St. Mary's University

School of Graduate Studies
Project Management Department

DETERMINANTS OF PROJECT SUCCESS IN INTERNATIONAL NGOs: THE CASE OF PACT ETHIOPIA

BY
METALIGN AYEHU TESFAHUN
(SGS/0679/2008A)

A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIRMENTS OF MASTER OF ARTS DEGREE IN PROJECT MANAGEMENT

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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Dr. Maru Shete. All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or full to any other higher learning institutions for the purpose of earning any degree.

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Addis Ababa

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ACKNOWLEDGEMENT

Dedicated

to

my mother, Atitegeb Tiruneh,

who has brought me up with love and care, guided me

to the right path and suffered too much to see my successes

ACRONYMS

APM:	Association of Project Management
ASM:	Artisanal and Small Scale Mining
CPI:	Cost Performance Index
CRDA:	Christian Relief and Development Association
CSP:	Charities and Societies Proclamation
CSO:	Civil Society Organizations
DFID:	UK Department for International Developement
EAA:	Education Above All
ENSEI:	Ethiopian NGO Sector Enhancement Initiative (ENSEI)
FOG:	Fixed Obligation Grant
HDI:	Human Development Index
ICNL:	The International Center for Not-Profit Law
ICMA:	International City Management Association
INGOs:	International Non-Governmental Organizations
LDCs:	Least Developed Countries
NGOs:	Non-Governmental Organizations
M&E:	Monitoring and Evaluation
MERL:	Monitoring, Evaluation, Reporting and Learning
MoFED:	Ministry of Finance and Economic Development
NRM:	Natural Resource Management
OVC:	Orphans and Vulnerable Children
PMI:	Project Management Institute
PMP:	Performance Monitoring Plan
RBM:	Results Based Management
SIDA:	Swedish International Development Agency
SNNP:	South Nations, Nationalities and Peoples
SPI:	Schedule Performance Index
UK:	United Kingdom
UN:	United Nations
UNDP:	United Nations Development Program
UNOCHA:	United Nations Office for Coordination of Humanitarian Affairs
USD:	United States Dollar
USAID:	United States Agency for International Development
WB:	World Bank

ABSTRACT

This study is designed to investigate the determinants of project success in an international non-governmental organization in Ethiopia. It adopted a cross sectional research design and collected both quantitative and qualitative data from a total of 36 projects that were implemented between 2004 and 2016 by Pact-Ethiopia. . Project success was conceptualized as a function of efficiency and effectiveness. It was measured employing a composite index comprised of cost and schedule performance indices as well as performance of the project against key indicators. Accordingly, while two-third of Pacts projects were successfully completed, 22% and 11% were found to be moderately successful and challenged projects respectively. A range of independent variables including appropriateness of the technical design, comprehensiveness of the work plan, cost breakdown structures, pre-award assessment, scope creep, procurement, risk management communication, project team and monitoring and evaluation system were identified and regressed against the dependent variable (project success) using the ordered logit model. The result revealed that comprehensiveness of the work plan, procurement, project team building and monitoring and evaluation were found to be statistically significant (p<0.05) with marginal effect of 1.7, 4.2, 7.1 and 2.1 respectively. To enhance the success of projects, Pact needs to integrate project scheduling techniques, ensure availability of procurement manual at partners' level, maximize the advantage of bulk purchase, assess the causes of high staff turnover and work on the utilization aspect of monitoring and evaluation reports. .

Key words: Project, project success, determinant, International NGOs, Pact, Ethiopia

CHAPTER ONE: INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Modern civil associations began to emerge in Ethiopia during the 1930s as a factor of urbanization and economic development. Civil society entities in general, however, were slow to take root under the emperor's regime and then severely restricted during the Derg period (1974–91). Non-Governmental Organizations (NGOs), both national and international began to appear in Ethiopia in the 1960s, when neither the various self-help groups found in all levels of Ethiopian society nor the government were able to meet the growing demands of the population (Jeffrey, 2000). Most International Non-Governmental Organizations (INGOs) trace their Ethiopian roots to the catastrophic famine crises of 1973–74 and 1984–85. The NGOs of those years were overwhelmingly focused on emergency relief operations and were largely foreign entities (ICNL, 2015).

MoFED (2013) argues that development should effectively address deprivations of the society. Development can be realized through broad and active participation of multitude of actors including NGOs. Consistent with this, the government of Ethiopia in the Third National Charities Good Practice Day reaffirmed that although there remains a lot of room for improvement, the contribution of developmental charities certainly has been notable and worth appreciating in the areas decentralized health services, drastic reduction of extreme poverty, expansion of educational services and provision of potable water (ICNL, 2015). Consistent with this, Ermias (2013) stated that Ethiopia, in the eyes of international donors, has made significant progress in making an effective use of International NGO resources and changing the socio – economic life of its people. Because of this determination Ethiopia has become the largest aid recipient in Africa.

