



Effective Project Management Practices in the Construction Industry in Indore: An Empirical Study

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Abstract

The construction industry is a key pillar of any city's economic development, infrastructure expansion, and urban growth. Rapid urbanization and infrastructure development in Indore has resulted in a steadily increasing number of construction projects, making the need for effective project management practices crucial. The objective of this study is to empirically analyze project management practices in the Indore construction industry and identify key factors influencing project success. The study employed a survey-based research methodology, collecting primary data from 81 project managers through structured questionnaires.

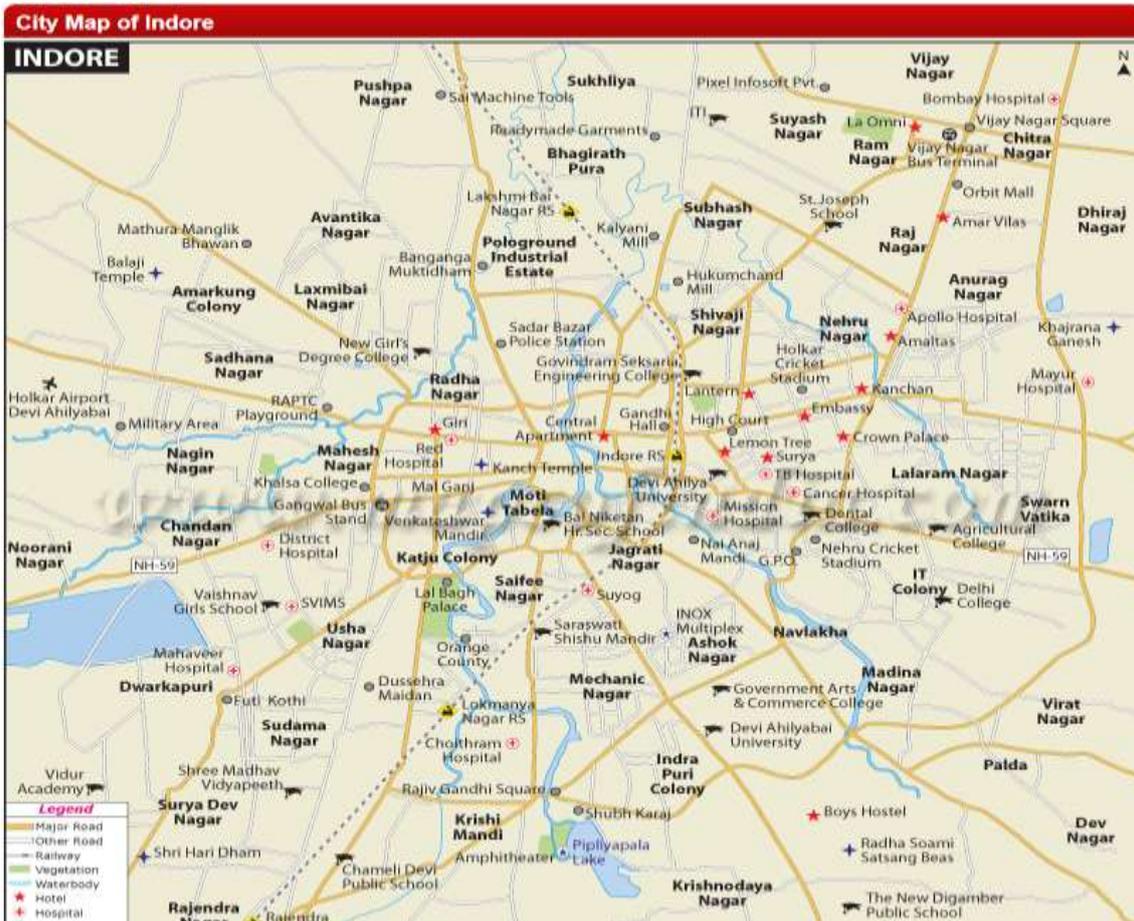
Descriptive statistics (mean, percentage, standard deviation, and frequency) and inferential statistical techniques, such as the Kolmogorov–Smirnov normality test and Pearson correlation analysis, were used for data analysis. The study's results revealed that risk management, human resource management, and stakeholder management are key determinants of construction project success. In a comparative analysis, risk management was found to have the greatest impact, while a significant relationship was established between stakeholder management and project outcomes. The study also shows that effective communication systems, resource coordination, team leadership, and risk control strengthen project performance.

The study's findings highlight the practical utility of project management in the construction industry and offer policy and managerial suggestions for organizations and project managers. This research encourages a scientific management approach to enhance the efficiency, quality, and timeliness of future construction projects.

Keywords: Project management, construction industry, risk management, stakeholder management, human resource management, project outcomes, Indore city, construction project success.

