

Cost Management and Performance Impact Analysis in Large Real Estate Construction Projects: Take Mogadi Real Estate Company as An Example

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Abstract: Construction projects in Mogadishu, in particular, confront difficulties in terms of overall implementation. This study investigated the effect of project management abilities on the performance of building projects in Mogadishu, Somalia. The study's particular goals were to analyse how project planning, communication, risk management, and project monitoring and control skills affected the performance of construction projects in Mogadishu, Somalia. Competency theory underpinned the study. A descriptive and cross-sectional survey research design was used in this study. The respondents were three important members of management from each firm's managing director, senior management, or operational managers, and the study addressed 127 construction enterprises in Mogadishu. A population of 659 construction workers in Mogadishu working for 127 companies was taken. The study has 179 participants. In order to estimate the total number of people in each respondent category, proportionate stratified random sampling was used, and basic random sampling was used to choose respondents for each category. A semi-structured questionnaire was utilized to collect the data. Descriptive and inferential statistics were used to analyze data. The study found that performance of construction enterprises in Mogadishu, Somalia, was influenced by their ability to plan projects; nevertheless, project communication, risk management, and monitoring and control were shown to be advantageous. Research indicated that construction firms in Mogadishu that have managers and workers with adequate project management abilities, such as effective communication, risk management, and project monitoring, performed better in project management. Construction companies in Mogadishu that lack project management skills must ensure that their key experts in the construction industry undergo on-the-job training to learn project management skills such as communication, risk management, and project monitoring and control.

Keywords: Project management skills, construction, projects, Mogadishu, Somalia

1. Introduction

Around the world, building and construction sector has a huge influence on the economy, environment, and culture. It influences everyone's day to day lives and their immediate environment directly impacts on their life's quality (Horta et al., 2013). Horta *et al.* go on to claim that the construction industry supports almost every other industry because all economic profit is generated inside or by buildings or other "constructed properties." The construction industry has a massive global economic influence. In 2016, the World Economic Forum (WEF) reported that the sector was responsible for close to 6% overall GDP in the universe, with \$10 trillion revenues annually and \$3.6 trillion added value. In third world, the sector accounted for close to 5% of overall GDP while accounting for 8% of entire GDP in middle income states (WEF, 2016).

More than 100 million people have been employed within the construction industry (WEF, 2016). Residential housing provides for 38% of global construction value, followed by transportation, power, and water infrastructures (32%), institutional and commercial buildings (18%), and industrial sites (ranging from cement to automobile production) in that order (13 percent). Modern and efficient infrastructure is required for countries to achieve equitable and sustainable growth.

Ali *et al.* (2019) observes that as a developing economy, Somalia faces numerous technological and managerial

project management challenges. For starters, there are few empirical studies on project management performance in Somalia, leaving little data on best practices in the region. Second, although all projects face challenges in terms of execution and progress, construction projects face a specific set of issues and challenges such as the civil strife that has lasted for many years. Ali *et al.* (2019) further argues that in Somalia, for projects to have a successful implementation, there is a need for solid financial backing, efficient collaboration, effective monitoring and assessment, as well as effective preparation.

In Somalia, the essence of project financing presents a major problem for both government and non-governmental organizations (Ali *et al.*, 2019). Donors provide so much money for development projects that they are now referred to as development partners, a sign of how reliant they are. The creation of Somali is based on the generosity of donors. On the other hand, each project must adhere to a set of specifications. They include critical planning performance factors, communication, risk management, monitoring, and effective management of the numerous project constraints. These would ensure that the construction project is successfully delivered both in terms of price and time performance, and in conformance to the required quality standards.

Real estate firms in Somalia are confronted with a slew of issues (The Somalia Investor, 2020). The scarcity of skilled labour, the shortage of building supplies, and the lack of

control are all contributing to a sharp increase in the demand for housing. According to African Union Mission in Somalia (AMISOM) 2016 report, since the return of relative peace in Mogadishu the construction sector is on a roll. High-rise buildings boasting modern architecture are being constructed and old ones, destroyed during the war, are receiving a facelift, or brought down altogether. Livestock and fisheries growth, as well as a private sector that is under revival, most notably the service sector, for instance the telecommunications and money exchange and transfer all which are propelling the economy forward (Momodu, 2016).

