Analysis of Local Government Physical Asset Management Practices 
Stakeholders: The Ugandan Case

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Abstract

In local governments, physical assets are managed to achieved stated objectives of the organization. Although the stakeholders are entitled to enjoy flawless, safe and secure service outputs with the aid of excellent physical assets, in most cases the stakeholders are unknown. Stakeholder analysis is a valued tool for identifying and analyzing the characteristics, knowledge interests, positions, and potential for and/or actual stakeholders but is rarely carried out in local governments (LGs) in Uganda. This despite the fact that such analysis makes known the contribution of stakeholders to increased productivity and growth through optimizing the value of physical asset over its lifetime. Therefore, this paper has tackled the problem of PAM practices by introducing a theoretical framework bringing together all key stakeholders with the purpose of explaining their roles for an effective PAM practices in the LGs. Using Cooper’s Taxonomy of Literature Reviews (CTLR) offered by Cooper (1988), the researchers make a synthesis of diverse literary works to serve as a determinant consequence of effective stakeholder relationships with respect to PAM practices in the LG context. Drawing on the stakeholder theory, this work contributes to the literature by showing that stakeholders are embedded within the processes of PAM practices, and identifying them and their critical roles important for success. The implications of each of the findings for effective PAM practices are discussed. Besides the work emboldens the signification of empirical literature acting as a supplement for academics and researchers for reference to their quest. The results may also provide information to management in LG to leverage the engagement of their stakeholders for an effective PAM practice. Moreover, the work will be relevant to policymakers who design support schemes and mechanisms to enhance stakeholder engagement with the intent of promoting value creation in the physical assets.

Keywords: Physical asset, physical asset management practices, local government, stakeholders, Uganda

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1.0 INTRODUCTION

It has long been considered that the participation of the local community can have a significant positive impact on the development of a particular community (Mubita et al., 2017) and has been used as a local-economy development strategy in an effort to mitigate the impacts of mismanagement of local resources (Grant et al., 2011; Masanja, 2018; Quinilvan et al., 2014). In Uganda, the exclusive management of physical assets at the LG level including utilization, maintenance, renewal, and disposal has recently been the subject of serious concerns to diverse stakeholders (Ali & Gitonga, 2019; Obicci, 2019). In 1997 the Government of Uganda (GoU) decentralized the provision of its public services to the LG level. In this effort, the GoU invested heavily in the delivery of public services by empowering LGs to plan, acquire and manage their resources (c.f. The Local Governments Act). This empowerment was matched and supported by development partners who have since then committed numerous resources including physical assets to LGs (Obicci, 2019).

The local community’s awareness of these development programmes is high. But when not properly handled, the programs can have potentially significant negative socio-economic impacts. The provision of these developmental programmes especially physical assets is likely to have a considerable bearing on the local economies and the quality of life of the stakeholders (Bremer et al., 2014; Hanis et al., 2011), for instance, through factors including job creation, health and safety concerns, access to services, and cost reduction (Butler et al., 2014; Roovers & van Buuren, 2016). Indeed, to have a positive outcome from PAM practices delivery it is imperative that all the stakeholders’ “buy-in” be obtained (Long et al., 2015; Van Hecken et al., 2012). This must be on par with the local scale of the PAM practices. Essentially, with the given circumstance of stakeholders having different interest levels and expectations in the delivery outcomes PAM practices (Kipkuri & Obura, 2018; Maier et al., 2014; Kindermann & Gormally, 2013), failure to manage this dynamic; can potentially jeopardize the management of the physical assets (Eyiah-Botwe et al., 2015). For this matter, it is plausible to argue that an analysis of the diverse stakeholders may constitute a critical activity in PAM analysis through proper knowledge creation for the promotion of effective PAM practices.

