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PERCEPTION OF CREDIBILITY TOWARDS STAKEHOLDERS: VIEWS OF PROPERTY DEVELOPERS DURING ECONOMIC CRISIS

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ABSTRACT

This research aimed to explore the characteristics of the property developers' perception to maintain their credibility with many categories of stakeholders, other than lenders, during economic crises. The data used was from the questionnaire surveys with property development companies[2] in Thailand. The respondents were inquired about the level of their concerns to maintain credibility with stakeholders in four categories including: lenders, suppliers, contractors, and clients. The perceptions were based on the two economic crises, during the years 1997 – 2003 and 2008 – 2009.

The analysis results revealed that property developers concerned to maintain credibility about clients the most, ranking #1. The second rank was contractors. The third and the fourth ranks were lenders and suppliers. The pattern of the assessment showed that about 30% of the respondents concerned more about 'Contractors' than about 'Lenders'. Moreover, when a company seeks financial support from sources other than banks, that firm paid the importance to maintain good credibility with suppliers. In these cases such non-bank sources of finance were shareholders, foreign alliance and expedite sale-and-transfer.

Keyword: Credibility, Economic Crisis, Property Development, Real Estate, Stakeholders

INTRODUCTION

Credibility is without doubt an essential quality of being believable or trustworthy. Trust is a fundamental to function in a complex and interdependent society (Tschannen-Moran & Hoy, 2000 cited in Rawlins, 2007). In other words, in a market economy or exchange economy, everybody tends to specialize in something and have expectation to exchange it to others. A question has arisen as how something can be exchanged if the parties don't basically trust one another (Soto, Hernando de, 2006).

Rational

Credibility of Developers (Views by Public) Versus Maintaining Credibility with Lenders (Views by Developers)

Until now, there have been ample of case studies about credibility on the side of public and other related stakeholders have with real estate business. Contradictory, there has been rare academic work on the side of property developers on whether they have any attempts to maintain their credibility with their stakeholders.

Credibility of Developers (Views by Public)

Even though it is clear that having credibility is important, there have been many incidents that revealed negative impression on property developers in many countries. The first case is the findings from a survey in China by the School of Statistics at the Capital University of Economics and Business in 2008 (People's Daily Online, 2009). This survey found that, in the eyes of Beijing residents, real estate industry and food industry in China had the lowest credibility. The second case is also the survey findings in China in August 2009 by the Research Center of the Xiaokang Magazine. The findings revealed that a real estate development group was among the least credible categories, which also included secretaries, agents, entertainers and directors (China Daily, 2009). Next is the case in Abu Dhabi realty that faced credibility challenge. As would-be buyers in Abu Dhabi would decide to hang back on their commitments until they could see projects actually coming out off the ground (Abu Dhabi Property, 2009). The last case is from the New York Sun revealed about a zoning

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dispute in Brooklyn where developers tried to lie and cheat to push their projects through legal loopholes. Property owners attempted to bypass various city regulations (Neyfakh, 2006).

Furthermore, a property development industry typically faces negative impressions to hold responsible for many past economic crises. The first example is the past 1997-2000 economic crisis in Thailand. Thai property developers were blamed as one of the major courses of that crisis. The other is the 2008 U.S. sub-prime mortgage financial crisis, which led to the world economic crisis. This is because sub-prime mortgage is an aspect of the property development process.

Maintaining Credibility with Lenders (Views by Developers)

Vanichvatana and Peungchuer (2009:2) had conducted a prior research related to the perceptions of property developers on the importance to establish and maintain credibility with *lenders* during the 1997-2000 and 2008-2009 economic crises in Thailand, using qualitative and quantitative analysis methods. The results from qualitative in-depth interviews revealed that all interviewees put values on maintaining credibility with lenders for both crises. The results from quantitative questionnaire surveys revealed that in term of the 2008-2009 crisis, there were statistical significant associations between the levels of importance to maintain of credibility with lenders and different groups of the developed-products (in three categories: low-rise housing, high-rise condominium and mixed-product (developed both low-rise and high-rise products)).

The results indicated that the group of developers with mixed-product rated the highest level of importance to maintain credibility with lenders. And, the group of developers with high-rise product and low-rise product rated the second and the third, the lowest, levels of importance, sequentially. This prior research concluded that the level of importance to maintain good credit with lenders was based on a company's level of business risk. That is, the developers with mixed-product had been facing the highest level of risk. So, this group of developers gave the highest level of importance to maintain credibility with lenders. In addition, as one cannot definitely identify that low-rise development is less risk than high rise and mixed-product developers, these findings bring an interesting inquiry for further investigation.