The building sector in Somalia has a number of knock-on implications, including job creation and increased property value. Somalia's investment portfolio is expected to grow. A significant portion of the increased spending is expected to go into importing equipment to help renovate aging infrastructure and housing. This is significant because, in 2013, the UN High Commissioner for Refugees (UNHCR), Somalia, and Kenya agreed to allow voluntary refugees to return to Somalia as an indication of the country's developing stability (Momodu, 2016). Refugees returning are likely to strain on infrastructure that is already-scarce such as accommodation, water, health care among other things.

These trends highlight the importance of stimulating growth in social amenities such as housing and public works. To speed up construction, a range of companies have already purchased heavy machinery used in prefabrication. A new cement factory will also benefit the country by supplying the industry with a product that is currently in high demand. Nevertheless, the state must work hard to create an attractive atmosphere for investors. As the new Somalia takes shape, land and planning regulations will be needed sooner rather than later. This may help to prevent a scenario where unplanned structures are dismantled later to make room for more essential infrastructure.

The measure of the project management's success relies on capability of tasked project team to manage the project i.e., produce the results as expected and meet project goals while managing time and cost. Quality, time and cost are the traditional project performance measures that are taken care of by proper project management skills (Morrison, 2020). Therefore, project management skills are custom-made to suit the precise needs of varying construction projects (Barbosa, Salerno, de Souza Nascimento, Albala, Maranzato, & Tamoschus, 2021). To fulfil requirements for a project success accomplishment, a project management applies skills. Project management team apply their knowledge and skills according to the construction project needs while observing the requirements of stakeholders. Project management skills such as risk management, communication, cognitive ability and effectiveness, project planning and effective monitoring and evaluation if well applied are likely to enhance the performance of construction projects (Maqbool, Sudong, Manzoor & Rashid, 2017).

2. Literature Review

Theoretical Review

This study was anchored on Competency Theory. Ryan et al., (2009) proposed that maximum performance occurs

when a person's aptitude or competency is commensurate with the activity at hand. Motivation and personality characteristics determine the frequency of various behaviours and cognitive-affective processes that are influenced by competencies. Rather than simply referring to a person's ability, competencies here allude to their intended conduct.

Both variables must be weighed in order to reliably predict job efficiency. Since motivations are such an integral part of the equation, competencies vary greatly from abilities system of competence. To put it another way, talents provide information about what an individual is able to do and will do; competencies on the other hand as explained in Ryan *et al.*, (2009) provide information about what somebody can accomplish. The theory is applicable to the research since it can be connected to skills in project management and construction projects performance. According to the theory, better results can be obtained if project manager's competency aligns with work requirements. According to this theory competent project managers are good planners which would result to increase in the project performance hence, the theory links project planning skills and performance of construction projects.

Empirical Literature Review

A study by Kanyago and Shukla (2017) examined the impact of project management abilities on the success of construction projects in Kigali. Kigali construction enterprises that were engaging in high-value economic activities were singled out for attention during the study. For one specific objective, we wanted to find out how important project planning was to Kigali-based construction enterprises. Kanyago and Shukla (2017) employed a research design that was descriptive and 111 construction company employees in Kigali as the target population, yielding a sample size of 33 respondents. The study discovered that projects are plagued by a lack of planning skills, which are crucial for effective project planning. Since project preparation is difficult and dangerous, it necessitates a diverse range of skills for effective project execution and management. The study concluded that when firms invest in skills that are relevant, a foundation for project success is created. A research gap emanates from the fact that the study failed to include other skills in project management i.e. monitoring, control, project risk management and communications skills. Additionally, project success was measured by time and cost while the current study measured performance based on both quantitative and qualitative measures such as meeting stakeholders/clients demands and quality specifications.