Within the LG PAM practices context, Hanis et al. (2010) have identified that there is a need to establish new approaches which integrate and synthesize the different aspects of multiple stakeholders involved in the use, maintenance, renewal, and disposal of the
physical assets. Still, this is not a straightforward matter given that physical assets may be planned, used, maintained, renewed, and disposed of through arrangements that involve third parties, the service providers (Sirriwardhane & Taylor, 2017). Although these may work jointly with the LGs the governance network is often affected by many factors including bureaucracy, networks of cronies, and hierarchical and corruption tendencies (Hoppe et al., 2015; Sirriwardhane & Taylor, 2014). While the involvement of stakeholders in LG functions has come to the fore as a mechanism for PAM practices delivery, little is known about how this mechanism can go about engaging with a broader range of multiple actors associated with the execution of PAM practices (Schraeven et al., 2011). Ngwira et al. (2012) argue that there has been an increasing response in PAM practices research on stakeholders, however, the focus of research so far is depicted in-depth case studies in large, highly developed countries. In Uganda, for example, Lederer et al. (2015) substantiate that there is lack of sufficient knowledge of NGOs and community members actively involved in designing the future municipal solid waste management (MSWM) system of Busia. Chemisto and Rivett (2015) find that there are persistent coordination problems despite the implementation of numerous approaches to improve coordination amongst multiple stakeholders of Uganda’s rural water and sanitation sector (RWSS). Goodfellow and Huang (2021) found little or no engagement from city authorities of Kampala, leading to haphazard outcomes that are even poorly integrated with broader planning. Kakumba (2010) recommends the enlistment of the participation of stakeholders in order to attain strong ownership and empowerment. All these findings seem to point to the fact of the lack of knowledge of affected stakeholders. As Okello et al. (2015) single out in their study, there are some gaps in terms of knowledge, awareness, and ownership of programs among some sections of stakeholders in Ugandan LGs. In particular, they indicate that the apparent information gap amongst district stakeholders, most especially, the political leadership may hinder concerted partnership (Bartula et al., 2017). Therefore, this work adopts the position that stakeholders in LG PAM practices remain unknown (Schafer & Zhang, 2016; Tengan & Aigbavboa, 2017). Thus, this conceptual paper is intended to identify the links between LGs, PAM practices, and stakeholders. As such, it addresses the research questions: Who are the stakeholders of PAM practices in LG? and, what are their roles in the purpose of developing a functional relationship framework?

This work makes an original contribution to the literature on stakeholder management and PAM practices by bridging these two kinds of literature to address the questions of who the stakeholders are and their roles in the management of physical assets in LGs. Given that the issue of stakeholders in LG PAM practices is under-explored (Ndolo & Ngaji, 2016), the question of how the stakeholders relate with each other in the network of managing physical assets and the role that each stakeholder plays in executing effective PAM practices remains unclear. Furthermore, this conceptual paper is significant as it has important implications for groups of potential stakeholders of the LG PAM practices (Botituhe et al., 2018; Hwang & Lim, 2013). Indeed, an LG, as Kuipers et al. (2014) claim is usually more formal and bureaucratic with employees who are more conservative and more afraid of change. However, Strojny and Jedrusik (2018) see the solution in stakeholder analysis which they insist can reorganize the LGs to pay special attention to the quality of the whole process.

In addressing these issues, the paper adopts a structure comprising eight other sections including (in sequence) (1) introduction; (2) literature review; (3) stakeholders and the significance of stakeholder analysis in the literature; (4) situating stakeholder analysis in the local government context in Uganda.; (5) methods; (6) results and discussion; (7) stakeholder relationship model; and (8) conclusion and recommendations. In drawing these threads, this paper concludes that analyzing stakeholders could be an important management task and further, that the role of stakeholders may be critical for effective PAM practices in LGs. Having expounded the contribution and structure of this paper, an exploration of the stakeholder concept and the significance of stakeholder analysis are discussed next.

O2.0 LITERATURE REVIEW

2.1 Stakeholder Concept and Stakeholder Analysis

In this section, the author presents and discusses the concept of stakeholder as well as stakeholder analysis.

2.2.1 Stakeholder Concept

The phenomenon of stakeholder is, in academic research, understood in many ways and analyzed under different assumptions (McGrath & Whitty, 2017) with considerable contention over its meaning (Eskerod & Huemann, 2013; Littau et al., 2010; Mainardes et al., 2011; Miles, 2011, 2012). In the organizational literature, the concept of stakeholder was introduced by Freeman (1984, p. 46) who defined it as “any group or individual who can affect or is affected by the achievement of the organization’s objectives.” Since then, stakeholder as a complex concept has evolved through a wide variety of research across diverse academic disciplines (Ackermann & Eden, 2011). Several review and conceptual papers clarify the concept of stakeholder in the various fields (Eskerod et al., 2015; Huemann et al., 2016). For example, Amoatey and Hayibor (2017) view stakeholders as actors, agents, institutions, interested parties, interest groups, and interests whose needs, wants, desires, and perceptions are conceptualized differently. They single out decision-making as the fundamental issue in the difference. Malik (2017) opines stakeholders are inclusive of future generations, wider society, and the national interest.

