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SUSTAINABLE DESIGN PRACTICES, ENTREPRENEURIAL CAPABILITY AND COST MANAGEMENT AS STRATEGIC DRIVERS OF PROJECT PROFITABILITY

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KEYWORDS	ABSTRACT
Sustainable Design Practices, Entrepreneurial Capability, Cost Management Project Profitability	The present study investigated the effects of the sustainable design practices, entrepreneurial capability, and cost management on project profitability in architecture and interior design firms. The study also examined mediating role of project efficiency in strengthening the relationship between design-related managerial practices and financial project outcomes. A quantitative research approach was used to collect data from architects, interior designers, project managers and design entrepreneurs. The structured questionnaire was developed to measure sustainable design practices, entrepreneurial capability, cost management, project efficiency, and project profitability. The data were analyzed using structural equation modeling to test the direct and mediating relationships among the study variables. In this regard, the findings showed that sustainable design practices, entrepreneurial capability, as well as cost management significantly improved project efficiency. Project efficiency was also found to have a significant positive effect on project profitability. The mediation results confirmed that project efficiency served as an important mechanism through which sustainability, entrepreneurship, and cost control enhanced profitability. Thus, the results suggest that architecture & interior design firms achieve the stronger economic returns when they combine the sustainable design decisions with entrepreneurial project handling and strict financial control.
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INTRODUCTION

The architectural and interior designing industry, which was traditionally focused on aesthetic aspects, has undergone considerable evolution toward becoming multifaceted industry whose success is now measured by such factors as sustainability, innovation, efficiency, and economic performance (Sair, Sohail & Nisar, 2024). The increasing awareness of issues such as climate

change, resource depletion, sustainable urbanism, and customer requirements, among others, has prompted design agencies to review traditional methods of project management (Lewis & MacGregor, 2023). The use of sustainable design practices has thus become not only necessary but strategic since it allows for balancing environmental considerations with the economic and performance of businesses involved in design work (Hussain, Masood, Idrees & Sohail, 2025). Specifically, sustainable design practices can be defined as process of integrating such aspects as environmentally friendly approaches, resource conservation & lifecycle planning into overall process of the designing and managing projects (Sohail, Saeed & Khan, 2023). The adoption of sustainability in terms of design management processes becomes increasingly important for organizations balance the environmental needs of their stakeholders with their own business goals.

In addition, the increased complexity of design projects coupled with growing competition in the market makes it vital for the organizations to build managerial competencies (Carayannis, Dumitrescu, Falkowski, Papamichail & Zota, 2025). In such an environment, the importance of entrepreneurship capabilities & cost management cannot be underestimated as key resources that may affect the success of any project in many ways. Entrepreneurship capability can be defined as the firm's capacity to recognize opportunities in the market, innovate, take risks, adapt to changes and actively engage in creating value through decision making (Khan, Shafiq, Sair, Sohail & Ali, 2025). Regarding architecture & interior design companies, entrepreneurship capability enables to find innovative solutions, respond passably to customers' needs & become adaptable to changing market environments. Similarly, cost management includes processes of planning, controlling, monitoring, optimizing expenses related to a certain project to ensure proper and efficient use of finances (Carayannis et al., 2025). Taking into account project-based operations performed by architecture, interior design companies, the profitability and success directly depend on avoiding budget overruns and project delays, it is vital to manage expenses properly.

All three concepts mentioned above serve as active strategies that make it possible to improve performance & achieve better results in projects (Alkaraan, Elmarzouky, Hussainey, Venkatesh, Shi & Gulko, 2024). This can be achieved by looking at how effective these strategic resources are with respect to their impact on project efficiency which is significant determinant of project success. Project efficiency can be defined as the capacity of an organization to conduct projects under the specified constraints in terms of time, money, quality, and resources with minimal wastage and maximum creation of value. Sustainable designs increase efficiency in project execution since of reduced wastages & efficient resource allocation that ensures sustainability in operations (Sohail, Saeed & Khan, 2023). Entrepreneurial competence contributes to the achievement of project efficiency in the form of innovation, flexibility, problem-solving, and adaptability in the project situations. The same case applies for cost management through strict budgeting, financial tracking, and resource optimization (Rakshit & Paul, 2025). As a result, there will be an improvement in the project efficiency leading to project profitability. Project profitability is a measure of degree to which a project yields profits in relation to the resources used.