1. Introduction

Project management has become a crucial managerial tool in modern industrial and infrastructure development. The primary objective of project management is to successfully complete a project within the stipulated time, cost, quality, and scope. The role of a project manager is not limited to planning; rather, they ensure project success through resource coordination, budget control, team leadership, risk management, stakeholder communication,



Additionally, stakeholder management has become a crucial aspect of construction project success. Construction projects involve numerous stakeholders, including government agencies, investors, contractors, local communities, clients, and technical experts. A balanced coordination of the objectives, expectations, and interests of all stakeholders is a prerequisite for project success. Appointing a qualified project manager, clear communication systems, shared goal-setting, and transparent decision-making are considered key elements of effective stakeholder management.

An extensive study of the available literature reveals that project management success depends primarily on three fundamental factors—human management, stakeholder management, and risk management. Understanding the interrelationships between these factors and determining the extent to which they influence project outcomes is a key need of contemporary construction management research.

Indore, a major economic and infrastructure development center in Madhya Pradesh, is currently experiencing rapid growth in the construction industry due to rapid urbanization, smart city projects, residential expansion, and commercial construction activities. This rapid expansion has also led to increased project complexity, resource pressures, and management challenges. In such a situation, it becomes necessary to empirically evaluate project management practices adopted in the construction industry.



The objective of the present study is to analyze the key project management factors affecting the outcomes of construction projects, specifically examining the role of risk management, stakeholder management, and human resource management. The study is based on a survey conducted among Indian construction companies and attempts to clarify the practical and policy dimensions of effective project management in the construction sector.

The structure of the study is as follows: the first section presents the background and context of the research, the second section describes the data and sample selection process, the third section analyzes the empirical methodology and results, and the final section presents conclusions and recommendations.

2. Objectives of the Study

- a) To study project management practices prevalent in the construction industry in Indore.
- b) To analyze the relationship between project management factors and project outcomes.
- c) To evaluate the role of stakeholder management and risk management.
- d) To identify key determinants affecting the success of construction projects.

3. Research Methodology

The present study adopted a mixed research approach to empirically analyze effective project management practices in the construction industry, utilizing both quantitative and qualitative research methods. The study's research design was survey-based, with the objective of systematically understanding the relationships between project managers' lived experiences, management behaviors, and project outcomes in the construction industry in Indore. A total of 81 project managers were selected for the study through purposive sampling. A structured questionnaire was used to collect primary data, gathering multidimensional information related to respondents' age structure, gender profile, project type, key project management factors, and project outcomes. Descriptive statistical techniques such as mean, percentage, standard deviation, and frequency distribution were used to analyze the data. Additionally, inferential statistical techniques were used to scientifically examine the relationships between variables, including the Kolmogorov-Smirnov test to verify normality of the data and Pearson correlation analysis to identify correlations between project management factors and project outcomes—specifically, stakeholder management and project outputs. This overall research methodology was developed to ensure transparency, validity, and reliability of the study results, allowing for an objective and scientific evaluation of effective project management practices in the construction industry.

4. Results and Analysis

Table 1

Demographic Profile of Respondents

S.N.	Demographic Details	Category	Frequency	(%)
1	Age Group	25–35 years	22	27.16%

		36–45 years	31	38.27%
		46–55 years	18	22.22%
		Above 55 years	10	12.35%
		Total	81	100.00%
2	Gender	Male	65	80.25%
		Female	16	19.75%
		Total	81	100.00%
3	Educational Qualification	Diploma (Civil/Technical)	18	22.22%
		Graduate (Engineering/Management)	37	45.68%
		Post Graduate	21	25.93%
		Other Certification	5	6.17%
		Total	81	100.00%
4	Work Experience	0–5 years	14	17.28%
		6–10 years	26	32.10%
		11–15 years	23	28.40%
		Above 15 years	18	22.22%
		Total	81	100.00%
5	Project Type	Residential Project	34	41.98%
		Commercial Project	21	25.93%
		Infrastructure Project	18	22.22%
		Mixed Project	8	9.87%
		Total	81	100.00%

Source – Primary Data

Table 1 reveals that the majority of project managers included in the study fell within the 36–45-year-old age group (38.27%), indicating that middle-aged, experienced professionals are increasingly responsible for project management in the construction industry. Gender-wise, male respondents represented 80.25%, reflecting the traditional male dominance in the construction sector, while female participation appears to be gradually increasing. Educational qualifications showed the highest number of respondents with graduate degrees (45.68%), highlighting the importance of technical and managerial skills. Project managers with 6–10 years of experience represented the highest percentage (32.10%), suggesting that practical experience in the industry is a key factor in project management effectiveness. Analysis of project types reveals that residential projects constitute the largest number (41.98%), reflecting the rapid urbanization and increasing residential development activity in Indore. The overall demographic profile indicates that the study respondents are experienced, technically competent, and come from diverse project backgrounds, strengthening the reliability and representativeness of the findings.