The international NGO sector has gradually diversified its engagement from relief to development projects (ICNL, 2015). The growing importance of NGOs in the development process is attributed to many factors. Makoba (2002) indicated that NGOs are considered as an alternative approach to development in pursuit of participatory grassroots development and self-reliance in the third world for two major reasons: Firstly, they use of new and innovative development strategies including minimalist/cost-effective

approaches, assisted self-reliance or participatory development. Secondly, their small-scale oriented operations, flexibility, adaptability, quick response to peoples' need than governments and great capacity to mobilize resources and to organize people to solve their own problems (Lekorwe and Mpabanga, 2007).

Since the 1984 famine, Ethiopia has seen a large influx of International NGOs. As of December 2014, there were 3,181 CSOs operating in Ethiopia (ICNL, 2015). Overall, as of February 2012, the Charities and societies registered at Federal level were implementing over 113,916 projects, of which 57% were implemented by Ethiopian Resident Charities followed by foreign charities (23%) and Ethiopian Resident Societies (15%) (UNDP, 2014b). These NGOs have been investing billions of dollars in wide range of sectors including food security, emergency, water development, health, education, agriculture, women and children development etc.

It is too plain to see that projects are central to the existence and success of International NGOs. Projects, referred as the main way of creating and dealing with change, are used to implement strategies (Cleland, 2006). Consistent with this, Meskendahl (2010) equate projects as the central building block used in implementing organizational strategies, and further explain that organizational success is determined by the success of their projects. As a result, project success and its determinants are topics of great interest.

Pact is amongst the foreign charities that has been engaged in the implementation of myriad of development projects in Ethiopia since 1996. It is against the aforementioned background that a research proposal was developed to assess the extent to which Pact was successful in implementing its projects using project success criteria (cost, time and performance against key indicators) measured objectively in a composite index. The research also investigates factors contributing to the successful completion of development projects by regressing project success (the dependent variable) against range of independent variables.

1.2 BACKGROUND OF THE ORGANIZATION

Pact is United States based, non- governmental and not for profit international organization operating around the globe to see a world where those who are poor and marginalized discover and build their own solutions and take ownership over their future (Pact Inc. 2014). It aspires to achieve its vision through three impact areas, namely health, livelihood and natural resource management by enabling:

- Vulnerable people access the health products, services and information needed to enjoy a healthy life,

- People with limited livelihood choices gain the resources needed to be income secured, and

- Resource dependent communities gain lasting benefit from the sustainable use of the natural resources around them.

Capacity development, governance and business and market constitute Pact's three core approaches for the achievement of the aforementioned strategic goals. With 50 years of experience across more than 60 countries, Pact is viewed as a leader in the capacity development field. Its approach, methods, and tools have been applied widely in its own projects and also have been taken up by the United States Agency for International Development (USAID) and implementing organizations, both local and international (Pact Inc. 2012).

Pact legally registered in Ethiopia in 1996 has implemented the "Ethiopian NGO Sector Enhancement Initiative (ENSEI)" in its initial years with a focus on organizational capacity development as a means of strengthening Civil Society Organizations (CSOs') ability to perform better (Pact Ethiopia, 2008). Since then, it has been engaged in the implementation of different development projects including education, health, livelihood, Orphans and Vulnerable Children (OVC), Artisanal and Small Scale Mining (ASM), Natural Resource Management (NRM) and peace building.

1.3 STATEMENT OF THE PROBLEM

As mentioned above, the nation has benefited a lot from a massive increase of INGOs seen in the period following the two catastrophic famine crises. In the twelve years period (1984-1996) NGOs provided relief assistance to an average of 6.5 million beneficiaries every year which was about 14% of the then total rural population. In 1990 alone 13 million beneficiaries have received assistance from NGOs. The volume of the food assistance distributed by them ranged from1.5 million quintals in 1984 to 5.1 million quintals in 1992. The development project undertaken by NGOs in the 1990s was estimated to have cost 2.3 billion Birr and was believed to have benefited 26 million people both rural and urban and created employment opportunities to 14,000 people (Kassahun, 2002)

The NGO sector in the period 1997-2001 benefited a total of 23.2 million people of which 20 million benefited from development projects and the remaining 3.2 million from relief and rehabilitation programs in five regions. A total of 360 projects were implemented by 271 NGOs (188 Local and 83 International) in development programs. These NGOs spent a total of 3.53 billion Birr (USD 392, 222,200) of which 90% was spent on development programs and the remaining 10% on relief and rehabilitation operations (CRDA, 2004 cited in Ayele, 2008).