Furthermore, besides *lenders*, it is interesting to find out the level and characteristics that developers perceived to maintain and establish credibility with other categories of stakeholders. The aim of this paper was to extend the prior studies as in the following objective and scopes.

Research Objective

The objective of this research was to explore the characteristics of ***the property developers' perception to maintain their credibility with different groups of stakeholders*** during economic crisis.

Research Scopes

The scope covered as follows:
1. The four categories of the stakeholders cover *lenders, suppliers, contractors and clients*.
2. The study covers the characteristics of property developers' perception to maintain credibility during the two economic crises in Thailand: (1) *during the 1997 – 2000 crisis* and (2) *during the 2008 – 2009 crisis*.

LITERATURE REVIEW

The Characteristics of Economic Crises in Thailand

The characteristics of each economic crisis in each country are typically different because the causes and environment are different. Thus, the impacts of each crisis on the property development industry should be different. As seen in Table 1 (Vanichvatana, 2009:1), the characteristics of the two economic crises in Thailand, 1997 – 2000 and 2008 – 2009, were not the same. The situations of the economics, financial institutions, real estate development industry and demand were all different.

In terms of the 1997 – 2000 crisis, the financial institutions were in a deep downturn due to the national policies for financial liberalization since 1992 without good preparation, lacking of governance management and data-based supporting. For the real estate sector, property developers made poor investment decisions which did not base on yields, sustainable rents and capital value. Most of them, then, had poor ability for the profession. Thus, only ten percent of the industry survived through this economic crisis (Vanichvatana, 2007).

In contrast, in terms of the 2008 – 2009 economic crisis, the situations of both financial and real estate industries were far improved conditions in comparing to the earlier crisis. Both industries had learned their hard lessons. Since 1997, the Bank

of Thailand has been pulling tight controls on financial regulations. As such, the situations of both industries, although slow down, had strong fundamentals and stable conditions.

Table 1: The Summary of the Characteristics of the Two Economic Crises in Thailand

Characteristics	1997-2000 Economic Crisis	2008-2009 Economic Crisis
Origins of the Crisis:	Within Thailand.	From United States of America
Causes of the Crisis:	* Implement Financial Liberalization without enough preparation and supporting policy * Not good Governance and Supporting Database	* Sub-prime problem: Mortgages issued in recent years to sub-prime borrowers are extraordinary rise in mortgage delinquencies and foreclosures
Situations of Thai Economics:	* Abrupt economics contraction: with liquidity problems * Get Secure Fund from IMF[3] loan * Sudden float Thai Baht currency * Loans from Local and International Financial Institutions were stopped	Problems in export sector and tourism sector
Situations of the Thai Financial Institutions:	* Close down 76 financial institutions * Survive ones had many NPL problems	* Very secure * The Bank of Thailand put tight control policies to commercial banks on project loans and mortgage loans
Situations of Real Estate Development Industry:	* The whole industry were impacted * The survival firms have liquidity problems and huge debts	* Some contraction of normal business cycle * But many big firms still have business expansion due to good loan credit from banks
Situations of Demand:	* No security in employment * Existing customer stop down payment, new ones delay buying decisions * No incentive policy or support from government	* Some postpone buying decision * But still have stable demand level * Government issues many supporting incentive policies: reduce transfer fees, personal tax credit, and other tax exemptions

(Source: Vanichvatana and Peungchuer, 2009:1)

Regulation and Credibility

In the process of a real estate transaction, when parties involved do not trust one another, especially when a property developer does not have enough credibility from a customer point of view, they can depend on "Escrow Law". Escrow law is a regulation that established to resolve such untrustworthiness among property parties involving in a real estate transaction. Escrow is a legal process designed to protect the interests of parties to exchange the ownership or title of a property. It is a matter of record that, throughout the history, buyers and sellers have employed "trusted third parties" to hold title and payments until a time that all parties had fulfilled their obligations (the Escrow Press.Com, n.d.). The Purpose of Escrow is to enable the parties in a real estate transaction to reduce the risk (South-Country.Org, n.d.).