Mainardes et al. (2012) suggest that stakeholders are differentiated from each other with the specific characteristics they exhibit. They point out those characteristics as core beliefs, influence, ability to form alliances, and usable resources. However, given the dynamic nature of stakeholders, the exercise of the characteristics is problematic in practice (Bosse & Coughlan, 2016). But according to Burns et al. (2016), it is the stake that drives stakeholders to action or non-action. Weiss (2003, p. 34) defines a stake as “…any interest, share, or claim that a group or individual has in the outcome of a corporation’s policies, procedures, or actions towards others…based on [a] legal, economic, social, moral, technological, ecological, political, or power basis”. He admits that a stake is tradeable. While Ritonga et al. (2012) suggest that by defining a stake, one defines who and what really counts, Demir et al. (2015) surmise that since decision-making processes are apparently influenced by stakeholders, it is equally important to understand them well. Alexander and Hjortso (2019) suggest
that understanding stakeholders requires full comprehension of the rationale for their existence, their operation, and the exertion of their influence and power. Wang et al. (2012) assert stakeholder analysis is a tool that identifies stakeholders and collects data on their actions, perceptions, behaviors, experiences, and thoughts. Węgrzyn and Wojewnik-Filipkowska (2022) suggest that stakeholder analysis is a highly flexible application that can be used in any field so long as stakeholders are at play. However, Wojewnik-Filipkowska et al. (2021) argue that the collection of such multi-dimensional datasets, therefore, can be analyzed either deductively or inductively, or comparatively.

Stakeholders of an organization can comprise the customers, employees, shareholders, stockholders, government, the local community, suppliers, partners, and competitors (Karatas & El-Rayes, 2015). More specific to public organizations, stakeholders comprised the citizens, taxpayers, service users, government tiers, trade unions, interest groups, political parties, financial and business communities, and all other entities and government spheres of influence (Gharai et al., 2021; Mulyana & Suganda, 2017). Stakeholders have been classified as either primary or secondary (Mainardes et al., 2012). The primary stakeholders have a formal, official and contractual relationship with the organization (Eskerod et al., 2015) while the secondary ones are not directly related to the organization even though they can exert some sort of influence upon the organization or be influenced by the organization (Benn et al., 2016). Benn et al. (2016) reveal that the organization and the primary stakeholders are highly dependent on one another. As a matter of fact, the secondary stakeholders are neither engaged in transactions with the organization nor essential for its survival even when they can cause significant disruption to the organization (Miles, 2012).

Much as stakeholders share the same interests, the problem, Mainardes et al. (2012) note is that stakeholder groups have subgroups as well as persons who have both varying interests and support multiple roles. As explained often times stakeholders are “individuals who wear different hats at different times” (Winn, 2001, p. 137), however, values constitute stakeholder groups. Tullberg (2013) agrees and states that stake is the reasonable demand for being a stakeholder in an organization. Fassin (2012) decries the lack of reciprocity between the relationship and the nature of the relationship of the stakeholders to the organization. Tullberg (2013) contends all stakeholders can be affected either directly or indirectly by an organization but with sufficient contribution or having a role in the organization. There is a need, therefore, to understand the different stakeholders including their roles and contribution to the success of the organization. Mainardes et al. (2012) argue for a deeper understanding of the stakeholders so as to engage in actions able to meet the demands on the organization by the stakeholders. This paper builds upon this understanding of the concept of stakeholder but within the specific context of local government physical asset management. The next section discusses stakeholder analysis into more refined details.

2.2.2 Stakeholder Analysis

The status of stakeholder analysis as an important analytical tool in any decision-making process is indisputable (Schalk, 2017; Yang et al., 2011). Relatively, stakeholder analysis is a new addition to stakeholder theory that made a debut in 1963 when it first appeared in the international memorandum at the Standford Research Institute (Sapaptha et al., 2020). It developed as a systematic tool to gather information about stakeholders. Lienert et al. (2013) suggest stakeholder analysis was developed to analyze and understand the behaviour, intentions, interrelations, agendas, interests, influence, and resources of stakeholders.