Despite their tremendous involvement and contribution to the poor nations, the success of NGO projects was not as intended. A recent McKinsey-Devex survey suggests that 64% of donor-funded projects fail (Hekala, 2012). The Standish Group's CHAOS Summary (2009) revealed a decrease in project success rates in 2008, with 32% of all projects succeeding (delivered on time, on budget, with required features and functions); 44% were challenged (late, over budget, and/or with less than the required features and functions); and 24% failed (cancelled prior to completion or delivered and never used) compared to the corresponding figures of 35%, 46% and 19% respectively for the year 2006. The result also show a substantial increase in both cost and time overruns. Cost overruns increased from 47% in 2006 to 54% in 2008. Time overruns also have gone up, from 72% in 2006 to 79% in 2008.

Consistent with this, Dugger (2007) revealed that while the World Bank has invested more than US$5 billion in more than 700 projects in Africa over the past 20 years, its project failure rate was found to be over 50% in Africa. The failure rate was found to be greater than the 40% failure rate observed in other poor regions of the world showing that African projects are lagging behind. Associated Press (2007) also revealed that many other agencies and donor countries have not performed with much more success.

Compared with other development issues, NGOs have received less in-depth or systematic research attention at the empirical level thus making the NGO related literature somewhat underdeveloped. This according to Lewis (2005), was attributed to many factors including i) such studies are often undertaken by researchers working on *'consultancy'* mode on behalf of NGOs themselves or their donors and so sometimes lacing in objectivity and ii) NGOs are difficult research subjects, since many of them prefer to prioritize their day-to-day work rather than grant full access to researchers.

The Project Management literature has focused little on international development projects (Crawford and Bryce, 2003; Ahsan and Gunawan, 2010; Ika et al., 2010). In particular, very little has been written on international development project success, success criteria and critical success factors (Diallo and Thuillier, 2004, 2005; Khang and Moe, 2008; Ika et al., 2010). The situation is much more serious when it comes to factors affecting success of projects in the international NGOs (Ika, 2012) and more specifically in Sub-Saharan Africa, where there is paucity of literature pertinent to the subject (Daniel 2013).

International NGOs operating in Ethiopia, the significant majority of whom are engaged in playing an intermediary role between international donors and local implementing agencies are not exceptional to this. They had not often been the subject of such studies in many parts of the world in general and that of Ethiopia in particular. Furthermore, NGOs are extremely diverse group of organizations, which can make meaningful generalization very difficult. NGOs play different roles and take very different shapes and forms within and across different country contexts (Riddell, 2007). The internal and external environments in which international NGOs operate vary from organization to organization. This calls the need for a closer investigation and understanding of correlates of project success at individual organization level.

Pact is amongst the international NGOs engaged in the implementation of development projects in Ethiopia. In the past 22 years, it has implemented over 50 projects with a total budget of over 179 million dollar in a range of sectors including education, health, livelihood, emergency, peace building, orphans and vulnerable children. The organization has reached millions of Ethiopians, most of whom were disadvantaged and living in the peripheral areas. Despite this, no study was conducted to gauge the rate of project success and factors contributing to it in a holistic, objective and systematic way.

The aforementioned arguments cement the very foundation for the urgency of researching determinants of project success in international NGOs, through which the significant majority of international donors channel fund to local NGOs that work closely with the "people in need". This research attempts to fill the existing gap on the correlates of project success in an international NGOs in Ethiopia and thereby add a brick to the project management body of knowledge in general and to the development endeavor of Ethiopia in particular.

1.4 OBJECTIVES OF THE RESEARCH

The overall objective of the study is to analyze factors affecting the successful implementation of projects in Pact Ethiopia. The specific objectives of the research include:

- To determine success rate of projects,
- To identify planning stage factors affecting successful completion of projects,
- To determine execution phase related correlates of project success,
- To assess whether or not monitoring and evaluation determines successful completion of projects.

So as to achieve the aforementioned objectives, the study attempts to answer the following research questions:

- To what extent was Pact successful in implementing its projects? (To what extent was it efficient cost and schedule wise and to what extent did it manage to meet key indicators?)
- What does the overall project success rate of Pact look like?
- What are the planning phase related factors determining successful completion of projects?
- What factors determine project success in relation to the execution phase?
- Does monitoring and evaluation determine project success?
- To what extent do the identified factors influence the successful completion of development projects?

1.5 DEFINITION OF TERMS

NGOs: Refer to organizations that are concerned with the promotion of social, political or economic changes, an agenda that is usually associated with the concept of development. More specifically NGOs are self-governing, non-governmental, non-profit organizations that are geared to improving the quality of life for the disadvantaged peoples (David and Nanzeen (2009), (Vakil, 1997)).

INGOs: Refer to internationally operating NGOs whose source of finance is fully from external sources, notably from governments of developed nations, international donors, foundations and multi-lateral organizations.

PROJECT: A project is a temporary endeavor undertaken to produce a unique product, service or result (PMI, 2008). It is a one-time multi task job with a definite starting point; a definite ending point; clearly defined objectives, scope of work and budget, and usually a temporary team (Lewis, 2004). Projects considered for the study are development projects implemented by Pact-Ethiopia.