Alshammari *et al.* (2020) further observed that project managers need strong leadership skills for effective management of their teams. The size and type of the project are pre-determined by the type and size of the project and the level of talents that are required in effective project termination. Prior studies have shown that effective communication, teamwork, strategy, problem solving, and interpersonal skills are critical to the success of construction projects. Alshammari et al results support these findings. Project management skills such as planning, monitoring, and control, along with risk management expertise were not taken into consideration because the study's primary focus

was on interpersonal abilities rather than interpersonal skills in general.

Schieg (2006) observed that, risk management can save money on building projects. As a result, project managers and real estate developers must be familiar with the risk management procedure. The three primary steps of risk management are detection, analysis, and mitigation. To ensure the success of a project, risk management methods must be integrated into every aspect of it, from the smallest details to the most significant milestones in the timeline. Staffing-related hazards are given particular attention because skilled people are required for organizations that provide highly qualified services to prosper in the market. Several studies have examined the relationship between project risk management and project performance in the construction industry.

From the standpoint of the construction employees, Al-Shibly (2013) examined how risk management affects the execution of the projects. Four renowned Amman-based consulting and contracting firms were asked to fill out questionnaires as part of the study's research methodology. A sample of 230 individuals who were directly involved in project risk management at their companies were asked to fill out questionnaires. Researchers found a link between project completion and risk identification and evaluation, as well as the planned time, budget, and willingness to comply with technical criteria. There was no direct link between risk assessment and preventing lawsuits or claims. A link was found between risk response and project completion, which included completing the scope of work, on time, and to the best possible quality standards.

Contractors should consider risk obligations, risk occurrence situations, risk preference, and risk management skills. According to Al-Shibly (2013), in order to handle risk effectively and efficiently. This is also consistent with Sunindijo's (2015) results, which showed that risk management was ranked significantly higher than the other capability components in terms of technical skills. Due to the considerable danger involved in the building sector, this is most likely the reason The author comes to the conclusion that project managers must have a full awareness of risk mitigation in order to deal with any risks throughout the lifecycle of the project.

Ondo State Agency for Road Maintenance and Development, a Nigerian construction company, was studied by Adebayo et al (2018). The findings showed a correlation between the construction company's method of project monitoring and control and the project's progress and completion. Aside from PERT and Earned Value Management (EVM), the company's use of these techniques proven to be quite successful in reaching project objectives.. One of the recommendations was to set up monitoring and control systems in construction companies, as well as to hire and train workers who are familiar with the systems, equipment, and technology they use.

3. Research Methodology

The descriptive and cross-sectional research designs were used in this study. The study's target population included 127 construction companies in Mogadishu that are involved in high-value construction projects in Somalia. Data was gathered from three key members of management from each firm, including the managing director, senior management, and operational managers. As a result, the total target population was 659 employees working in 127 Mogadishu construction firms (Ministry of Public Works & Reconstruction, 2020). Stratified random sampling strategy was used in the study (Mugenda & Mugenda, 2003). Respondents are those who take part in the survey.

The study sample size comprised 179 respondents. The research instrument for this study was a semi-structured questionnaire, which was used to collect primary data. To ensure that the questionnaires could be used, a pilot research was conducted before the main investigation. Furthermore, this aids in the development and refinement of research tools, as noted by Taherdoost (2016) A 10% sample size was used to pre-test the research equipment in accordance with Babbie (2012). (18 personnel). Because of this, these participants were not included in the final analysis (Babbie, 2014). The Cronbach Alpha coefficient was utilized in this study since it is considered the most acceptable measure of reliability when employing Likert-scale items (Saunders et al., 2016). This study employed a minimum Cronbach Alpha of 0.70 as a benchmark (Zikmund *et al.*, 2012). Following receipt of an authorization letter from Kenyatta University, the National Commission for Science, Technology, and Innovation (NCSTI) issued a research permit (NaCoSTI). Interacting with respondents in a formal setting became much easier as a result. Respondents were contacted by phone and e-mail to follow-up on their questionnaire responses. Additional research assistants are on hand in Mogadishu in case physical follow-up is required. The researcher and respondents reached an agreement on a reasonable survey collection deadline.