Drawing from the earlier management and organizational theory (Suškevičs et al., 2013), stakeholder analysis gained momentum in the 1990s when greater importance was attached to the role of stakeholders in decision-making (Somjai et al., 2019). Since then, it has infiltrated divergent fields such as economics, health, environmental and natural resource management, and social reform with noteworthy contributions (Ahenkan et al., 2013; Ismail et al., 2019). It has also traversed the policy sector where developing a good understanding of a problem requires the incorporation of the interests of all the relevant stakeholders and their values (Bridoux & Stoelhorst, 2014). It has become a legal requirement in the development of new forms of accountability in some quarters and, as Bridgman and Davis (2004, p. 78) advise including stakeholders in the policy process is “often just smart policy making”.

In this work, stakeholder analysis has been defined as an enabling process of identifying how the various parties will be affected by government intervention (Huemann et al., 2013). Relying on valid scientific technique, stakeholder analysis identifies the impacts of government actions, the relevant stakeholder groups, and gathers data on the likely effect of the stakeholders. Strojny and Jedrusik (2018) allude to the notion that stakeholder analysis aids in understanding the key issues and complex relationships among stakeholders. Gilson et al. (2012) believe stakeholder analysis demonstrates how the complex relationship might affect decisions. They conclude, therefore, that stakeholder analysis is a powerful heuristic device. Yang et al. (2011) set the purpose of stakeholder analysis straight as the evaluation and understanding of stakeholder values, attitudes, interests, and aspirations, at the same time determining their importance. They add that stakeholder analysis aid in the facilitation of more coherent dialogue and creates a more transparent process of decision-making. Safapour et al. (2021) commend stakeholder analysis as of great assistance in conflict resolution by the mere fact of the platform it provides for stakeholders to identify themselves. In other words, stakeholder analysis builds a shared understanding amongst stakeholders that promotes the understanding of the mutual needs of all. Tang and Shen (2013) reveal stakeholder analysis as critical to strengthening the democratic and participatory aspects of decision-making. In this case, the interplay often leads to more creative, effective, and legitimate outcomes (Yang, 2014). Hall et al. (2015) claim that stakeholder analysis is helpful to policymakers and managers to be informed about the political environment surrounding a decision before its implementation. Sarhadi et al. (2021) argue that stakeholder analysis gives marginalized stakeholders greater capacity to participate effectively in the decision-making process. These studies demonstrate the importance of understanding stakeholders that are critical for success.

2.2.3 Stakeholder Theory

Although several theories have been offered to explain stakeholder analysis (Freeman et al., 2021), in this study, we use the most widely accepted stakeholder theory advanced by Freeman (1984). The rationale behind the choice of Freeman’s stakeholder theory is that it places all the stakeholders in general before classifying them into several groups (Cranie & Ruebottom, 2011). In our case, there are a number of
stakeholders in the execution of effective PAM practices, whose proper relationship can be constructed regarding their interests and influence using the assumptions of stakeholder theory advanced by Freeman. This is not a new theory as researchers owe its origin to the founding theory of stockholder-based theories of the organization (Dhakal et al., 2015). Originally, as proposed by Freeman (1984), stakeholder theory was meant to offer a pragmatic approach to strategy cognizant of stakeholders to achieve superior performance for the organization. It was founded on the need to set policies and actions not for normative reasons but for strategic purposes. Fundamentally, Michels (2012) avers the theory proposes all stakeholders are to be included by the constituents for the purpose of reaping success for the organization.

Even though stakeholder theory promotes an efficient, effective, practical, and, most importantly, ethical way for an organization’s management (Harrison et al., 2015), it cannot balance the interests of stakeholders over time as a whole (Freeman, 2017b). As a matter of fact, critics argue that stakeholder theory provides no basis for deciding between competing stakeholder interests (Ndolo & Njagi, 2016; Valentinov et al., 2019). The difficulty in balancing stakeholder interests has been noted elsewhere (Mainardes et al., 2011), where Hawrys and Maj (2017) urge the devout to look to holy books for guidance on how to balance their interests. Yet, as Jensen (2010, p. 33) insinuates, “maximization of the long-run value of the firm as the criterion for making the requisite tradeoffs among its stakeholders”. Although some researchers have proposed the use of sophisticated analytical techniques to balance stakeholder interests (Baumfield, 2016), there are risks associated with such decisions as discovered by de Beer and Rensburg (2011). Talley et al. (2016) uncovered that “best practices” differ substantially amongst industries while trying to balance and trade off the interests. Although Crane and Ruebottom (2011) found that unequal stakeholder saliency and imperfect resource divisibility are important constraints, Harrison and Bosse (2013), in their study, conclude that there is the need to directly include stakeholder representatives in the managerial decision process to garner consensus. This calls for a fuller understanding of all the stakeholders of the organization whose gap is filled in this stakeholder analysis conceptual work.