Escrow has been widely practiced in many countries. Escrow system however has been initiated for enforcement in Thailand after the 1997 economic crisis because of severely bad credits of property developers as viewed by customers. In fact, such disbelief occurred even before the 1997. It is due to the fact that many housing developers did not deliver the product, partially or totally, that they had committed to do so.

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[3] IMF = International Monetary Fund

Build Up Credibility

There are numerous literatures related to the build up of credibility through many concerns including: transparency, motivation, communication, organizational management and leadership styles. The majority of the literature puts examples and case studies applying towards the enhancing leaders and management levels of corporations.

From the surveyed by Pagano (2004) with more than 2,300 executives, 99 percent of the respondents said that 'credibility is more important than ever before. If someone had it and then lost it, 92 percent said that it would be very difficult to gain it back. The lost of credibility will lead to the tarnished of reputations.

A way to build credibility is through commitment (Fox, n.d.). Higgins's literature describes that strategic credibility is more specific than the general notion of corporate image. It is also more focused than the concept of corporate reputation. The determinants of strategic credibility include the following factors: (1) a company's strategic capability, (2) past corporate performance, (3) the credibility of the firm's top management team, most notably the chief executive officer and (4) communication of corporate strategy to key stakeholders (Higgins, 1996).

Graaskamp (1992) identified three groups of stakeholders – involving in a real estate development process – must remain solvent to survive and must create a surplus over time to maintain credibility with others. These three groups included a consumer group (individual space users), a production group (capital assembly, material preparation and onsite assembly) and a public infrastructure group (the provider of network tangible and intangible off-site systems).

From the in-depth interviews with the executives of property developers, Vanichvatana and Peungchuer (2009:2) found that the respondents gave the importance to maintain good financial credit not only with lenders and clients, but also with suppliers, contractors, sub-contractors and individual labors. Some respondents gave special importance to keep good financial credit to the laborers and sub-contractors[4]. Some examples of the approaches to maintain credibility including: never have bouncing cheque and never show sign of any financial problems.

The research results from Vanichvatana and Peungchuer (2009:2) (2014:1) also found that during economic crisis, there were seven sources of capital including: (1) commercial banks that were still secured, (2) non-banking financial institutions, (3) share holders and/or new foreign partners, (4) expediting sells and title deed transferring, (5) rent out un-sold units and/or units that were abandoned contract, (6) extending business to become home-building contractor, and (7) long period supplier credits. It was very curious to find out whether there was any relationship between the sources of finance and the level of importance to maintain credibility with different categories of stakeholders given by developers.

METHODOLOGY

Data

The data used was from the questionnaire responses from the executive management levels of real estate companies that were the members of the three main property development associations in Thailand[2]. The total numbers of 530 sets of questionnaires were distributed in Q2, 2009. The total responded questionnaires were of 48 sets, about 9 percent of the total distributions. From the total responded questionnaires, it was reported that 37 sets had practiced in the property development business before the 1997 economic crisis.

Hypothesis

This research raised three questions as follows:
- (i) There is no difference in perception to maintain credibility towards different groups of stakeholders.
- (ii) There is no relationship between the level of perception to maintain credibility and the source of finance.
- (iii) There is no difference between the characteristics of perception to maintain credibility in the two economic crises: 1997 – 2000 and 2008 – 2009.

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[4] Note: This is because these two groups had low cash flow. If their cash flow was interrupted, it might make them serious and unproductive. As such it could affect and delay the progress of a building construction. Then, it will in turn affect the performances of developers.

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Variables

This research adopted and applied two groups of variables based on the findings from the prior research works (Vanichvatana & Peungchuer, 2009; Higgins, 1996; Graaskamp, 1992). The two groups of variables used are as follows:

(i) <u>Types of stakeholders to maintain credibility</u> (Credit_*XY*)
- *X* = the four categories of stakeholders including: Lenders, Suppliers, Contractors and Clients.
- *Y* = the year of the economic crisis: '97' for 1997 – 2000 economic crisis, '08' for 2008 – 2009 economic crisis.
- The score of Credit_*XY* was assessed by the respondents based on their importance to maintain credibility with stakeholders. The scores were assessed from 1 to 5: 1=the least importance…5=the most importance.