This study used descriptive statistics such as mean, standard deviation and kurtosis and skewness to analyze the data (Saunders et al., 2016). It was also possible to build additional visualization tools such as percentage-based bar graphs and pie charts (Babbie, 2012). Spearman's rho and covariance, as well as other quantitative measures of dependence, were calculated. Further, this study employed a multivariate linear regression model to examine the impact of project management abilities on construction project performance.

4. Research Findings and Discussions

Descriptive Statistics

In the analysis of descriptive statistics, the study used percentages, mean, and standard deviation.

Project Planning Skills

The first objective of the study was to determine the effect of project planning skills on performance of construction projects in Mogadishu, Somalia. The descriptive results are presents in Table 4.4.

Table 4.4: Descriptive Statistics for Project Planning Skills

	SD	D	N	A	SA	Mean	Std Dev
Activity schedules which provide a clear view of the activities of a project, ensures they are in a logical sequence and provides reliable estimates of how long implementation will take.	3.5%	4.9%	8.4%	33.6%	49.7%	4.21	1.03
Budget estimates which provide proper financial forecasts of the financial and other resources needed to complete projects	9.8%	0.0%	0.0%	26.6%	63.6%	4.34	1.19
Resource planning, which is determining what resources, like people, equipment, materials, etc., you need to allocate for your project, and when you are going to need them.	4.9%	4.9%	13.3%	19.6%	57.3%	4.20	1.15

Source: Survey Data (2022)

The study was intended to investigate if construction companies used activity schedules which provide a clear view of the activities of a project, ensures they are in a logical sequence and provides reliable estimates of how long implementation will take place. The mean response of 4.34 also indicated that majority of the respondent agreed and strongly agreed that budget estimates which provide proper financial forecasts of the financial and other resources needed to complete projects. Finally, the results indicated that majority as shown by the mean of 4.20 agreed that Resource planning, which is determining what resources, like people, equipment, materials, etc., you need to allocate for your project, and when you are going to need them.

The overall implication of these finding was that majority of the respondent agreed that project planning skills were significantly in predicting the performance of construction projects in Mogadishu, Somalia. These finding agreed with those of Kanyago and Shukla (2017) and Morrisson (2020) whose studies discovered that projects are plagued by a lack of planning skills, which are crucial for effective project planning.

Project Communication Skills

The second objective of the study was to find out the effect of project communication skills on performance of construction projects in Mogadishu, Somalia. The descriptive analysis results are presented in Table 4.5.

Table 4.5: Descriptive Statistics for Project Communication Skills

	SD	D	N	A	SA	Mean	Std Dev
Inter-personal skills that establish good working relationships with others, and maintaining good communication within the project team	8.4%	4.9%	3.5%	43.4%	39.9%	4.01	1.18
Negotiation skills that are competitive (which is a winner-takes-all negotiation) and collaborative (which seeks a win-win for both parties).	0.0%	14.7%	0.0%	67.1%	18.2%	3.89	0.87
Oral, listening and written skills that create good rapport, team building and development	4.9%	0.0%	13.3%	48.3%	33.6%	4.06	0.96

Source: Survey Data (2022)

The study sought to find out from the respondent whether there existed Inter-personal skills that establish good working relationships with others and maintaining good communication within the project team. The results indicate that level of agreement with the statement was high as shown by the mean response of 3.89. The participants further agreed as shown by mean score of 4.06 that construction firms had oral, listening and written skills that create good rapport, team building and development.

significant positive effect on performance construction projects in Mogadishu, Somalia. The study finding supported the finding of Sunindijo (2015), who found that project managers have a broad variety of responsibilities that have a direct effect on project outcomes.

