

ROLE OF PROJECT MANAGEMENT SKILLS IN ENHANCING PERFORMANCE OF FINANCED CONSTRUCTION PROJECTS IN KENYAN BANKS

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ABSTRACT

Banks are fundamental in the economic progress of any country as they are largely responsible for channeling and converting savings into investments through the provision of both long and

short term loans. Over the past decade the construction industry in Kenya has drawn considerable attention from the banking industry with latest statistics from KNBS indicating that the construction sector had KSh81.1 billion in gross by the end of 2013 up from KSh71.7 billion in 2010. This development has seen most banks rely on project managers to oversee their construction assignments. This study sought to explore the influence of project cost management, project time management, project risk management and project quality management in enhancing the performance of financed construction projects in Kenyan banks. The study design employed was descriptive research. The target population was 133 and stratified random sampling was used to select 34 respondents. Data was collected from financial reports, personal interviews and questionnaires and analysed using content analysis and Statistical Package for Social Sciences (SPSS version 21). The information was presented using bar charts, graphs and pie charts and in prose-form. To determine the association between the dependent and independent variables the study used both correlation and multiple linear regression analysis. The study found that all four variables significantly influence the performance of financed construction projects in Kenyan banks. The study recommends that project managers working in Kenyan banks should improve their project cost management skills. Lastly, the study recommends that top management in Kenya banks should give the required support to project time management team so as to ensure the success of construction projects.

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