1.6 SIGNIFICANCE OF THE STUDY

Development is the process undertaken to achieve economic, social and political betterment of the society. Accordingly, thousands of development projects are designed and implemented each year by different development actors including government, NGOs and others. Needless to mention that any intervention that envisages development needs to have a thorough understanding of the local context as well as the internal and external environment that influence its implementation. However, there is paucity of empirical studies on the role of international NGOs in the development of the Least Developed Countries (LDCs) in general and on the determinants of project success in particular.

Such studies are therefore, beyond doubt important for the development endeavor of the country, whose quarter of population lives in abject poverty and low level of human development. Findings of the study will be instrumental for Pact Ethiopia to capitalize on what it is good at and take strategic rectifying measures on areas that needs improvement in quest of keeping its moto of *"Building Local Promise".* Besides adding value to the project management body of knowledge, the output of the study could also be informative for donors, other International NGOs and local NGOs engaged in implementing development projects in Ethiopia. The study can also be used to inform correlates of project success to development actors engaged in implementing development projects in the context of LDCs.

1.7 SCOPE AND LIMITATION OF THE RESEARCH

The study will be conducted on development projects implemented by Pact Ethiopia. Being confined in one organization, the external validity of the study may be questioned for not being too strong to generalize for international NGOs. The research will be confined deliberately to focus on projects completed within the last thirteen years (2004-2016) just for two reasons: i) the longer the time span, the more difficult it will be to trace key project documents and ii) given the temporary nature of project staff employment, it will be too difficult to find the majority of the then project staff who will serve as key informants. As a result, the number of projects subject to the study will be limited to 40, which is not much, if not too small to conduct hypothesis testing. Although the projects were implemented in myriad of sectors and have wide ranging scope and life span, they were treated as

homogenous in the analysis. The study does not capture the perception of project beneficiaries given the extremely wide geographic coverage of the projects and financial constraints for such a thesis work.

1.8 ORGANIZATION OF THE RESEARCH PAPER

This research paper is organized into five chapters. The first chapter deals with background, statement of the problem, objectives of the study, research questions to be addressed, and significance, scope and limitations of the study. The second chapter presents review of conceptual as well as empirical literatures pertinent to objectives of the study. While, chapter three exclusively deals with the research methodology pursued, chapter four presents findings and discussion. Finally, chapter five presents the conclusion and recommendations.

CHAPTER TWO: LITERATURE REVIEW

Determination of factors affecting project success first requires identification of relevant criteria that a project must qualify to be categorized as "successful". It is after this procedure that one can proceed with determining the critical factors contributing to the successful completion of the project. This chapter, therefore, critically reviews the two interrelated concepts: project success criteria and project success factors.

2.1 PROJECT SUCCESS CRITERIA: REVIEW OF CONCEPTUAL LITERATURE

Project success criteria refers to variables that measure project success (Muller and Turner, 2007). It was recognized to be a complex and multi-dimensional concept encompassing many attributes (Mir and Pinnington, 2014). Project success has been acknowledged as a matter of the project stakeholder's perception of the value (in their terms) of what was delivered (Davis, 2014) and accepted because success means different things to different people (Shenhar et al, 2001, cited in Ioana et. al, 2015).

De Wit (1988) attempted to distinguish between project success (measured against the overall objectives of the project) and project management success (measured against the widespread and traditional measures of performance against cost, time and quality). The second distinction underscores the difference between success criteria (the measures by which success or failure of a project or business will be judged) and success factors (those inputs to the management system that lead directly or indirectly to the success of the project or business).

Lim and Mohamed (1999) classified project success into two categories: the macro and micro viewpoints. The macro viewpoint of project success is determined by two criteria which are completion and satisfaction whereas the completion criterion alone is sufficient to determine the micro viewpoint of project success. The macro viewpoint of project success will address question like: Is the original project concept achieved? If "yes", then the project is consider successful and if "no" the vice versa. The micro viewpoint of project success on the other hand deal with project achievements in smaller component levels.

Pinto and Slevin (1987) and de Wit (1988) viewed success as being judged by the degree to which project objectives have been met. The "Golden Triangle" or "Iron Triangle", which consists of cost, time and quality dimensions, have been traditionally used as criteria to measure project success over the last 50 years (Atkinson, 1999). He criticized the iron triangle: firstly, time and costs serve best at a time when least is known about the project and secondly, quality is a phenomenon, an emergent property of peoples' different attitudes and beliefs, which often change over the development life-cycle of a project. He stressed on the need for inclusion of other criteria like stakeholder benefits derived from the aforementioned limitations of the iron triangle.