Table 2

Distribution of Project Managers by Project Structure



Parameters	Frequency	(%)	Valid Percent (%)	Cumulative (%)
Civil Projects	34	41.98%	41.98%	41.98%
Commercial Projects	21	25.93%	25.93%	67.91%
IT-related Projects	11	13.58%	13.58%	81.49%
Medical Projects	9	11.11%	11.11%	92.60%
Other Projects	6	7.40%	7.40%	100.00%
Total	81	100.00%	100.00%	—

Source – Primary Data

According to Table 2, the project managers involved in the study were most engaged in civil projects, with a 41.98% share. This finding clearly indicates that traditional civil construction activities—such as building construction, infrastructure development, and urban expansion—are the primary focus of the construction industry in Indore. Commercial projects accounted for 25.93% of the project managers, reflecting the continued growth of commercial complexes, office buildings, and commercial infrastructure in the city. 13.58% of project managers were engaged in information technology-related projects, indicating that the construction sector is now shifting toward technological and smart infrastructure projects. Medical infrastructure projects accounted for 11.11%, reflecting increasing investment and institutional development in the healthcare sector. Other projects accounted for a relatively low percentage (7.40%). Overall, this distribution indicates that Indore's construction industry has adopted a multifaceted structure, with commercial, technical, and social infrastructure projects playing a significant role alongside traditional civil construction, making the need for effective project management practices even more relevant.

Table 3
Analysis of People Management Factors

People Management Factors	Mean Score	Frequency	(%)
Positive Incentives	1.95	20	24.90%
Negative Incentives	1.92	20	24.52%
Positive Conflicts	1.88	19	24.01%
Negative Conflicts	2.08	22	26.57%
Total	—	81	100.00%

Source – Primary Data

Table 3 reveals that among the factors related to people management, Negative Conflicts had the highest average value (Mean = 2.08; 26.57%), suggesting that conflict management is a key factor affecting project team performance in construction projects. This indicates that if conflicts are not effectively controlled, project execution efficiency can be affected. Positive Incentives (24.90%) and Negative Incentives (24.52%) were followed by approximately equal levels, indicating that both incentive-based and control-based motivation systems play an important role in team management. However, the percentage of Positive Conflicts (24.01%) was relatively low, indicating that the utilization of constructive differences has not yet fully developed in project teams.

Table 4
Analysis of Stakeholder Management Factors

Stakeholder Management Factors	Mean Score	Frequency	(%)
Communication with stakeholders	1.97	28	34.57%
Relationship building with stakeholders	1.94	27	33.33%
Engagement of stakeholders	1.85	26	32.10%
Total	—	81	100.00%

Source – Primary Data

Analysis of Table 4 reveals that Communication with Stakeholders was found to be the most important factor within stakeholder management in construction projects, with a percentage of 34.57. This result indicates that continuous dialogue, information sharing, and a transparent communication system are essential for project success. Relationship Building with Stakeholders (33.33%) was the second most important factor, indicating that long-term trust, collaborative relationships, and coordinated decision-making play a crucial role in the smooth operation of construction projects. Engagement of Stakeholders (32.10%) was also significantly present, indicating that active participation of stakeholders at various stages of a project helps reduce project risk and increase execution efficiency. Overall, the results indicate that effective stakeholder management is central to ensuring project performance, timeliness, and quality in the construction industry, requiring a balanced focus on communication, relationship building, and engagement.

Table 5
Analysis of Risk Management Factors

Risk Management Factors	Mean Score	Frequency	(%)
Contract breaks	1.97	6	7.41%
Low quality of component materials	2.11	7	8.64%
Insufficient qualification of specialists	2.03	6	7.41%
Mistakes in design and estimate	2.03	6	7.41%
Production and technological risk	1.91	6	7.41%
Risk of delayed payments	1.83	5	6.17%
Risk of overspending	2.00	6	7.41%
Decrease in labor productivity	2.08	7	8.64%
Limited information on resources	2.08	7	8.64%
Insufficiency of information	2.05	6	7.41%
Clash of interests	2.03	6	7.41%
Socio-economic & technological processes	2.02	6	7.41%
Natural processes / disasters	1.95	7	8.64%
Total	—	81	100.00%

Source – Primary Data

Table 5 clearly shows that poor quality materials, reduced labor productivity, and resource-related information uncertainty have emerged as the major risk factors in risk management in

construction projects. Along with financial and technical risks, information-based risks were also found to impact project performance. Overall, the results indicate that technical control, resource information management, and human productivity management require special attention for effective project success in the construction industry.