(ii) <u>Types of financial source</u> (FIN_Source*Y_i*)
- *Y* = the year of the economic crisis: '97' for 1997 – 2000 economic crisis, '08' for 2008 – 2009 economic crisis) and
- *i* = the eight types of financial sources: 1 = Shareholders, 2 = Foreign alliance, 3 = Existing banks/financial institutions, 4 = New banks/ financial institutions, 5 = Expediting sale and transfer of housing units, 6 = Supplier credits, 7 = Extend to do other related business and 8 = Change from for-sale to for-lease.
- The score of Fin_Source*Y_i*: '0'= not using as a source of finance, '1'= using as a source of finance

Table 2 describes the details of each variable.

Table 2: The Summary of the Variables Used in the Analysis

Abbreviations	Meaning	Values
Credit_Lender97 and Credit_Lender08	– The importance to maintain good credibility to <u>lenders</u> during the 1997 and 2008 economic crisis, sequentially.	Score from 1 to 5 1 = the least or no importance, while 5 = the highest importance
Credit_Sup97 and Credit_Sup08	– The importance to maintain good credibility to <u>suppliers</u> during the 1997 and 2008 economic crisis, sequentially.	
Credit_Con97 and Credit_Con08	– The importance to maintain good credibility to <u>contractors</u> during the 1997 and 2008 economic crisis, sequentially.	
Credit_Client97 and Credit_Client08	– The importance to maintain good credibility to <u>clients</u> during the 1997 and 2008 economic crisis, sequentially.	
FIN_Source97_i and FIN_Source08_i (I = 1 to 8)	– Types of the source of finance Values of i 1 = Shareholders as a source of finance, 2 = Foreign alliance, 3 = Existing banks/financial institutions, 4 = New banks/ financial institutions, 5 = Expediting sale and transfer of housing units, 6 = Supplier credits, 7 = Extend to do other related business, and 8 = Change from For-sale to for-lease.	Score of '0' or '1' 0 = not using as a source of finance 1 = using as a source of finance

FINDINGS

The analysis was conducted for both descriptive analysis and chi-square tests towards the three hypotheses. The analysis results were as follows:

Ranking of the Perception to Maintain Credibility towards Each Group of Stakeholders

This step calculated the averaged assessed scores about the importance to maintain credibility towards each of the four categories of stakeholders: lenders, suppliers, contractors and clients. The assessment was based on 1-to-5 rating scale: 1 for strongly disagree to 5 for strongly agree.

As shown in the Table 3, the averaged assessed scores for 'Clients' were at the highest rank for both economic crises. The second rank was the averaged assessed scores for 'Contractors'. The third and the forth ranks were for 'Lenders' and 'Suppliers'.

The comments from these results are as follows:

(a) The perception to maintain credibility towards 'Client' was at the highest rank. This is understandable as it is an age-old expression of "the Customer is King".
(b) However, it was very surprising to find that property developers were more concerned with maintaining credibility towards 'Contractors' than 'Lenders'.
  o Similarity, this finding is in the same direction as a piece of previous research that also showed a more concerned about construction and materials for product development process than finance (Vanichvatana 2014:2). Such research analyzed for top risk factors concerned by the property development companies listed in the Stock Exchange of Thailand (SET). These companies developed for-sale housing projects of low-rise, high-rise and mixed products. Risk factors data were tracked from the 2013 annual reports of 34 companies. The result showed that the most concerned risk factor was about "Product Development" while the risk factor about "Finance" was at the second rank. The details under the "Product Development" risk factor include (1) material price fluctuation and shortage, (2) contractor shortage and inexperience, (3) labor shortage, unskilled and minimum wage increased, (4) construction cost increased and (5) high quality staff shortage.

Table 3: *The Comparison of the Average Assessed Scores and Ranking Number*
(by Property Developers about the Importance
to Maintain Credibility towards Stakeholders)

Categories of Stakeholders	Year of the Economic Crisis:	
	1997-2000	2008-2009
	Average Assessed Scores (Ranking Number)	
Clients	3.94 (#1)	4.16 (#1)
Contractors	3.73 (#2)	3.77 (#2)
Lenders	3.67 (#3)	3.70 (#3)
Suppliers	3.58 (#4)	3.70 (#3)

Pattern of the Assessments

This step analyzed for the patterns of the assessments. As shown in Table 4, there were three groups of assessment patterns: (1) Equal-Score Assessment, (2) Not-Equal-Score Assessment, with pattern and (3) Not-Equal-Score Assessment, with no pattern. In the 'Equal-Score Assessment', the respondents assessed the scores equally to every type of stakeholders, e.g. giving the score of 1 for all.