Ioana et.al (2015) argues that project success refers to reaching the objectives and the planned results in compliance with predetermined conditions of time, cost and performance. The Project Management Institute (PMI) indicates that there are four constraints to project success: cost, time, quality and scope (PMI, 2004). Lewis (2001) argues that project success can be measured through four criteria, namely, performance, cost, time and scope. The first has to do with technical and functional performance requirements, the second with the labor and material cost needed to accomplish a task, the third with the time required for the project to be completed and last, the scope, that is the magnitude or size of the work.

Meyer (1994) also argues that performance measurement, which is concerned with delivery of the entire process or product to customers, is amongst the essential success criteria for a project. Smith (2007) also recommends to measure success of a project from the perspective of performance, cost and time just like Lewis and further included client acceptance as a fourth criteria. Pinto and Slevin (1988) modeled project success as comprising two components: success of the project itself, as indicated by time, cost, and performance subcomponents, and client success, as reflected by use, satisfaction, and effectiveness of the project in benefiting intended users.

While defining project management, the UK Association of Project Management (APM, 1995) implied project success as achieving project objectives safely and within agreed time, cost and performance criteria. Gaddis (1959) defined a project as "an organization unit dedicated to the attainment of a goal generally with the successful completion of a

developmental product on time, within budget, and in conformance with predetermined performance specifications."

Standish Group (1995) categorized projects into three types in determining the rate of success.

- Resolution Type 1, or project success refers that the project is completed on-time and on-budget, with all features and functions as initially specified.

- Resolution Type 2, or project challenged include projects completed and operational but over-budget, over the time estimate, and offers fewer features and functions than originally specified.

- Resolution Type 3, or impaired project, where the project is cancelled at some point during the development cycle.

2.2 PROJECT SUCCESS FACTORS: REVIEW OF CONCEPTUAL AND EMPIRICAL LITERATURE

Dvir (1998) and Westerveld (2003) argued that success factors can be perceived as main variables that contribute to projects' success and as levers that can be operated by project managers to increase chances of obtaining the desired outcomes. It refers to indicators or measures by which projects are judged as successful or not (Roe, 2014). A combination of factors determine the success or failure of a project and influencing these factors at the right time makes success more probable (Savolainen et.al, 2012).

The study of project success factors evolved from focusing on the operation level of a project in the 1970s to embracing a stakeholder-focused approach in the 2000s (Davis, 2014). As a result of the numerous studies that studied the topic of project success, several lists of success factors exist.

Pinto and Slevin's paper from 1987 represents a reference point by establishing a list of ten success factors project mission, top management support, schedule and plans, client consultation, personnel, technical tasks, client acceptance, monitoring and feedback,

communication, trouble-shooting (Pinto and Slevin, 1987). These factors were also acknowledged by (Müller and Turner, 2005) as important. Davis (2014) adopted a set of nine themes in order to describe success factors of projects. These include: cooperation and communication, timing, identifying/ agreeing objectives, stakeholder satisfaction, acceptance and use of final products, cost/ budget aspects, competencies of the project manager, strategic benefits of the project and top management support.

Ioana et.al (2015) argued that success factors determine the positive outcomes of implementing projects, and hence have to be identified before projects' implementation, from the conception phase. But the environment in which projects are implemented is so dynamic that the success factors might change their level of influence in time. Thus, a permanent monitoring of these factors is needed and whenever necessary the project manager should influence certain factors in order to increase chances of accomplishing success criteria.

Project design is amongst the correlate of project success that has been the subject of research. Williams (2011) reported that many Nigerian projects that fail badly were due to poor design. Isensi (2006) and Kagiri (2005) cited in Stephen and Daniel (2016) revealed that poor design is amongst the factors that lead to failure of projects in Kenya. The "Chaos Report" published by The Standish Group (1995) indicated that unclear objectives is one of the ten top factors contributing to challenged projects. Alexandrova and Ivanova (2012) identified clarity of project goals and objectives and a clear picture of what a project's outcome will be using a SMART planning approach is amongst the critical success factors for a project. Pinto and Slevin (1987) indicated that there exist a positive relation between clarity of goals and project success in American projects. Consistent with this, Browne (2013) indicated that absence of explicitly stated detail project objectives is amongst the features of failing government projects. Ika (2011) in a research conducted on World Bank financed projects in different countries revealed that there is a positive relationship between project design and project success.

Shehu and Akintoye (2009) revealed that planning is one of the most important critical factors determining project success. Lewis (2002) indicated that projects frequently fail because a significant part of the work is forgotten. He also stressed the need for meticulous planning as it among other things answers the questions *"What must be done"* to produce

project deliverables. Application of Work Breakdown Structure (WBS) to subdivide a complicated task into smaller and manageable tasks (until you reach a level that cannot be further subdivided) will enable project practitioners to come out with exhaustive list of activities (PMI, 2008).