Project Risk Management Skills

Another specific objective of this study was to establish the effect of project risk management skills on performance of construction projects in Mogadishu, Somalia. The descriptive results on statement used to measure risk management skills are presented in Table 4.6

Table 4.6: Descriptive Statistics for Project Risk Management Skills

	SD	D	N	A	SA	Mean	Std Dev
Risk identification that involves determining which risks may affect the project and documenting their characteristics	4.9%	9.8%	17.5%	37.1%	30.8%	3.79	1.13
Risk analysis that identifies the qualitative and quantitative impact of the risks on the project and takes appropriate steps to mitigate them.	0.0%	14.7%	21.0%	33.6%	30.8%	3.80	1.04
Risk mitigation that ensures that the firm reduces the probability or impact of a negative risk or optimizes the probability or impact of a positive risk	4.9%	0.0%	33.6%	41.3%	20.3%	3.72	0.95

Source: Survey Data (2022)

The study sought to establish whether risk identification that involves determining which risks may affect the project and documenting their characteristics was conducted by construction companies in Mogadishu. The results show that respondent agreed that their companies conducted risk mitigation as indicated by majority of the respondents that agreed with the statement on whether risk mitigation that ensures that the firm reduces the probability or impact of a negative risk or optimizes the probability or impact of a positive risk. The finding generally indicated that risk management skills were deemed significantly in determining the performance of the construction companies in Mogadishu, Somalia. Risk management, according to Schieg

(2006), can result in cost savings in construction projects. Consequently, project managers and real estate developers must understand the risk management process. The three key phases of the risk management process are risk detection, risk analysis, and risk mitigation. According to Al-Shibly (2013), in order to handle risk effectively and efficiently.

Project Monitoring and Control Skills

The final objective of the study was to determine the effect of project monitoring and control skills on performance of construction projects in Mogadishu, Somalia. The descriptive results are presented in Table 4.7.

Table 4.7: Descriptive Statistics for Project Monitoring and Control Skills

	SD	D	N	A	SA	Mean	Std Dev
Consultation during all stages of the project with all stakeholders.	0.0%	19.6%	15.4%	36.4%	28.7%	3.74	1.08
adequate assurance about the efficacy and efficiency of operations, dependability of financial reporting, and compliance with applicable rules and regulations is provided by internal control processes.	4.9%	10.5%	23.8%	45.5%	15.4%	3.56	1.03
Monitoring and control reports that give a clear picture of where the project is right now and inform all project participants of any important issues they should be aware of.	0.0%	14.7%	10.5%	39.2%	35.7%	3.96	1.03

Source: Survey Data (2022)

The study sought to determine whether consultation during all stages of the project with all stakeholders was undertaken by construction companies in Mogadishu. The outcomes indicate that 36.4% and 28.7% of the participants agreed and strongly agreed respectively. The results also show that the majority of respondents agreed that construction companies in Mogadishu had internal controls processes that provide reasonable assurance about the effectiveness and efficiency of operations, the reliability of financial reporting, and compliance with applicable laws and regulations, as indicated by the mean of 3.56 of the respondents.

Project output monitoring is a crucial component of the construction management process, according to the findings, because it allows project managers to determine whether a project will be completed on time and without customer complaints. Monitoring and controlling a project is critical for collecting data that allows project managers to regularly assess progress and take any necessary steps to avoid delays. The findings backed up Mamoon's (2019) findings, which showed the demands and behaviours that project managers must deal with when monitoring internal operations.

The study sought to establish whether the construction companies in Mogadishu had skills in ensuring that project monitoring and control reports that provide good summaries of current project status and keeps all project stakeholders up to date on the progress of the project and any pressing challenges the project may be facing. The study findings indicated that 39.2% and 35.7% of the respondents agreed and strongly agreed respectively.

Performance of Construction Projects

The study also analysed the level of performance of construction companies in Mogadishu, Somalia in terms of project quality, time, and budget schedule adherence. The results are presented in Table 4.8.

