planning**

Item	Mean	SD
There is development of communication plan in the organization	2.812	1.3892
There is development of work break down structure in the organization	3.897	.8846
There is development of change management strategies to be followed when implementing real estate projects	3.923	0.7329
There is development of resource accumulation mechanisms for the technical projects	4.00	0.6017
There is development of quality plans for the real estate projects	3.521	1.0222

The study sought to find out whether there is development of communication plan in the organization for real estate projects. The respondents were neutral that there is development of communication plan in the organization with a mean of 2.812 and a standard deviation of 1.3892

The respondents agreed that here is development of work break down structure in the organization for real estate projects with a mean of 3.897 and a standard deviation of 0.8846.

The respondents strongly agreed that there is development of change management strategies to be followed when implementing real estate projects as shown by a mean value of 3.923 and standard

deviation of 0.7329. The respondents also agreed that there is development of resource accumulation mechanisms for the technical projects as shown by mean of 4.00 and standard deviation of 0.6017. Concisely, the respondents were in agreement that there is development of quality plans for the real estate projects as shown by mean value of 3.521 and standard deviation of 1.0222. The results are tandem with that of Kerzner, Harold and Harold, (2010) who asserts that Planning when done successfully has been known to prompt accomplishment of undertakings utilizing every one of the parameters of time, cost and quality.

**Table 2: Descriptive Analysis for Project communication management**

Item	mean	SD
There are no specific contractual provisions that hinder project communication planning	3.05	1.023
Information distribution systems in existence ensure that information is dispatched in its entirety and correctly	3.10	1.076
There are appropriate internal and external information distribution systems	4.98	.806
There are effective informal and formal information distribution mechanisms	4.33	.912
Properly functioning information distribution systems for project execution	4.87	.897

Table 2 indicated that majority of respondents were moderate that there are no specific contractual provisions that hinder project communication planning as indicated by mean value of 3.05 and a standard deviation of 1.023.

On whether the Information distribution systems in existence ensure that information is dispatched in its entirety and correctly, the respondents were neutral as indicated by the mean value 3.10 and the standard deviation. The respondents agreed that there are appropriate internal and external information distribution systems in the real estate projects of the

organization as indicated by the mean value 4.98 and the standard deviation 0.806. Majority of the respondents agreed that there are effective informal and formal information distribution mechanisms as indicated by the mean value 4.33 and a standard deviation .912.

Finally, majority of respondents were in agreement that properly functioning information distribution systems for project execution influences the

performance of real estate projects as indicated by the mean 4.87 and a standard deviation 0.897. The study corresponds to the findings by binder, (2016) who argued that Undertaking correspondence administration assesses the procedures required to guarantee auspicious and fitting age, gathering, scattering, stockpiling, recuperation and extreme attitude of the project's data.

**Table 3: Descriptive analysis for Stakeholder's involvement**

Item	Mean	SD dev
The management involves the stakeholders during project identification phase	3.25	1.090
The management involves the stakeholders during project planning phase	3.69	.983
The management involves the stakeholders during project implementation phase	3.95	.843
The management involves the stakeholders in project monitoring and evaluation	4.87	.740
The management involves the stakeholders in identification of project performance gaps	3.79	.926

From the findings, majority of the respondents were moderate that the management involves the stakeholders during project identification phase as indicated by a mean of 3.25 and a standard deviation of 1.090. The respondents neither agreed nor disagreed on the statement that the management involves the stakeholders during project planning phase as shown by a mean of 3.69 and a standard deviation of 0.983. From the study, the respondents were neutral that the management involves the stakeholders during project implementation phase with a mean of 3.95 and a standard deviation of 0.843. The respondents strongly agreed that the management involves the stakeholders in project monitoring and evaluation as indicated by mean of

4.87 and standard deviation of 0.740. Concisely, majority of the respondents agreed that the management involves the stakeholders in identification of project performance gaps with a mean of 3.79 and a standard deviation of 0.926. This study finding is similar with the study by Davis, (2014) who asserts that partners advantage for having their desires comprehended and oversaw through correspondence of suitable messages on one hand and the other hand guaranteeing that the partners comprehend what bolster the undertaking needs from them. Partners have a stake in the result of the undertaking. It could be an intrigue, a right, possession. Rights can either be legitimate or moral possession in a condition

**Table 4: Descriptive analysis for resources availability**

Item	mean	SD dev
There is sufficient assets and financial resources to complete a real estate project	3.25	.700
The employees have the necessary skills and capability required to complete a real estate project	3.24	.736
There is a well-established organizational processes required to complete a real estate project	3.32	.832
There is a well-established information channel in the organization to aid in completing a real estate project	3.13	.710
The top management has the required knowledge for implementing a real estate project	3.25	.775

From the findings, majority of the respondents neither agreed nor disagreed that there is sufficient assets and financial resources to complete a real estate project as shown by a mean of 3.25 and a standard deviation of 0.700. The respondents were neither in agreement nor disagreement with the statement that the employees have the necessary skills and capability required to complete a real estate project with a mean of 3.24 and a standard deviation of 0.736. The respondents were neutral on the statement that there is a well-established organizational processes required to complete a real estate project as shown by a mean of 3.32 and

standard deviation of 0.832. The respondents were moderate on the statement that there is a well-established information channel in the organization to aid in completing a real estate project by mean of 3.13 and a standard deviation of 0.710. In conclusion, the respondents neither agreed nor disagreed on the statement that the top management has the required knowledge for implementing a real estate project. This finding relates to that of Mwathi (2013) who found that that asset reliance designs influence conduct, execution and survival of non-benefits. As per the examination, expanded asset reliance results in the higher execution.