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In the 'Not-Equal-Score Assessment', the respondents assessed their scores differently for the four groups of stakeholders, in 4 patterns:

(i)   'Clients > Contractors = Suppliers = Lenders'
(ii)   'Clients > Contractors > Suppliers = Lenders'
(iii)   'Clients = Contractors > Suppliers = Lenders'
(iv)   'Clients = Contractors > Suppliers > Lenders'

In (i), Clients got the highest scores and the other types of stakeholders got the lower but equal scores. In (ii), Clients got the highest scores, Contractors got the second rank scores, and Suppliers and Lenders got the lowest and equal scores. In (iii), Clients and Contractors got the highest and equal scores, and Suppliers and Lenders got the lower and equal scores. In (iv), Clients and Contractors got the highest and equal scores, Suppliers got the second rank scores and Lenders got the lowest scores.

The frequencies of the assessment patterns were about the same for the two economic crises, 1997-2000 and 2008-2009. For the 'Equal-Score Assessment', the frequency of this pattern was 57.6% in terms of the 1997-2000 crisis and 53.5% in terms of the 2008-2009 crisis. For the 'Not-Equal-Score Assessment, with pattern', the frequencies for both crises were almost the same: 30.3% in terms of the 1997-2000 crisis and 30.2% in terms of the 2008-2009 crisis.

As there were different perceptions to maintain credibility towards different groups of stakeholders, *we rejected the first Null Hypothesis*.

The comments from these results are as follows:

(a)   The findings from this step supported the results from the earlier step, shown in Table 3, that, after 'Client', 'Lenders' was not on the top ranked concerned to maintain credibility by property developers during economic crises.

(b)   Also that, about 30% of the respondents cared more about 'Contractors' than 'Lenders'.

Table 4: *The Comparison of the Pattern of the Assessments*
(by Property Developers about the Importance
to Maintain Credibility towards Stakeholders)

Patterns of the Assessments	Year of the Economic Crisis:	
	1997-2000	2008-2009
	Frequency (Percentage)	
Equal Score Assessment (for all Categories of Stakeholders) Clients = Contractors = Suppliers = Lenders = 1 Clients = Contractors = Suppliers = Lenders = 3 Clients = Contractors = Suppliers = Lenders = 4 Clients = Contractors = Suppliers = Lenders = 5	19 (57.6%)	23 (53.5%)
Not Equal Score Assessment, with Patterns Clients > Contractors = Suppliers = Lenders Clients > Contractors > Suppliers = Lenders Clients = Contractors > Suppliers = Lenders Clients = Contractors > Suppliers > Lenders	10 (30.3%)	13 (30.2%)
Not Equal Score Assessment, No Pattern	4 (12.1%)	7 (16.3%)
Total	33 (100%)	43 (100%)

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Relationship between the 'Level of Importance Given to Maintain Credibility towards Different Types of Stakeholders' and 'Sources of Finance'

The Chi-Square test of association was conducted on every possible pair of any relationship between the defined two types of nominal variables, the importance to maintain good credibility to each type of stakeholders (Credit_XY) and Sources of Finance during Crisis (Fin_SourceY_i), as shown in Table 2. It is noted that only the results of the Contingency of Coefficient with the p-value with the significant level of more than 10% were selected for further analysis.

The results showed **seven pairs** of statistically significant association between variables. Hence, *we rejected the second Hull Hypothesis* and concluded that there were associations between the importance given to maintain credibility and the source of finance. The first two pairs were from the 1997 – 2000 economic crisis and the other five pairs were from the 2008 – 2009 economic crisis.

Table 4: The Results of Chi-Square Test of Association between
the '*Level of Importance Given to Maintain Credibility towards Different Types of Stakeholders*' and the
'*Sources of Finance during the Two Economic Crises*'

Factors	Contingency Coefficient	Degree of Association	*p*–value
1997 – 2000 Economic Crisis			
Fin_Source97_3 * Credit_Lender97	0.483	Moderately high Association	0.040*
Fin_Source97_5 * Credit_Sup97	0.481	Moderately high Association	0.042*
2008 – 2009 Economic Crisis			
Fin_Source08_1 * Credit_Sup08	0.363	Moderate Association	0.089*
Fin_Source08_2 * Credit_Sup08	0.374	Moderate Association	0.072*
Fin_Source08_5 * Credit_Sup08	0.470	Moderately high Association	0.007*
Fin_Source08_5 * Credit_Con08	0.420	Moderately high Association	0.056*
Fin_Source08_5 * Credit_Client08	0.397	Moderate Association	0.045*