Table 4.8: Descriptive Statistics for Performance of Construction Projects

	SD	D	N	A	SA	Mean	Std Dev
Project conforms to quality standards	8.4%	5.6%	8.4%	58.0%	19.6%	3.75	1.10
Project is completed within the budget	8.4%	0.0%	27.3%	34.3%	30.1%	3.78	1.13
Projects are completed with the project schedule	8.4%	0.0%	37.8%	38.5%	15.4%	3.52	1.03

Source: Survey Data (2022)

The results demonstrate that 58.0 percent and 19.6 percent of the participants in this survey agreed and strongly agreed that their companies' projects met quality criteria, as evidenced by the mean response of 3.75. However, 8.4 percent and 5.6 percent of respondents disagreed, indicating that not everyone agreed. 34.3 percent and 30.1 percent of respondents agreed and strongly agreed, respectively, on whether projects strictly adhered to budget estimates. Finally, the findings show that respondents are undecided about whether projects are completed on time.

The majority of construction contractors in Mogadishu performed well in terms of budgeting and quality, but schedule adherence was exceedingly low, according to the statistics. This research backs up the findings of Ali, Dalmar, and Ali (2017), who found that while donors fund booming construction and development projects, these projects frequently fail to adhere to a set of management specifications, resulting in poor performance in terms of required quality standards, project goals, sustainability, and stakeholder satisfaction.

Inferential Statistics

This section summarises the findings of inferential statistics used to examine the effect of project management abilities on construction projects performance in Mogadishu, Somalia.

Multiple Linear Regression Analysis

The researcher used employee multivariate regression analysis to see if project management abilities, such as project planning, project communication, project risk management, and project monitoring and control, might predict the success of a construction project in Mogadishu, Somalia.

Table 4.10 Model Summary

Model Summary	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.659a	0.435	0.418	0.77236
a Predictors: (Constant), Project Monitoring & Control Skills, Project Communication Skills, Project Risk Mgmt. Skills, Project Planning Skills				

Source: Survey Data (2022)

The model summary in Table 4.10 shows that R-square =0.435, implying that project management abilities can explain 43.5 percent of the variation in construction project performance in Mogadishu (project planning skills, project

communication skills, project risk management skills and project monitoring and control skills). Project management abilities had a considerable explanatory power on the performance of building projects in Mogadishu, Somalia, according to the study's findings.

Table 4.11: Analysis of Variance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	63.307	4	15.827	26.531	.000b
	Residual	82.322	138	0.597		
	Total	145.629	142			
a Dependent Variable: Project Performance						
b Predictors: (Constant), Project Monitoring & Control Skills, Project Communication Skills, Project Risk Mgmt. Skills, Project Planning Skills						

Source: Survey Data (2022)

The model used in this study to link project management skills with construction project performance in Mogadishu was also statistically significant, as evidenced by ANOVA results (f-statistics= 26.531, p=0.000). The model had an excellent fit according to the analysis of variance, therefore it may be used to forecast the association between project management abilities and construction performance in Mogadishu.

Table 4.12: Regression Coefficients

	Unstandardized Coefficients		Standardized Coefficients			95.0% Confidence Interval for B	
	β	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound
(Constant)	0.588	0.338		1.736	0.085	-0.082	1.257
Project Planning Skills	0.166	0.134	0.163	1.235	0.219	-0.101	0.432
Project Communication Skills	0.345	0.137	0.302	2.524	0.013	0.075	0.616
Project Risk Mgmt. Skills	0.637	0.123	0.598	5.174	0.000	0.393	0.88
Project Monitoring & Control Skills	0.37	0.126	0.343	2.929	0.004	0.12	0.619
a Dependent Variable: project Performance							

Source: Survey Data (2022)

Table 4.12 shows that project planning skills had a coefficient of =0.166, p=0.219, indicating that project planning skills had a positive but negligible effect on construction company performance in Mogadishu, Somalia. These findings contradicted those of Kanyago and Shukla (2017), who found that projects suffer from a lack of planning abilities, which are critical for efficient project planning. Similarly, the findings of Naeem, Khanzada, Mubashir, and Sohail (2018) that there is no link between project planning abilities and success were not supported by the research.