A profitable project is one that achieves profitability goals in terms of controlled costs, timely execution, client satisfaction, and accomplishment of desired financial outcomes. Thus, project efficiency is logical bridge between sustainability, entrepreneurship and financial management efforts (Gennusa, 2025). The primary theoretical underpinning for this research be described as Resource-Based View (RBV). This theory postulates that the competitive advantage attained by organizations is sustainable due to use of resources and capabilities that are valuable, scarce, nonimitable & strategically organized within organizations. RBV theory explains that sustainable design approach, entrepreneurial ability & cost control measures are some examples of strategic organizational resources that lead to internal efficiency and superior results. Organizations that have developed sustainability skills, entrepreneurial bents and financial management skills are able to manage the project processes more efficiently, therefore creating value which their competitors might struggle to duplicate (Indriyani, Suhariadi, Lestari, Aldhi, Rahmawati, Hardaningtyas & Abbas, 2025). Another assumption from RBV theory is that the influence on performance exerted by the strategic resources frequently goes through certain organizational processes.

In this case, project efficiency can be considered a necessary capability for turning strategic resources into project profitability. This theoretical framework helps us to understand why managerial practices & organizational capabilities can ensure financial success in architecture and interior design firms (Nguyen, 2025). Although, the sustainability, entrepreneurship, and financial management have gained considerable attention in academic circles, there are certain deficiencies in the current body of knowledge. Existing studies have mostly concentrated on the role of sustainable design practices, entrepreneurship, and cost management as individual factors contributing to organizational effectiveness without considering their influence when interacting together in projects undertaken by creative industries (Mansoor, Sohail & Syed, 2023). The primary theoretical underpinning for this research be described as resource-based view. Most of previous studies are conducted in context of manufacturing and construction businesses rather than architectural and interior design agencies where there is no substantial data available on issue (Thien & Hung, 2023). There is no sufficient knowledge about the way these capabilities affect profitability via their impact on the project efficiency (Tu & Creativani, 2025).

These deficiencies indicate an area in need of further study regarding insufficient knowledge about how architecture and interior design companies can use all three capabilities at the same time to increase profit. The managers who have to meet challenges of ensuring environmental performance at same time as economic efficiency need some guidance on what makes a good strategic approach (Saratian, Akbar & Mukhtar, 2025). The importance of tackling the research problem cannot be overemphasized as the inability to properly integrate three capabilities in question could lead to inefficient projects, poor profitability and lack of competitive advantage. Also, it adds to existing body of knowledge concerning sustainability and entrepreneurship by providing integrated framework for examining projects profitability carried out by architects and interior designers (Das, Hijazi, Maxwell & Moehler, 2023). On managerial level, results are expected to inform architects, interior designers, project managers, and entrepreneurs on how

they could manage operations to become more efficient & successful by investing strategically in sustainability and cost management. Industrially, findings of study would help companies increase competitiveness, sustain growth & optimize profitability of projects carried out (Peng, 2024).

LITRATURE REVIEW

The theoretical basis of this work is mainly rooted in the resource-based view. The essence of the RBV approach is that organizations will perform better when they use their valuable, rare, unique, and irreplaceable resources and capabilities. The sustainable design in architecture and interior design firms, entrepreneurial capability & efficient cost management can be considered the strategic organization resources in this area, the use of which helps to ensure operational efficiency & positive financial results (Liaqat, Sair & Sohail, 2025). According to resource-based view, the implementation of valuable strategic resources does not guarantee the achievement of profits; rather, it is necessary to take organizational procedures as well as develop certain organizational capabilities to achieve better performance (Ferreira & Ferreira, 2025). In this case, organizational capabilities include project efficiency, that is the mechanism of converting the above-mentioned resources into profit. In this regard, organizations able to implement sustainable design and think entrepreneurially will be able to manage projects more efficiently, use resources properly, and maximize profitability of their projects (Gulshan, Sohail & Iqbal, 2024).

The sustainable design processes have increasingly become a strategic requirement for the sectors of the architecture and construction due to increasing environmental concerns and the demand for the sustainability from clients. The sustainable design processes refer to using environmentally friendly materials, energy saving designs, waste prevention measures, and life cycle orientation designs (Liaqat, Sair & Sohail, 2025). Current research has revealed that sustainability processes make positive impacts on the project performance through increased efficiency in resource use, decreased waste, and increased value of projects over time. Found that organizations practicing sustainable architecture processes and LEED oriented projects performed better operationally & organizationally (Ohueri, 2022). Similarly, studies conducted on sustainable processes have shown that environmental sustainability initiatives play a vital role in making a project successful through resource and process efficiency. Such results imply environmental initiatives can enhance efficiency of project implementation over the reduced inefficiencies and efficient resource use. Based on above theoretical and practical perspectives, one can argue that sustainable design processes have positive impact on project efficiency (Raj, 2025).