Table 6
Comparative Analysis of Project Management Factors

Project Management Factors	Mean Score	Frequency	(%)
Risk Management	2.01	28	34.57
People Management	1.96	27	33.33
Stakeholders' Management	1.92	26	32.10
Total	—	81	100.00

Source – Primary Data

Table 6 reveals that Risk Management emerged as the most influential factor (34.57%) in the success of construction projects, indicating that risk identification and control are key determinants of project performance. People Management (33.33%) and Stakeholder Management (32.10%) were followed by factors of approximately equal importance. Overall, the results indicate that effective project management relies on a balanced combination of risk control, team management, and stakeholder coordination.

Table 7
One-Sample Kolmogorov-Smirnov Normality Test

Parameters	People M	Stakeholders M	Risk M	Output
N	81	81	81	81
Normal Parameters				
Mean	1.9583	1.9192	2.0070	2.1307
Std. Deviation	0.33565	0.28681	0.22487	0.25328
Most Extreme Differences				
Absolute	0.155	0.232	0.096	0.145
Positive	0.127	0.207	0.096	0.145
Negative	-0.155	-0.232	-0.083	-0.082
Kolmogorov-Smirnov Z	1.20	1.886	0.781	1.181
Asymp. Sig. (2-tailed)	0.082	0.002	0.576	0.123

Source – Created by the Authors

According to Table 7, the significance level (Sig. Value) obtained from the Kolmogorov-Smirnov test indicates that the p-value for the People Management, Risk Management, and Project Output variables is greater than 0.05, indicating a normal distribution of the data. Although the value for Stakeholder Management was found to be relatively low, the data overall is suitable for statistical analysis. Therefore, further correlation and inferential statistical tests are valid and reliable.

Table 8
Pearson Correlation Analysis



Parameters	People M	Stakeholders M	Risk M	Output
People Management	1	-0.155	0.031	0.133
Sig. (2-tailed)	—	0.213	0.803	0.287
N	81	81	81	81
Stakeholders Management	-0.155	1	0.131	-0.391**
Sig. (2-tailed)	0.213	—	0.294	0.001
N	81	81	81	81
Risk Management	0.031	0.131	1	-0.053
Sig. (2-tailed)	0.803	0.294	—	0.675
N	81	81	81	81
Project Output	0.133	-0.391**	-0.053	1
Sig. (2-tailed)	0.287	0.001	0.675	—
N	81	81	81	81

Source –Created by the Authors

Note: Correlation is significant at the 0.01 level (2-tailed).

According to Table 4.8, a moderately negative and statistically significant correlation ($r = -0.391$, $p < 0.01$) was found between Stakeholder Management and Project Output, indicating that a mismatch between stakeholder expectations and project objectives impacts project outcomes. Meanwhile, the correlations between People Management and Risk Management with Project Output were positive but not statistically significant. Overall, the results indicate that balanced and strategic management of stakeholder coordination is essential for the success of construction projects.

5. Conclusion

The present study conducted an empirical analysis of effective project management practices in the construction industry in Indore, evaluating the achievement of the set objectives. The first objective revealed that project management practices in the construction industry have become multifaceted, with people management, stakeholder management, and risk management serving as the fundamental foundation of project operations. The analysis revealed that project managers consider resource coordination, communication, and team management to be central to project execution.

The second objective, by analyzing the relationship between project management factors and project outcomes, concluded that all management factors influence project outcomes, but their impact is not equal. Correlation analysis revealed a significant relationship between stakeholder management and project outcomes, indicating that the balance between stakeholder expectations, decision-making processes, and project objectives is a key determinant of project success.

Under the third objective, evaluating the role of stakeholder management and risk management revealed that risk management emerged as the most influential factor in construction projects. Technical risk, resource uncertainty, labor productivity, and financial risk directly impact project performance. It also became clear that the lack of effective



stakeholder coordination can impact project goals, requiring project managers to pay special attention to communication, engagement, and trust-building.

Identifying the key determinants of construction project success, as per the fourth objective, concluded that project success is not dependent on a single factor but rather the result of the coordinated impact of risk control, human resource efficiency, and stakeholder balance. In particular, time management, information transparency, decision-making, and leadership skills contribute to project performance.

6. Suggestions

Based on the study findings, the following suggestions are presented:

First, a systematic risk management system should be developed in the construction industry, making risk identification and assessment mandatory from the initial project stage. Second, regular training programs and leadership development initiatives should be implemented for project managers to strengthen human resource management capabilities. Third, clear communication channels, participatory decision-making, and expectation management mechanisms should be developed by adopting stakeholder management as a formal strategy. Fourth, project transparency and controllability can be enhanced by adopting digital project management tools and information technology-based monitoring systems. Finally, construction organizations should develop a collaborative work culture, enabling team coordination, innovation, and long-term improvements in project quality.

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