### Performance of real estate projects

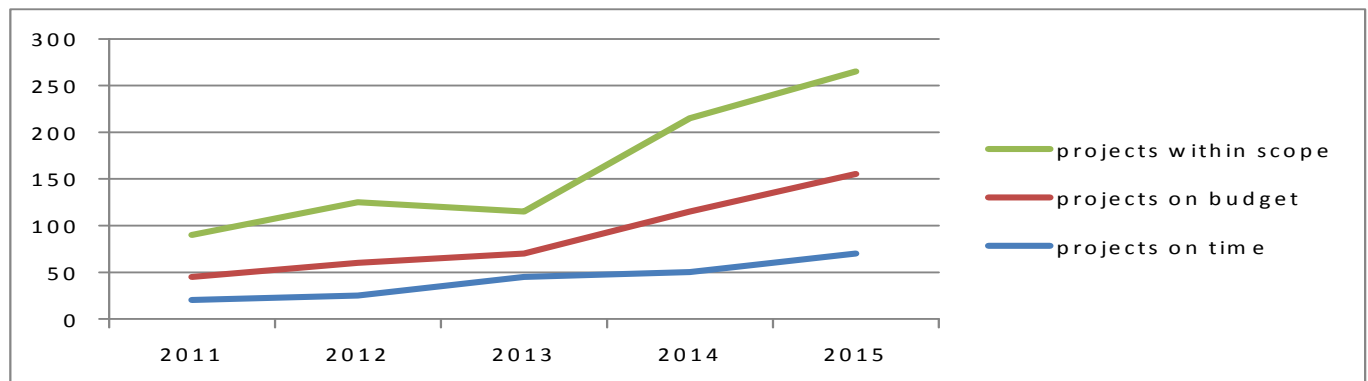


Figure 2: Performance of real estate projects

The research requested the respondents to indicate the extent to which they agree firms implemented the project implementation to enhance the performances of real estate projects. From the research findings, majority of the respondents agreed that; the project implementation positively affects to the performance of real estate projects, As such all the variables have effects on the performance of the real estate projects financed by the Saccos. The firms incorporated projects implementation aspects also have positive impact on the cost budget, time of

completion and the scope of the project completion as shown in the figure 2.

### Inferential Statistics

#### Correlation Analysis

This section of the study sought to establish the significance, direction and strength of the linear relationship between performance of real estate projects which is the dependent variable and project planning, project communication, stakeholder involvement and resource availability which are the independent variables.

**Table 5: Correlation Analysis**

		Performance	Project planning	Project communication	Stakeholder involvement	Resource availability
performance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	145				
Project planning	Pearson Correlation	.712**	1			
	Sig. (2-tailed)	.000				
	N	145	145			
Project communication	Pearson Correlation	.707**	.675**	1		
	Sig. (2-tailed)	.000	.000			
	N	145	145	145		
Stakeholder involvement	Pearson Correlation	.635**	.758**	.887**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	145	145	145	145	
Resource availability	Pearson Correlation	.696**	.644**	.566**	-.618**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	145	145	145	145	145

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The results indicated that there was a strong positive significant linear relationship between performance of real estate projects and project planning,  $r = 0.712$ ;  $p = < 0.0001$ . Likewise, Togar et al (2004), asserted that a project planning provides a clear statement of the problem or opportunity and the solution, project outcome and able develop clear business justification to ensure project is consistent with direction, priorities in the strategic plan.

The findings also revealed that there was a strong positive significant linear relationship between performance of real estate projects and project communication,  $r = 0.707$ ;  $p = < 0.0001$ . The findings relates to that of mwathi, (2013) who expounded that informative distribution, effective communication plan and strategic reporting enhances the performance of projects.

Typically, there was a strong positive significant linear relationship stakeholder involvement and performance of real estate projects,  $r = 0.696$ ;  $p = < 0.0001$ . Stakeholder involvement strategy assumes a dialogue with its stakeholders in decision making which ensures stakeholders feel represented when key decisions are being made (Waligo, 2014).

Finally, the results indicated a strong positive linear relationship between performance of real estate projects and resources availability,  $r = -0.635$ ;  $p = < 0.0001$ . These findings agree with Mutula (2013) did a study on the effects of human resource factors on project performance and stated that for any project to be successful there has to be enough workforce for the different roles involved.