Entrepreneurial capability has proven to be important factor in determining competitiveness of organizations in project-based industries. The term entrepreneurial capability entails capacity of an organization to recognize opportunities, engage in innovation and risk-taking behaviors, be flexible and adaptable, and add value through strategic activities (Anjum, Idrees, Syed & Sohail, 2025). In architecture & interior design, for instance, entrepreneurial capability enables professionals to passably address changes in customer wants, developments in technology, &

prevailing market environment. Empirical evidence reveals that entrepreneurial orientation, together with innovation capabilities, is an important component of successful projects and efficient operations in organizations (Reshi, Saqib & Nazir, 2025). It was observed that there exists a positive relationship between entrepreneurial project success and project efficiency and organizational effectiveness (Zafar, Sohail, Saeed & Naeem, 2024). Similarly, the research on dynamic capabilities of the project-based organizations revealed that flexibility and innovation capabilities increase the performance of the organizations. This indicates that entrepreneurial capability plays a significant role in enhancing project efficiency over innovation and effective decision-making during project implementation (Aljaaidi, Abdulmajeed, Bafaqeer & Habee, 2025).

The ability to manage costs constitutes another essential management capability that affects the performance of projects and their financial impact. Cost management can be defined as the practice of planning, monitoring, controlling, and optimizing the expenditure in a particular project to ensure proper utilization of financial resources. Efficient cost management allows an organization to avoid spending beyond the budget and ensures financial efficiency throughout the process. The benefits of cost management in enhancing project performance and increasing profitability have been noted by various researchers (Sair et al., 2024). In studies conducted in construction and project-based industries, it has been observed that proper cost management practices result in better efficiency, financial stability, and organizational performance (Razzak & ul Haq, 2025). Moreover, proper project process management and financial control systems have been known as factors that positively affect project time performance, cost performance, and success. Therefore, it can be concluded that cost management is a key driver of project efficiency due to effective financial management (Riaz, Al-Okaily, Sohail, Ashfaq & Rehman, 2024).

Efficiency of projects has played a major role in literature surrounding project management because the level of efficiency demonstrates how effective an organization is in meeting the set targets of completing a project within the budget, time period, quality levels, and resource consumption (Agyeman, Kissi & Abu, 2025). The impact of project management effort on the profitability of projects especially those involving complex situations is confirmed. Efficiency in project management effort is identified as having a critical role in achieving organizational success (Zhang, Chong, Zeng & Zhang, 2023). The profitability of projects serves as the most critical measure of success for companies working in architecture and interior design amidst highly competitive business conditions. According to past research, profitability be enhanced by integration of development measures, entrepreneurship skills, financial control processes, and efficiency in project management. Thus, it was found that circular design principles and sustainability-oriented project practices contribute to enhancing the economic sustainability of organizations belonging to field of construction (Castillo, Belmonte, Anunciação & Camacho, 2026).

The research related to sustainability and project management has proven that organizations implementing managerial strategies in an integrated manner produce better project results and

economic sustainability (Dey, Malesios, De, Chowdhury & Abdelaziz, 2020). Despite existence of several studies focusing on aspects of sustainability, entrepreneurship, cost management, project performance, and profitability, there are some significant gaps in the extant literature. First, few studies have parallel analyzed sustainable design practices, entrepreneurial ability, and cost management within architectural & interior designing firms. Second, previous works in this field have based on construction, manufacturing, other non-design-oriented projects, thereby lacking relevant insights into relationship between managerial resources and financial outcomes in design-based firms. Third, there is still lack of knowledge regarding mediating effect of project efficiency in determining way in which managerial competencies affect project profitability (Moshood, Rotimi & Shahzad, 2025). In other words, the past works have not provided information about mechanism over which managerial resources generate financial returns.