Project communication skills exhibited a regression coefficient of 0.345, p=0.013, which was positive and significant at the 0.05 level of significance. The data suggested that there was a favourable and substantial association between project communication abilities and construction project performance. The data also suggested that a unit increase in project communication skills will result in a 0.345 unit increase in project performance in Mogadishu. The findings of the study corroborated Sunindijo's (2015) finding that project managers have a wide range of tasks that have a direct impact on project outcomes. The findings of the study suggest that interpersonal impact has a favourable relationship with project completion time.

Emotional intelligence, interpersonal capability, obvious honesty, and budgeting are four skill components that determine project cost efficiency. The author emphasises the need of resolving communication hurdles that cause project delivery delays, cost overruns, and poor quality performance.

The regression coefficient is 0.637, and the p-value is 0.000, showing that the 0.05 level of significance shows that project risk management talents are favorably and statistically significant. According to the figures, project risk management capabilities in Mogadishu would increase by 0.637 units for every unit increase. According to the data, construction enterprises in Mogadishu, Somalia, have a substantial impact on their performance because of their ability to manage risk. According to Schieg (2006), construction projects that employ risk management end up saving money in the long run. As a result, risk management techniques are essential knowledge for project managers and property developers. When assessing the level of risk, it is important to identify and analyze potential hazards before taking steps to mitigate them. Al-Shibly (2013) makes the case for risk management that is both efficient and cost-effective. The findings of Sunindijo (2015) support this, revealing that risk management was evaluated higher than

the other competency components in terms of technical skills.

Finally, the study's findings demonstrate that project monitoring and control skills have a regression coefficient of 0.370 and a corresponding $p=0.004$, indicating that the link is positive and significant at the 0.05 level of significance. The findings revealed that, a unit increase in project monitoring and control skills will result in a 0.370 unit increase in construction project performance in Mogadishu. The findings supported Mamoon's (2019) findings, which demonstrated the demands and behaviours that project managers must address when monitoring internal processes. Contractor selection criteria, construction phase operations, control method, cost analysis, and labour and materials management are just a few of the strategies used. Arantes and Ferreira (2020) contributed to project management theory and practise in the construction sector by identifying the primary reasons of construction delays, addressing root causes, and suggesting delay mitigation strategies.

5. Conclusions and Recommendations

5.1 Conclusions

Construction companies in Mogadishu that employed project managers and workers with appropriate project management abilities such as project communication, project risk management, and project monitoring and control performed better in construction project management, according to the research. Construction project management is difficult, and it necessitates well-trained project managers who can deal with constantly changing project needs.

Project managers in the construction industry must also have strong interpersonal, negotiating, team building, and development abilities in order to improve their projects' performance, according to the study's findings. Final project risk management capabilities, such as risk identification, analysis, and mitigation are critical for project management to improve project quality while avoiding budget and expenditure overruns. According to the study,

5.2 Recommendations

After conducting a study, the following conclusion was drawn: It is imperative for Mogadishu-based construction firms to provide in-service training to key personnel to teach them project management skills, such as risk management and project monitoring and control, according to the report. Determine what skills are needed and design an action plan for training those who lack them, according to management.

The research also recommends that industry participants join professional groups to regulate the industry and ensure that all stakeholders have the requisite skills to boost project performance while also contributing to economic development and job creation. Finally, the report recommends that key politicians adopt appropriate laws to govern the skillset within the organisation in order to avoid hiring unqualified contractors that lack relevant project management skills, resulting in project delays and failure.

Somalia's federal government loses a lot of money due to unfinished and postponed projects.

6. Suggestion for Further Research

Since the research focuses on the impact of project management skills on the success of building projects in Mogadishu, future research should look at other aspects that influence project performance besides project management skills. Similarly, further research is needed to assess the impact of project management abilities on project performance in other industries, such as farming and manufacturing, according to the paper.

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