Remark: * Coefficient is significant at the 0.10 level of significance (p-value<α=0.10)

Table 4 shows these seven pairs of the test results including: Contingency Coefficient, Degree of Association and *p*-value. There are four points of meaningful interpretations as follows:

(a) In first pair of variables in the 1997 – 2000 crisis, **Fin_Source97_3**, financial source = existing banks/financial institutions, had moderately high association with **Credit_Lender97**, the importance to maintain good credit towards lenders.

 The result is reasonable. When a company's financial support depends on existing banks and/or financial institutions, that company will logically give importance to maintain good credit towards them.

(b) The second pair of variables in the 1997 – 2000 crisis, **Fin_Source97_5**, financial source = expediting sale and transfer of housing units had moderately high association with **Credit_Sup97**, the importance to maintain good credit towards suppliers.

 This finding raises a profound reasoning. When a company seeks to depend upon non-financial-institution as a source of finance, in this case was expediting sale and transfer of housing units, that company will need good financial credit from suppliers. It is because to expedite sale and transfer that company might need to get construction materials to finish construction work as soon as possible. As such with good credibility towards suppliers, the company might get defer payments.

(c) The third and the forth pairs of variables were in the 2008 – 2009 economic crisis. Both **Fin_Source08_1**, financing from shareholders, and **Fin_Source08_2**, financing from foreign alliance, have moderate association with **Credit_Sup08**, the importance to maintain good credit towards suppliers.

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The interesting point here is that when a company seeks financial support from sources other than banks, that firm paid the importance to maintain good credibility with suppliers. In these cases such non-bank sources of finance were shareholders, foreign alliance and expedite sale and transfer of housing units.

(d) The other three pairs of the test results, the fifth to the seventh pairs, were also from the 2008 – 2009 economic crisis. The relationships of these three pairs were between the financial source **Fin_Source08_5**, expediting sale and transfer of housing units, and the three non-bank stakeholders: **Credit_Sup08** (suppliers), **Credit_Con08** (contractors) and **Credit_Client08** (clients). These results have moderate to moderately high association.

These findings also raise a profound reasoning. When a property developer seeks to get financial support from non-bank sources, they need to have good credibility with non-bank stakeholders, both client group and production group.

The Similarity and Difference between the Two Economic Crises

Then, the results in Table 4 were mapped into the graphical analysis shown in Figure 1. It appeared that there were one similarity and one difference results from the association pairs of the two variables. Hence, *we rejected the third Null Hypothesis*.

**Figure 1: Comparison of Chi-Square Test of Association
between Dependent-Independent Variables of the Two Economic Crises**
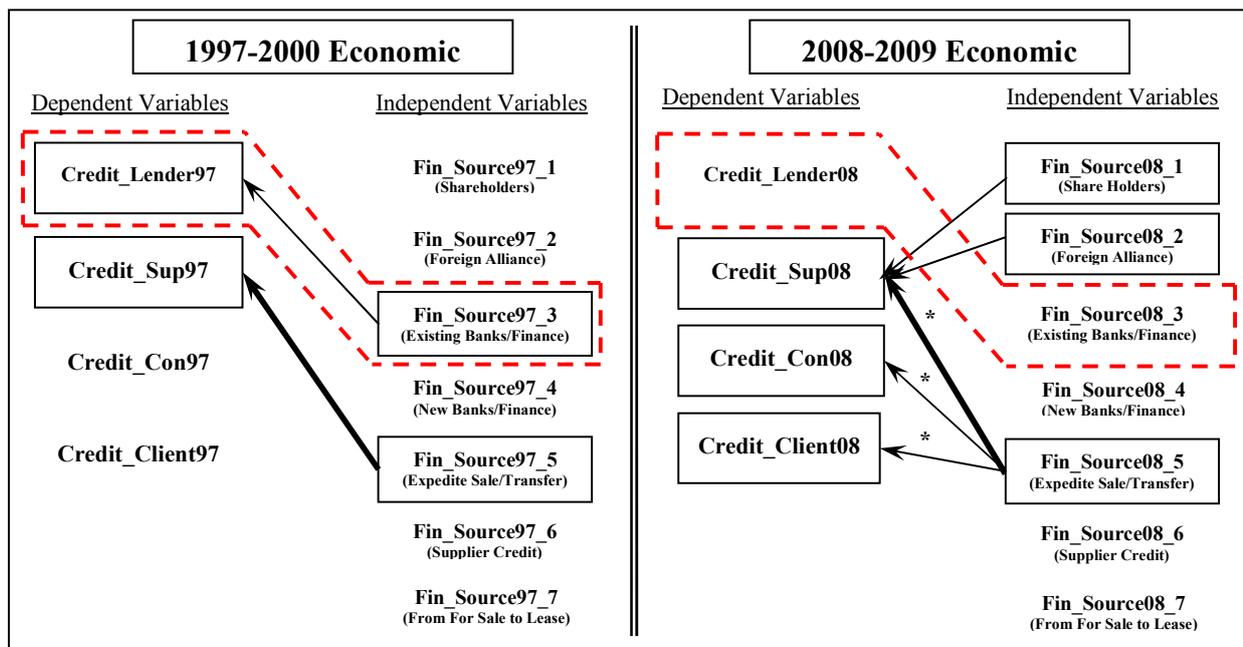
Similarity:

- In both 1997-2000 and 2008-2009 crises, there were pairs of associations between **Credit_SupY** (Maintain credibility towards Suppliers) and **Fin_SourceY_5** (Expedite Sale and Transfer of housing units).

  The above results indicates that in order to expedite sale-and-transfer, a property developers concern good credibility towards Suppliers, Contractors and Clients.

Difference:

- In 1997-2000 crisis, there was an association between **Credit_Lender97** and **Fin_Source97_3**. But in 2008-2009 crisis, there was no association between these two variables (**Cridit_Lender08** and **Fin_Source08_3**).

  The above results might base on the fact that the characteristics of the financial problems between the two economic crises were different.

It should be noted that the test results did not show any association between Credit_SupXY and Fin_SourceY_6 – the association between developers' perception to maintain credibility with supplier and using supplier credit as a source of finance. After checking with the raw data, it is found that there were very few respondents that stated supplier credit was selected as a source of finance: only 2 out of 40 in terms of 1997-2000 and 3 out of 39 in terms of 2008-2009. This might be because the respondents did not directly impress that supplier is a source of finance but they gave importance to maintain credibility with suppliers. However, this is very interesting to explore further in the future research.

CONCLUSION

The research results from both statistical and graphical analyses provide interesting and profound findings as follows:

- We rejected the first, second and third Null Hypotheses. The results indicate that (1) there were different perceptions to maintain credibility towards different groups of stakeholders (2) there were associations between the importance given to maintain credibility and the source of finance and (3) there were one similarity and one difference results from the association pairs of the two variables.
- The perception to maintain credibility towards 'Client' was at the highest rank. The second rank was 'Contractor'. The third and fourth ranks were 'Suppliers' and 'Lenders'.
- During economic crises, property developers were more concern to maintain credibility towards 'Contractors' than to 'Lenders'. Moreover, the pattern of the assessment showed that about 30% of the respondents cared more about 'Contractors' tha 'Lenders'.
- It appears that when a company seeks financial support from sources other than banks, that company pays the importance to maintain good credibility with suppliers. In this research such non-bank sources of finance were shareholders, foreign alliance and expediting sale and transfer of housing units. This is because in order to expedite sale and transfer of housing units that company might need a lot of construction materials to finish construction work as soon as possible. As such, with good credibility towards suppliers, the company might get defer payments.
- When property developers seek to get financial support from non-bank sources, they need to have good credibility with non-bank stakeholders, in both client group and production group (Suppliers and Contractors).
- Between the two crises, there were both similarity and difference results. For the similarity, about half of the respondents assessed 'Equal-Score' for all categories of stakeholders. For the difference, there was an association between the concern to maintain credibility towards lenders and selecting 'Banks/Financial Institutions' as a source of finance during the 1997-2000 economic crisis, but not during the 2008-2009 economic crisis. This difference might base on the fact that there were different between the characteristics of the financial problems between the two economic crises, as discussed in the literature review.

There are opportunities for further research including the survey of practical experiences and techniques used to keep good credibility to different types of stakeholders related to property development.

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