RESEARCH METHODOLOGY

The present study has used the quantitative research methodology to explore the relationships between sustainable design practices, entrepreneurial capabilities, cost management, efficiency of projects, and profitability of projects among architectural and interior design firms based in Pakistan. Quantitative methodology was found appropriate since current study was intended to verify the existence of already theorized relationships between a number of concepts and test the formulated hypotheses using statistical tests (Khan et al., 2025; Khan et al., 2022; Sair et al., 2024). The present research was guided by the positivist research paradigm. According to positivism, reality exists independently of researcher and be measured objectively. Positivism is appropriate for those studies that try to prove the existence of cause-and-effect relationships among variables using statistical tools. Adopting a deductive approach, the study came up with some hypotheses based on theories and empirical work and went on testing them using empirical data gathered from industry practitioners. This study's target population consisted of professionals working in firms dealing with architecture and interior designs, like architects, interior designers, project managers, design consultants, firm owners and the entrepreneurial practitioners.

These individuals were chosen for their expertise in sustainability issues, entrepreneurship, cost management, project implementation processes, and the ability to generate profits in their respective firms. Since there is no single sampling frame containing all professionals dealing with architecture and interior designs in Pakistan, non-probability sampling was used. This allowed for selection of people meeting certain qualifications and having necessary expertise related to the research variables. Based upon best practices for partial least squares structural equation modeling, the sample size was set at 300 respondents. It was considered appropriate considering that it exceeded the threshold recommended for complicated structural equations models with mediation effect. The data was gathered using a structured questionnaire based on previously validated measures found in literature. In first part, demographic & professional details like age, gender, educational attainment, professional experience, and positions held in organizations were recorded. Second part included questions on sustainable design practices,

entrepreneurial abilities, cost control, efficiency & profitability of projects using multiple-item measures.

All questions were answered using a five-point Likert scale, with values from 1 for “strongly disagree” to 5 for “strongly agree.” Before conducting data gathering, the questionnaire was reviewed by academic scholars and industry practitioners in terms of content validity, clarity, and relevance to context. Moreover, a pilot test was done among several respondents in order to spot potential ambiguities that may occur about some statements, thereby improving the questionnaire’s reliability. The data gathered were subjected to the statistical analysis through PLS-SEM via the use of SmartPLS software. PLS-SEM was chosen based on appropriateness of the technique in prediction-oriented study, in dealing with complex model with a lot of construct and mediation, as well as being able to handle non-normality in distribution of data. Statistical analysis involved two steps namely the examination of the measurement model and the structural model. In the case of the measurement model, the indicators’ reliability, internal consistency reliability (Cronbach’s alpha and composite reliability), the convergent validity (average variance extracted) and discriminant validity (Fornell-Larcker criterion, HTMT) were assessed.

Having obtained satisfactory results regarding the measurement model, the structural model was assessed via path coefficients, coefficient of determination (R^2), effect size (f^2), predictive relevance (Q^2) and bootstrapping techniques to determine significance of direct and indirect relationships. Mediation relationship for project efficiency was examined using bootstrapping method of 5,000 resampling to test the significance of indirect path and to evaluate the extent to which project efficiency accounted for the relationship between the independent variable and project profitability. Participation in the survey was on a purely voluntary basis, and prior to conducting the survey, respondents had been told about goal, objectives, and scientific nature of the research being conducted. The consent of the respondents was obtained, and they were reassured that participation in survey was going to be completely anonymous & confidential. Personal information of no kind was asked from the participants, and their data were to be used only for research and educational purposes. Also, respondents were told that they were free to terminate their involvement in the study whenever they wished, without suffering any adverse effects. All the information gathered was safely stored and accessed only by researcher himself.

RESULTS OF STUDY

Table 1
Reliability & Convergent Validity Analysis

Construct	Items	CA	CR	AVE
Sustainable Design Practices (SDP)	5	0.891	0.920	0.698
Entrepreneurial Capability (EC)	5	0.903	0.927	0.719
Cost Management (CM)	5	0.887	0.918	0.692
Project Efficiency (PE)	5	0.914	0.936	0.746
Project Profitability (PP)	5	0.901	0.927	0.718

The findings on the reliability and convergent validity of the measures indicate high quality measurement model for all constructs involved in the research study. The value of Cronbach's Alpha coefficients of design practices, entrepreneurial capability, cost management, project efficiency, and project profitability all exceed the minimum required level of 0.70. These are 0.891, 0.903, 0.887, 0.914, and 0.901, respectively. This means high reliability of the measures since their internal consistency is high. Likewise, values of Composite Reliability (CR) range between 0.918 and 0.936, further reinforcing the reliability of measurement model. Regarding convergent validity, all constructs show average variance extracted (AVE) values exceeding the minimum accepted value of 0.50, with project efficiency exhibiting highest value of 0.746 followed by entrepreneurial capability with AVE of 0.719 and project profitability with AVE of 0.718.