**Regression analysis**

A multiple linear regression analysis was performed with performance of real estate projects as the

dependent variable, and project planning, project communication, stakeholder involvement and

resource availability as the independent variables.

**Table 6: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.827 <sup>a</sup>	.684	.657	.19043

The results shows that the independent variables explained 68.4% of the variation in performance of real estate projects as indicated by a coefficient of determination (R<sup>2</sup>) value of 0.684.

Analysis of Variance was also performed to test for the significance of the whole model. The results were presented in Table 7.

**Table 7: ANOVA (Analysis of Variance).**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.761	4	.940	75.806	.000 <sup>b</sup>
	Residual	1.741	140	.0124		
	Total	5.501	144			

a. Dependent Variable: Y

b. Predictors: (Constant), project planning, project communication, stakeholder involvement & resource availability.

The results in Table 7 revealed that the model significantly predicted performance of the real estate projects,  $F=75.806$ ;  $p < 0.0001$ .

**Table 8: Model Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.016	.456		.034	.973
Project planning	.343	.123	.374	2.789	.008
Project communication	.631	.190	.584	3.317	.002
Stakeholder involvement	.399	.117	.379	3.410	.001
Resource availability	.450	.136	.365	3.294	.002

a. Dependent Variable: Y

$Y = 0.016 + 0.631 X_2 + 0.450 X_4 + 0.399 X_3 + 0.343 X_1$ .  
Where, Y= performance of real estate projects, X1= project planning; X2= project communication; X3= stakeholder involvement; X4= resource availability.

The results in Table 8 revealed that project planning, project communication, stakeholder involvement and resource availability significantly predicted performance of real estate projects at 5% level of

significance. This was indicated by significant p-values ( $p = 0.008, 0.002, 0.001$  and  $0.002$  respectively).

**CONCLUSION**

The study concluded that Proper project planning enables effective deployment of human and financial resources in the implementation of real estate projects. From the linear regression model a linear relationship was established where the independent variable was observed to have a significant influence on the dependent variable a percent. This was an

indication that project planning had an influence on the performance of real estate projects financed by registered SACCOs in Nairobi County and therefore the study concluded that careful project planning increases the possibility of the projects succeeding and ending up with better quality projects hence resulting in projects staying for the foreseeable future.

The study sought to establish how project communication affects the performance of real estate projects. From the regression equation the study measured the significance and strength of the influence of Project communication on the performance of real estate projects. The findings revealed that the relationship between Project communication and performance of real estate projects which was insignificant therefore it could not be used to predict the success of the projects. Project communication is a key aspect due to the fact that they are aimed at correcting detrimental outcomes right from the onset and therefore has an effect on project performance.

A simple linear regression model was performed with performance of real estate projects as the dependent variable and stakeholder involvement as one of the dependent variables. This is aimed to establish a linear relationship between them. According to the findings stakeholder involvement was found to be significant and positively related to performance of real estate projects.

The findings revealed that the relationship between the resources availability and performance of real estate projects was significant and that resources availability influenced the performance of real estate projects. This implied that the explanatory power of the dependent variable was strong enough to explain the variations observed in performance of real estate projects. Therefore, frequency of funding, realistic project budget, adequate financial and human resources influences performance of projects and

therefore funding is crucial to the success of the real estate projects.

## **RECOMMENDATIONS**

The study recommended that a clear statement of vision, goals and objectives should be outlined during project planning to ensure that the project activities or outcomes is consistent with the direction and priorities in the strategic plan. It is, therefore, recommended that project managers should identify community desires in advance and implement projects that responds to the important needs in the society.

Project managers should ensure that project expenditure is regularly checked and communicated effectively to avoid cost overruns. The project team leaders should assess the effectiveness of the project on a regular basis in achieving its objectives and determining its sustainability. It recommends that project progress reports should be availed to key stakeholders at the end of every week and concerns raised should be addressed and sent via e-mail back to the stakeholders in two days.

Stakeholders' involvement is significant to the performance of the real estate projects and therefore the study recommends that firms should consult project stakeholders when making decisions for the project. This would ensure that the projects are steered in the right direction and the end users benefit from the intervention. In order to achieve this, stakeholders should hold progressive meetings every month and ensure everyone is represented, information is shared and progressive updates are given. Emails should be sent to all stakeholders on a weekly basis updating them on the progress.

The study also recommends that project resources should be adequate to ensure effective running of the real estate projects. It is therefore recommended that a realistic project budget should be prepared and forwarded for approval by the project financiers in the first quarter so that the funds are available at the

early stages of implementation. Information regarding the resources available for the project should be collected through surveys, interview schedules and focus group discussions in order to establish the probability of Success.

### Areas for Further Research

Future research may be designed to compare the findings in this study with findings that relate to firms in other regions in Kenya and other countries using different variables. Concisely, the findings showed that 69.4 % of the performance is explained by the four variables while 30.6 can be accounted by other factors captured by the standard error.

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