2.3 Local Government Stakeholders on Physical Asset Management Practices in Uganda

In the case of Uganda, there are multiple stakeholders who can affect or can be affected by decisions taken in the use, maintenance, renewal, and disposal of physical assets in the LGs. For this reason, there is need for the identification, prioritization, and understanding of the stakeholders (Schafer & Zhang, 2016) towards whom the LGs must feel accountable. Up to the present time, there exist few conceptual studies in the LG context that have specifically investigated the relationship between stakeholders, PAM practices, and LGs. Yet, so many previous studies have sought to identify LG stakeholders (Gaspar & Mkasiwa, 2014; Masuda et al., 2022; Vitálíšová et al., 2021) though not in the context of Uganda.

In spite of this, there are two groups of stakeholders in LGs in Uganda categorized as the public and central government. According to Boyne et al. (2002), the public stakeholder group are the actual end-users or service recipients (or their representatives) of the goods and services provided by LGs. They form the whole part of the local community including in some instances the fund providers as well. Normally, this group comprises those who live in the LG be they individual persons or corporate bodies who conduct their activities in the LG. In this study, those who fall under this category with a vested interest in PAM practices are taxpayers, users of physical assets, community special interest groups, local media, and employees. Accordingly, they affect the functioning of LGs through their policy-making, oversight, monitoring, and funding powers as discovered by Li et al. (2017) in their study. Also, they are considered parties who directly participate in the operation of the LG or its department. As such, they are in a position to demand accountability either from the specific LG or its department. In this study, we consider the central government stakeholder groups as comprising the national government, line ministries, and the media. Table 1 presents the salient features of stakeholder groups that operate in LGs in Uganda as far as the practice of managing physical assets is concerned.

Table 1 Local government physical asset management practices stakeholder groups

<table>
<thead>
<tr>
<th>Stakeholder group</th>
<th>Definition</th>
<th>Goal(s)</th>
<th>Roles</th>
</tr>
</thead>
</table>
| Employees | Employees of LGs | - Secure jobs  
- Adequate wages  
- Appropriate benefits  
- Fair treatment  
- Career opportunities  
- Improved productivity, efficiency, and morale | Use, maintain, renew and dispose of physical assets  
Identify LG-specific needs and goals  
Provide LG physical asset specific data  
Assist in due diligence process |
| Service providers | Providers of services to LGs such as spare parts, new physical assets. | - Maximize physical asset volumes  
- Minimize fees paid  
- Profit realization | Provide specified services to the LGs |
| Citizens | True beneficiaries of physical asset management | - Quality service delivery  
- Less costly product/services | Timely payment of rates/taxes |
| Councilors | Elected officials constituting the political wing of the LG | - Advocates  
- Distribution of assistance  
- Political power  
- Publicizing community needs  
- Approving or denying proposed policy change | Policy direction  
- Formulation of bye-laws and ordinances  
- Establish and prioritize goals and objectives to the public.  
- Approve decision criteria for selecting preferred PAM implementation option. |
<table>
<thead>
<tr>
<th>Users of physical assets</th>
<th>Predominantly the recipients of public goods and services, in this case the users of infrastructure asset Comprises of the citizens and the public</th>
<th>-Quality services -Effective service delivery</th>
<th>Accountability -Communicate ability and willingness to pay for service -Express priorities for quality and level of service -Identify existing strengths and weaknesses in service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Special Interest Groups</td>
<td>Lobby or interest groups at the community level</td>
<td>-Accountability -Quality service delivery -Safe environment</td>
<td>-Advocacy</td>
</tr>
<tr>
<td>NGOs, such as environmental bodies</td>
<td>LG interest groups</td>
<td>Varies depending on the interest group</td>
<td>-Advocacy -Provision of finances</td>
</tr>
<tr>
<td>Civil society</td>
<td></td>
<td>-Advocate for gender responsiveness -Provision of technical assistance -Formalization of ongoing or periodic feedback mechanism</td>
<td>-General welfare -Conducive environment</td>
</tr>
<tr>
<td>Private sector</td>
<td></td>
<td>-Quality service delivery -Standard PAM implementation process</td>
<td>-Advocacy -Lobbying -Finances</td>
</tr>
<tr>
<td>Lenders/investors</td>
<td>Comprise of capital owners and investors</td>
<td>-Protect their investment, -Highest returns possible</td>
<td>-Provide feedback on attractiveness of various PAM implementation options -Follow rules and procedures of competitive bidding process</td>
</tr>
</tbody>
</table>