Table 2
Discriminant Validity

Constructs	SDP	EC	CM	PE	PP
SDP	-				
EC	0.682	-			
CM	0.635	0.711	-		
PE	0.756	0.782	0.738	-	
PP	0.698	0.724	0.681	0.821	-

The findings of discriminant validity obtained using HTMT ratio confirm that all constructs show sufficient separability from one another. The HTMT values for the relationship between Sustainable Design Practices (SDP) and other constructs fall within the range of 0.635 to 0.756; on the other hand, the values for Entrepreneurial Capability (EC) with respect to its relation to other variables fall in the range of 0.711 to 0.782. Likewise, HTMT values for Cost Management (CM) vary between 0.635 to 0.738, for Project Efficiency (PE) range up to 0.821, and for Project Profitability (PP) range from 0.681 to 0.724 with other constructs. Notably, all HTMT values do not exceed the conservative criterion value of 0.85 and even the liberal one of 0.90, which confirms that there are no problems associated with the discriminant validity for the constructs considered.

Table 3
Collinearity Assessment

Relationship	VIF
SDP → PE	2.184
EC → PE	2.476
CM → PE	2.231
PE → PP	1.000

The outcome of VIF analysis shows that there is no existence of multicollinearity IN variables in structural model. The values of VIF associated with associations sustainable design practices

(SDP $\rightarrow$ PE = 2.184), entrepreneurial capability (EC $\rightarrow$ PE = 2.476), and cost management (CM $\rightarrow$ PE = 2.231) are less than acceptable level of 5.0 and conservative level of 3.0, showing that independent variables are not interrelated while predicting project efficiency. Value of VIF of PE (PE $\rightarrow$ PP = 1.000) confirms that there is no existence of collinearity while predicting project profitability.

Table 4
Model Fit Assessment

Fit Index	Value	Threshold	Result
SRMR	0.054	< 0.08	Accepted
NFI	0.924	> 0.90	Accepted
RMS Theta	0.103	< 0.12	Accepted

Based on the VIF outputs, the structural model is not facing any multicollinearity problem. All VIF outputs for Sustainable Design Practices (SDP $\rightarrow$ PE = 2.184), Entrepreneurial Capability (EC $\rightarrow$ PE = 2.476), and Cost Management (CM $\rightarrow$ PE = 2.231) have remained well below 5.0, which is the acceptable standard, and have even remained well below the more conservative figure of 3.0. Then, there does not seem to be any high correlation between these independent constructs in relation to their prediction of Project Efficiency. The output for the VIF value of project efficiency (PE $\rightarrow$ PP = 1.000) reflects no presence of collinearity in its prediction of project profitability.

Table 5
Coefficient of Determination (R^2)

Endogenous Variable	R^2	Interpretation
Project Efficiency	0.684	Moderate-High
Project Profitability	0.598	Moderate

The coefficient of determination values (R^2) indicates high predictive power of the structural model when predicting the endogenous variables. In particular, according to the R^2 value (0.684), 68.4% of variance in the dependent variable (project efficiency) could be predicted by Sustainable Design Practices, Entrepreneurial Capability, and Cost Management. Thus, it can be said that there is a moderate to high level of explanatory power of the model concerning project efficiency. This means that a combination of such managerial strategic elements has an essential impact on the improvement of efficiency in architecture and interior design projects. Likewise, according to R^2 (0.598), about 59.8% of variance in project profitability is predicted by project efficiency. Consequently, it can be stated that the model has satisfactory explanatory power.

Table 6
Structural Model Results

Hypothesis	Path Relationship	β (Beta)	SD	T-Value	P-Value	Decision
H1	SDP $\rightarrow$ PE	0.321	0.051	6.294	0.000	Supported

H2	EC → PE	0.387	0.049	7.898	0.000	Supported
H3	CM → PE	0.274	0.054	5.074	0.000	Supported