Lewis (2002) indicated that the other question that planning answers is "How long will it take?" He also pointed out that inaccurate time estimates are amongst leading cause of project failures. Consistent with him, Isensi (2006) and Kagiri (2005) cited in Stephen and Daniel (2016) revealed that underestimation of project duration is amongst the factors that lead to failure of projects in Kenya. PMI (2008) indicates that projects that employed WBS are best positioned to estimate how long the small tasks will take very easily and use this as input to compute the overall duration of a project. Ioana et. al (2015) indicated that there exist a positive relation between properly developed work plan/schedule and project success on European and Asian projects. Stephen and Daniel (2016) revealed existence of a strong positive correlation between work planning and project success in NGO projects in Kenya.

Every project is dependent on its cost or budget. As a result, cost has been addressed by many researchers as a very important success criterion, where as having an intellectual budget plan and proper cost estimation have been mentioned as prominent success factors (Morteza and Kamyar, 2009). Project cost planning is an iterative process wherein project planners update the project cost based on the available information updates. The process among other things takes account of assumptions, constraints and basis of estimates PMI (2008). Lewis (2002) and Stephen and Daniel (2016) indicated that inaccurate/poor cost estimates and missed cost targets are amongst leading cause of stress, recrimination in project management and project failures. PMI (2008) and PWC (2014) indicates that projects that employed Work Breakdown Structure (WBS) are best positioned to estimate cost of the small tasks very easily and use this as input to compute the overall cost of a project using bottom-up, parametric and other cost estimation techniques.

Several researches conducted in the area of project success indicate that it is not uncommon to see projects whose original goals are expanded while they are in progress resulting to cost and time over-run. Millhollan (2008) indicated that scope change is natural and inevitable that the job of project managers is not to stop scope change, but to successfully manage that change. Khan (2006) asserts that successful implementation of a project hinges on

successful scope management by the project manager and the project team. The AST Group (2001) and The Standish Group (1994) indicated that incomplete project scope and incomplete/changing requirements is one of the top ten reasons that projects fail. The Standish Group's CHAOS Summary 2009 found that 44% of all projects that were challenged with scope creep were late and over budget with the end result being less than the required features and functions. Aaron and Daniel (2016) revealed existence of moderately strong positive and statistically significant relationship between scope management and successful project implementation in Kenya.

Literature in the area of project also indicate the importance of conducting capacity assessment in project implementation. Before a donor agency signs a grant agreement with an implementing organization, or before an NGO signs a sub-grant agreement with another partnering NGO, there is need for assurance on the part of the donor that the organization receiving the grants has the capacity to manage the funds and account for them appropriately (SMART Consult, 2016). Besides this, USAID (2012) also underscore the importance of conducting pre-award assessment in determining the most appropriate method of financing and the degree of support and oversight necessary to ensure proper accountability of funds provided to the organization. Consistent with this, Peesapat (2014) also indicated that a comprehensive pre-award assessment could result in significant savings.

Projects are implemented in a complex and uncertain social, economic and political environment that it is not often the case for things to go off exactly as planned. Caltrans (2012) defined risk as a future event that may occur at any time in a project's lifecycle and has an uncertain impact if it does occur. Robert et.al (2004) indicated that project risk management and project management are directly linked with each other as disciplines and branches of management. The objective of risk management is to maximize the potential of success and minimize the probability of future losses. Risk that becomes problematic can negatively affect cost, time, quality and system performance (Terp and Anderson, 2006).

Growing number of literature suggest the vitality of producing a risk log with an action plan for the risks that the project could face. Kwak (2003) revealed that although risk management is a daunting task, organizations that implement effective processes proved to be successful, while those that fail in this effort were found to be unsuccessful. Consistent with this, Robert et.al (2004) also indicated organizations that report monitoring risks

rigorously have higher reported project success rates than those organizations that do not. About 53% of the respondents who reported their projects conduct risk reviews "Almost Always" also report completing projects on time "Almost Always," whereas only 15% of the respondents who report "Rarely" conducting risk reviews reported completing projects on time "Almost Always" (Ibid). Aaron and Daniel (2016) on their research in Kenyan projects revealed that risk management and successful project implementation exhibited a strong, positive and statistically significant relationship.

Many literatures indicate team building as a determinant of project success. Lewis (2002, pp 118) stressed on the need to turn a project group into a team and says "teams don't just happen. They must be built! However, far too little attention is paid to team building in project management." Roe (2014) and Deloitte (2013) revealed that having clear structures and responsibilities for decision making in place, with clear reporting lines between individuals and groups involved in project management and delivery and governance-direction and oversight of projects are amongst the critical factors for the success of a project.

Calleam Ltd (2015) indicated that lack of clear roles and responsibilities (which result in confusion, errors and omissions), insufficient team members to complete the work that has been committed to and a team lacking the subject matter expertise are amongst the factors that affect successful completion of projects. Ioana et. al (2015) revealed a positive relation between having a properly defined roles and responsibilities and project success. Dugger (2007), Gow & Morss (1988) and Ika et al., (2010) cited in Ika (2012) revealed that delays in appointing personnel, or ineffective use of those appointed, which was true almost four decades ago, still remains to be a determinant of project success in Africa.