| Central Government Stakeholders |
|---|---|---|---|
| National | Government at the national level | -Ensure LG accommodate growth -Keep LG PAM up to standards -Ensure safety, security, and efficiency of operations | -Maximize revenue -Provide universal access to service -Ensure affordable basic service -Promote fair competition -Attract investors -Improve public welfare |
| Line ministries (e.g., water, education, LG, health) | Strengthen LG sector | -Establish liaison units. -Development of performance framework linking ministry’s programme with LG goals -Develop performance measurement strategy -Input to budget and policy discussion | -Compliance -Accountability |
| National audit body (Office of the Auditor General) | Statutorily mandated body to audit government books of accounts | -Oversight role of LG system -Data audit | -Enforces executive government accountability to parliament and public -Provides not only annotations on administrative malfunctions |
| Media | Both local and national | -Effectiveness and efficiency of government programs -Conflictiong pressure | -Informing large segments of the population -Eliciting strong emotions -Inaccurate information dissemination -Uncovering issues and weakness |

Table 1 presents the various kinds of stakeholders with a stake in the management of physical assets in LGs in Uganda. Mitchell and Lee (2019) invite organizations to recognize and understand the importance of their stakeholders in the value creation system. Table 1, is a response to this invitation so that LGs can deliver responsive and effective quality services using excellent physical assets to their stakeholders. On balance, Masanja (2018) reveals that interactions with stakeholders provide a means for improving service delivery. He adds that this is possible through the exertion of pressures on bureaucracies that direct the engagement of the stakeholders in the planning and delivery of the services. In the next section, we discuss the methods we employed to conduct this study.

### 3.0 METHODOLOGY

Whittemore and Knafl (2005) declare literature review as fundamentally the ‘research of research’ even when it is more challenging and demanding in terms of skills that are highly analytical and critical. In this study, the researchers used Cooper’s Taxonomy of Literature Review (CTLR) framework developed by Cooper (1988) characterized by the focus of attention, goal of the synthesis, perspective on the literature, coverage of the literature, organization of the perspective and the intended audience. The CTLR was chosen in preference to other frameworks such as Ogawa and Malen’s (1991) qualitative review, systematic reviews, integrated reviews and meta-analysis (Gay et al., 2006; Glass, 1976; Hemingway & Brereton, 2009; Jadad et al., 1998) due to its power to guide the collection, evaluate and synthesize
literature to bring perspective and coherence to the problem areas. With the use of the CTRL framework and following all the steps of the review, the researcher reviewed relevant articles on stakeholders, PAM practices, and LGs through an evaluation approach and critical analysis whose results are discussed in the next section).

4.0 RESULTS AND DISCUSSIONS

The literature review conducted based on the CTRL proposed by Cooper (1988) allowed the concept of stakeholder, and stakeholder analysis with respect to PAM practices in LG to be explored and identified clearly. Research on the articles and other resources such as books, journals, and so on, are focused on the characteristics of stakeholders and their roles in the execution of the use, maintenance, renewal, and disposal of physical assets in LGs. The focus of this literature review is to identify the extent to which particular stakeholders are involved and have in common suitable interest in the management of physical assets in LGs. A deeper study of the research and articles related to the stakeholder analysis is focused on the concept and the extent to which stakeholder involvement can be measured through the appropriate item. The definition of stakeholders discussed in the previous articles and studies enabled the identification of the characteristics of LG stakeholders with a vested interest in the management of physical assets.

Based on the literature review, the meeting point of stakeholder analysis, PAM practices, and LG is identified. A sizeable number of empirical studies agree with some consistency on the grouping of stakeholders in the public sector as taxpayers/ratepayers, other resource providers, elected officials, other recipients of services, oversight bodies, internal management, and such like entities (Quinlivan et al., 2014; Siriwardhane & Taylor, 2014). In most cases, these stakeholders are more concerned with LG annual reports. Besides, these stakeholders are hardly understood nor are their roles in effective PAM practices known.