Structural models reveal clear & empirically valid evidence for all hypothesized relationships, showing that Sustainable Design Practices (SDP), Entrepreneurial Capability (EC), and Cost Management (CM) considerably improve Project Efficiency (PE), in its turn greatly affects Project Profitability (PP). To begin with, Sustainable Design Practices exert a positive and significant influence on Project Efficiency ($\beta = 0.321$; $t = 6.294$; $p < 0.001$), suggesting that THE environmentally sustainable, resource-efficient design solutions have extensive contribution to make in improving effectiveness of projects' implementation. Entrepreneurial Capability, on its part, demonstrates even greater significance regarding Project Efficiency ($\beta = 0.387$; $t = 7.898$; $p < 0.001$) because innovative mindset, adaptability, and proactive approach can improve project management and help make the best out of any situation. In the meantime, Cost Management also makes a significant contribution to Project Efficiency ($\beta = 0.274$; $t = 5.074$; $p < 0.001$) owing to proper financial control and budgeting being essential to making project processes more efficient. Project Efficiency demonstrates extremely high and highly significant impact on PP ($\beta = 0.773$; $t = 21.472$; $p < 0.001$). Hence, efficient project management is a crucial component of the successful.

DISCUSSION & CONCLUSION

The conclusions drawn from this research clearly show the empirically backed evidence that combination of sustainable design practices, entrepreneurial capability, and cost management significantly contribute to Project Efficiency, which is critical for increasing Project Profitability within architectural and interior design firms (Gulshan et al., 2026; Khan et al., 2025). It is clear that all three mentioned strategic factors possess wide positive impact on project efficiency, where entrepreneurial capability is established to possess strongest impact, while sustainable design practices and cost management are less powerful, but still important enough. From the conclusion that can be made, it becomes clear that firms that operate in a design environment must consider not only technical aspects of sustainability but depend heavily on innovative approach and cost-related factors to increase Project Efficiency. This can be explained by the fact that Entrepreneurial Capability contributes the most out of three considered strategic factors to Project Efficiency, because firms that are capable be flexible, identify prospects, and innovate can improve project management and make proper response to project and customer needs.

These findings reaffirm the importance of project efficiency as basis of project profitability, since the path coefficient obtained is very high. This means that the success of a project in terms of profitability will not depend on any particular strategy that is applied within organization but rather on ability to transform these strategies into efficient project implementation (Riaz et al., 2025). The efficient projects are characterized by low level of resource wastage, lower delay times, enhanced coordination, and proper utilization of resources. This, therefore, the directly contributes to profitability. The significant mediating effect of Project Efficiency is also proof of resource-based view theoretical assumption states that performance outputs are determined

by the capabilities of organizations using their resources internally. In this case, sustainability orientation, entrepreneurial capability, and cost control act as inputs while efficiency acts as a transformation process. From this research, it can be inferred that organizations specializing in architecture and interior designing can realize significant profits through sustainable practices, entrepreneurship, as well as cost management skills within a highly-efficient project execution process.

It should be noted that Project Efficiency is more than just a result; it is rather a critical strategic factor, which will determine whether or not the potential benefits realized by an organization through their capabilities will translate into higher profit levels. Without efficiency, sustainable strategies and entrepreneurial capabilities of a firm might simply lead to nothing. That is why organizations should develop their internal project management skills in order to manage costs, time, and other resources effectively during project implementation. With these findings in mind, a number of practical suggestions could be offered. First, architectural and interior design firms must consider improving the skills associated with entrepreneurship within their project teams through continuous training and innovative workshops, since entrepreneurial skillset is considered to be the most important determinant of project efficiency. Furthermore, sustainable design strategies have to become an integral part of each project process, including green design standards and lifecycle assessment procedures, which will help improve project efficiency even further for desired outcomes. At the same time, cost management techniques must be enhanced using more sophisticated budgeting tools and real-time cost monitoring systems.

Finally, project execution must incorporate sustainable design approaches with innovation and efficient cost management in its framework. The implications of this research have significant ramifications on theoretical contributions and practical applications. On a theoretical level, the research contributes positively to resource-based view by establishing that it is not enough for organizations to simply possess capabilities; there is a need to make such capabilities count by implementing the mechanism of operational efficiency. This means that the success of a project in terms of profitability will not depend on any particular strategy that is applied within an organization but rather on ability to alter these strategies into efficient project implementation. This research sheds light on Project Efficiency as an important mediating variable that connects strategic resources and financial performance in projects-oriented industries. On a practical level, the contribution of this research to field is substantial, as it shows that profits cannot just be made financially, but be achieved over efficient implementation of strategic considerations. From policy and regulatory point of view, it is important that industry leaders focus on sustainability policies, entrepreneurship development & operational efficiencies of construction industry.

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