Projects are connected directly with people and their outcome depends on people decisions, efforts, and attitudes (Anastasios, 2007). Lewis (2004) argues that projects seldom fail because of tools and because of people. Davis (2002, pp 189) further reinforces this idea by stating "It is people who deliver projects, not processes and systems." Alexandrova and Ivanova (2012) indicated that the quality of personnel in general and that of competency of the managers and capability of team members in particular as a critical success factors.

According to Krietner (2005) and Cole (2002), no matter how carefully job applicants are screened, typically a gap remains between what the employee does know and what they should know. Consistent with this, Hekala (2012) argue that most project managers are "accidental" project managers, as they lack formal project management education and background. Accordingly, a project which desires to gain success needs among other things to organize extensive and effective training to its human resource and equip them with skills and abilities needed to discharge responsibilities. Consistent with this, Ika et. al (2011) revealed existence of a positive relationship between staff training and project success in World Bank financed projects.

Procurement, which refers to the entire process of acquiring materials, property and services required for a particular project, is amongst the determinants of project success (Stephen, 2014). The process starts with the identification of need, followed by a decision on procurement requirements. The process continues through risk assessment, identification and evaluation of alternative solutions, contract award, delivery and payment of the property or service. An effective procurement process ensures that materials are available at the right time, right quantity, for the right client, and at a reasonable price and quality. Stephen (2014), revealed existence of a moderately strong positive correlation between procurement and timely completion of government run projects in Kenya. Consistent with this, Peter and Jane (2015) revealed that procurement planning and management has high impact on time, cost and achievement of targets in Kenyan NGO projects.

Pact, 2008 defined monitoring as a systematic process of collecting and analyzing information to track the efficiency of the organization in achievement of goals. Monitoring provides regular feedback that helps an organization track costs, personnel, implementation time, organizational development, and economic and financial results to compare what was planned to actual events. Making allowances for adequate monitoring and feedback mechanisms gives the project the ability to anticipate problems, to oversee corrective measures, and to ensure that no deficiencies are overlooked (Pinto and Slevin, 1987). Although Results Based Management (RBM) as an approach and a tool has been around for more than a decade, it has been too focused on reporting to external stakeholder audiences and too little on using performance information in internal management decision-making processes to achieve better results (Ika & Lytvynov, 2011).

Pact, 2008 defined evaluation as a systematic process of collecting and analyzing information to assess the effectiveness of the organization in the achievement of goals. Evaluation provides regular feedback that helps an organization analyze the consequences, outcomes, and results of its actions. Yu et al. (2005) also discussed the importance and timing of project evaluations which aim at analyzing the success, concluding that the process is useful at any time between the first milestones until the completion of the project.

Stephen and Daniel (2016) in their research over Kenyan NGO projects revealed existence of a strong positive correlation between monitoring and evaluation and project success. Aaron and Daniel (2016) revealed that there is a moderately strong positive and statistically significant relationship between monitoring and evaluation and successful implementation of government projects in Kenya. Research on international development projects also indicate existence of a positive relation between the two variables (Ika et. al, 2011; Ioana et. al, 2015 and Pinto and slevin (1987).

Steinfort and Walker (2007) and Pinto and Slevin (1987) indicated that adequate communication is a critical factor in creating an atmosphere of successful project implementation. Careful communication planning and setting the right expectations with all project stakeholders is extremely important. Failure in communication can negatively impact the project (Kai, 2007). Maddock (1992) indicated that knowing how to report and reporting on time is amongst the key responsibilities of project managers. PMI (2013) revealed that 90% of project managers' time is spent in communicating issues related to projects.

It also indicated that organizations that communicate more effectively have more number of successful projects and one out of five projects is unsuccessful due to ineffective communication (ibid). Consistent with this, Pinto and slevin (1987) and Ioana et.al (2015) revealed the existence of positive relationship between effective communication and project success. Stephen and Daniel (2016) also revealed existence of a very positive relationship between communication and NGO project success in Kenya.

2.3 PROJECT SUCCESS: CONCEPTUAL FRAMEWORK

A project is said to be successful if it is completed on schedule, within the budget and in conformance with predetermined performance specifications (Ioana et.al, 2015; Paul, 2008;

Smith, 2007; Lewis, 2001; APM, 1995, Pinto and Slevin, 1988 and Gaddis, 1959). This implies that project success is pegged on whether or not these parameters are met. From this it is too plain to see that project success entails both effectiveness and efficiency. This research, therefore, equate project success as a function of effectiveness and efficiency, where:

Effectiveness:

Refers to the degree to which objectives of the project are achieved. More specifically, it refers to the extent to which the project manages to achieve its target in terms of key indicators set from the outset.