In the literature, when analyzing stakeholders, most of the studies have relied more on normative arguments (Lienert et al., 2013; van der Lei & Herder, 2011). Yet any analysis of stakeholders in the LGs in Uganda must inherently take into account all the elements rather than focus on the approach of stakeholder participation alone. In fact, GoU perceived many benefits of decentralized governance, including the elimination of what it saw as unnecessary management of resources at the central level. Uganda’s decentralized governance to unplug unnecessary bureaucratic channels, reduce corruption, and increased the level of monitoring of physical assets at the LG levels. Decentralized governance also opens an avenue for improved transparent and accountable management of the local community and increased use of excellent physical assets.

As a matter of fact, GoU attaches a great deal of importance to tackling the problem of misuse of physical assets, for it is aware that misuse undermines good local governance and retards the growth of the local economy to which it is committed. For example, in 1986, the GoU established the Inspectorate of Government (IGG) as the centre of the anti-corruption strategy. Corruption has been an endemic virus in the fabric of the Ugandan society with no exception to PAM practices in LGs. The IGG was meant to promote good governance through the elimination of corruption and the removal of administrative injustices in public offices. But from the look of its annual report for the last five years, the war seems to tend to the losing end for GoU as countless LG employees indulge in corrupt practices including misuse of resources like physical assets at their disposal. Another example, the Public Procurement and Disposal of Public Assets Act of 2003 established Public Procurement and Public Authority to regulate the procurement and disposal of assets by public entities including physical assets. Since then, the authority has issued a series of regulations and guidelines for proper management of procurement and disposal inclusive of physical assets. Although some success has been registered as per its entrusted policy, regulatory, data management, audit, and capacity-building functions, not all is good as per its annual reports for the last five financial years on LG’s performance. Apart from the rampant misuse of physical assets in LGs, the report often captures the issue of sideling relevant stakeholders as the probable root cause for the mismanagement of the physical asset. Actually, both the IGG and PPDA have continuously hinted in their annual reports about the unclear role of the different actors in the management of physical assets. Besides, the reports have shown that management has failed to deal with emerging uses in relation to stakeholders and also to update, with respect to the engagement of all the stakeholders remain unknown. All the reports have been produced on a similar basis to promote the interests of the beneficiaries of local government physical asset management.

Especially misuse of physical assets amongst the stakeholders is very prominent in the LGs in Uganda, although the extent of the problem and the particular stakeholders who are involved are unknown. All the annual statutory reports for the Inspector General of Government (IGG) and the Public Procurement and Disposal of Public Assets Authority for the last five years have revealed a serious departure from the prescribed practices that carry some degree of participation of all the affected parties. However, it has not been established whether these departures were attributable to the ignorance of the stakeholders. Yet, the empirical evidence on how stakeholders are known to have worked out is mixed. Decentralized governance opened the way for more realistic involvement of the public in the development of the local economy (Green, 2013) and brought significant improvement in the planning process (National Planning Authority, 2014). The purported significant involvement of all the stakeholders now remains under question in the light of new developments such as the impulsive thoughtlessness on the role of stakeholders in the use, maintenance, renewal, and disposal of physical assets in LGs. In the next section, we develop a model to explain the roles of each of the stakeholders in the management of physical assets in the LGs.

5.0 A MODEL OF STAKEHOLDERS OF PHYSICAL ASSET MANAGEMENT PRACTICES RELATIONSHIP

Based on the analysis of the different stakeholders in the LGs with their take on the management of physical assets, we develop a model typical of stakeholders’ roles and influences in the management of physical assets (Figure 1).
In the proposed model, depicted in Figure 1 above, the main divisions of stakeholders are due to the separation of the public/community stakeholders and the central government stakeholders. Thus, it distinguishes public/community and central government stakeholders. Within each of these two groups, we separate the different groups into detail with their respective characteristics from which their functions/roles are derived as shown in Table 2.

