

THE PERCEIVED IMPACT OF ECONOMIC FACTORS ON PROJECT FAILURE IN PAKISTAN

By

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ABSTRACT

Purpose: The aim of this study is to analyze the perceived impact of economic factors on project failure in Pakistan. These factors include financial resources, Foreign exchange rate, foreign investment, and joint. In this study, quantitative techniques were used to analyze the collected responses i.e. primary data using a specially designed questionnaire to meet the requirements of the current study. This study highlights the perceived economic factors that may impact project failure in Pakistan. A comprehensive analysis of the economic factors, influencing the project failure would help to get a clear understanding of economic factors having an impact on the project. A comprehensive analysis and study of such economic factors will help to identify the economic factors that could cause to lead any project towards failure. Without a clear understanding of such factors, various processes involved in project would become more complex and challenging for stakeholders particularly for project managers and sponsors. This situation can increase the risk of project failure.

Research Methodology: Target population of this study was project managers working in Pakistan. Population size was unknown because no authentic resource provided the number of project managers working in Pakistan. In this study, Non-probability convenience sampling technique was used. A sample of 400 was used. Out of 400 respondents, 159 completed and useful responses were received reaching a response rate of 40%.

Findings of the Research: The result of the study indicates a significant positive relationship between financial resources and joint venture (independent variables) with project failure (dependent variable). This study also found that foreign investment had no significant impact on project failure.

Practical Implications: The reasons for project failure usually vary depending on nature of a project. The knowledge of economic factors that significantly impact project failure will help project managers and sponsors to set a strategy for a successful completion of their projects. Professionals can use these findings to evaluate the result of these economic factors in their project and accordingly they can set their strategies to decrease the probability of project failure.

Keywords: Projects, Economic Factors, Failure, Stakeholders, Projects