**Table 2 Characteristics of individual stakeholder groups**

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public/Community stakeholders</strong></td>
<td></td>
</tr>
<tr>
<td>Top management</td>
<td>An LG’s top management, District Executive Committee, Heads of departments</td>
</tr>
<tr>
<td>Employees</td>
<td>Employees of the middle and lower level, affecting the use, maintenance, renewal disposal of physical assets determined by the scope of the work at hand</td>
</tr>
<tr>
<td>Service providers</td>
<td>Organizations and/or individuals delivering products or services for the use, maintenance, renewal and disposal of physical assets</td>
</tr>
<tr>
<td>Citizens</td>
<td>Direct or indirect beneficiaries of services provided by the use of physical assets</td>
</tr>
<tr>
<td>Councillors</td>
<td>Policy makers for the proper management of the physical assets</td>
</tr>
<tr>
<td>Users of physical assets</td>
<td>Organizations and/or individuals, determined by the scope of the use, maintenance, renewal and disposal of the physical assets. They are the actual users of the physical assets.</td>
</tr>
<tr>
<td>Community Special Interest Groups</td>
<td>Have special interest in the whole process of managing the physical assets, for example, they may have interest on environmental implications of the use of the physical asset.</td>
</tr>
<tr>
<td>Ordinary workers</td>
<td>Ordinary workers working in the stages of PAM and determined by the scope of the assigned task</td>
</tr>
<tr>
<td><strong>Central Government stakeholders</strong></td>
<td></td>
</tr>
<tr>
<td>Central government</td>
<td>National government, constitutionally mandated to make and implement policies and laws with regard to the use, maintenance, renewal and disposal of physical assets.</td>
</tr>
<tr>
<td>Line ministries</td>
<td>Ministries supervising the course of the PAM, issuing certain administrative decisions or examining the compliance of the LG PAM with the law</td>
</tr>
<tr>
<td>National audit body (OAG)</td>
<td>Statutory mandated providing audit services for the LG PAM or determined by its scope, especially on value for money audit</td>
</tr>
<tr>
<td>NGOs, such as Environmental bodies</td>
<td>Organizations providing physical assets for the particular programme or determined by its scope</td>
</tr>
<tr>
<td>Civil society</td>
<td>Citizens’ welfare advocates</td>
</tr>
<tr>
<td>Private sector</td>
<td>Interested in profit maximization</td>
</tr>
<tr>
<td>Lenders/investors</td>
<td>Profit oriented merchants</td>
</tr>
<tr>
<td>Media</td>
<td>Voice of the voiceless, compliance checkers</td>
</tr>
</tbody>
</table>

Table 2 presents a bird’s-eye view of the characteristics of the different stakeholders with a stake in the management of physical assets in LGs. Thus, to track performance and manage physical assets effectively, LG management must know and benchmark all the
stakeholders of PAM practices and their service provider partners in a complex, collaborative management environment. In consequence, knowing their characteristics is one way to appreciate their inclusivity in the respective stages of managing a physical asset. This is meant to ensure that a quality service is delivered to all. True stakeholder analysis means developing a meaningful relationship with and among them. It is meant to serve to ensure that the LG understands and consistently delivers upon their expectations and needs. It could perhaps seem like an obvious concern. However, it is more than that since management in the LG may fail to develop the type of relationships required. In the given, an LG may find itself at odds with the stakeholders as opposed to being in unison with them for effective PAM practices.

Conclusions

The aim of this work was to analyze the different stakeholders with a stake in the management of physical assets in LGs. We achieved this endeavor through a systematic review of the literature in the LG context. Our justification for this research is that little is still known about the various stakeholders with stake in the management of physical assets in LGs in Uganda. Such knowledge is necessary for successful LG functioning. We reviewed a number of articles through context analysis looking for evidence of stakeholders' presence and influences in the management of physical assets in the LGs. We found overwhelming support for two critical kinds of stakeholders in this regard, which are the public/community and central government stakeholders' groups. With this analysis, we developed a model for proper engagement of the various stakeholders in the management of physical assets in the LGs. This investigation has some limitations the most critical of which is to devise better ways to test empirically the model determinant we developed in this work. At the same time, the analysis covers only LGs, but a wider catchment of the public sector as a whole would be best suited. However, we suspect the results would be the same due to the inherent nature of public sector organizations. Given that the absence of stakeholder analysis as ghosts haunting LGs in their functioning, this work arms LG actors with the power to engage their stakeholders for improved management of physical assets under their care. Failure to do so, the ghosts will continue to haunt the LGs.

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