Efficiency:

Refers to completion of the project within schedule and approved budget. To this end, Schedule Performance Index (SPI) and Cost Performance Index (CPI), which are measures of schedule and cost performance of a project (PMI, 2008) were employed.

Project success is a variable that depends on myriad of independent variables, known as project success factors. These independent variables determine success in the different stages of the project cycle including planning, execution and monitoring and evaluation.

A total of six independent variables (technical design, work plan, cost breakdown, project team building and monitoring and evaluation) were run in the ordered logistic regression model. The other group of independent variables including scope creep, pre-award assessment, risk management and project communications management were dropped from the ordered logistic regression model for absence of data variability. Accordingly, the following conceptual framework was developed for the research.

DESIGN
- Objectives
- Conceptual Framework
- Results
- Indicators

PROCUREMENT
- Procurement Manual
- Suppliers
- Bid Evaluation
- Documentation

RIKS MANAGEMENT

TEAMING
- Org. Structure
- Job Description
- Staffing
- Staff Dev't
- Key Personnel
- Operational Plan
- Appraisal

WORK PLAN
- Exhaustiveness
- WBS
- Targets
- Duration
- Due dates
- Assigning

COMMUNICA-TION
- Review Meetings
- Reporting Schedule
- Reporting Template
- Timeliness
- Close-Out Meeting

PROJECT SUCCESS

EFFECTIVENESS

EFFICIEINCY

COSTING
- ABC
- Assumptions
- Basis of estimate
- Inflation

M&E
- PMP   - Evaluation Types
- Schedule   - Use of Tools
- Checklist   - Methodology
- Reporting   - Validation
- Timeliness

SCOPE MANAGEMENT

PRE-AWARD ASSESSMENT

Figure - 2.1: Project Success Conceptual Framework

Source: Own Construction (April 2017)

Key: ⟶ *Variables included in the econometric analysis*

- - -▸ *Variables not considered in the econometric analysis*

2.4 HYPOTHESES

Project success is determined by myriads of independent variables. This research will therefore be undertaken with the following hypotheses.

Hypothesis - 1:   Projects with appropriate technical design have high probability of success.

Hypothesis - 2:   *Projects with detail work plan have more probability of success.*

Hypothesis - 3:   *Projects with detail cost breakdown have more probability of success.*

Hypothesis - 4:   *Projects with good practice of team building have high probability of completing the project successfully.*

Hypothesis - 5:   *Projects with clear procurement procedures/manuals have high probability of success.*

Hypothesis - 6:   *Projects with properly functioning monitoring and evaluation system have high probability of success.*

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN AND APPROACH

The cross sectional research design is often called a social survey design. It entails the collection of data on more than one case and at a single point in time in order to collect a body of quantitative and qualitative data in connection with two or more variables, which are then examined to describe characteristics and/or explore patterns of associations among variables (Bryman, 2016). The data on the variables of interest are collected simultaneously that there is no time ordering to the variables and hence, in a cross sectional research, while it is possible to examine relationships between variables, manipulation is not. Furthermore, the design for it requires only a snapshot, is relatively inexpensive and less time consuming (Kraemer, 1994). More specifically, for a thesis work like this, which is supposed to be completed in less than six months period, cross sectional study design is the most appropriate one. Hence, this research employed cross sectional design.

Triangulation of data source has a number of advantages that no single source could have. Carvalho and White (1997) pointed out that use of integrated approaches helps in implementing better measurements, confirming, enriching, merging and explaining the findings thus resulting in better analysis. White (2002) also indicates that using quantitative and qualitative approaches together yields synergy. Thus for the purpose of attaining objectives of the research and answering research questions, both quantitative and qualitative data were used.

3.2 TARGET POPULATION AND SAMPLING DESIGN/PROCEDURE

The units of analysis for the research will be projects completed by Pact Ethiopia in the last thirteen years (2004-2016). The organization has completed a total of 36 projects in the education, health, livelihood and peace building sectors. Given the manageable size of projects, data for the research was collected from all of the 36 projects completed in the aforementioned period.

3.3 SOURCE OF DATA AND INSTRUMENTS

The data for the study will be collected both from primary and secondary sources. Data on whether or not the project was successful from the perspective of the three pillars (cost, time and performance) was collected from secondary sources including project financial reports, baseline, mid-term and end line evaluation reports, terminal reports and Performance Monitoring Plan (PMP). Primary data was collected from the then project managers or program officers using the tool developed for the purpose (see annex − 1). Monitoring visit reports, pre-award assessment reports, evaluation and learning review reports and periodic program reports were also used to complement the primary data.

3.4 DETERMINATION OF PROJECT SUCCESS

The extent to which projects were efficient and effective were objectively measured given that project success is conceptualized as a function of effectiveness and efficiency.

EFFICIENCY:

In a bid to measure efficiency in an objective way, performance index including Schedule Performance Index (SPI) and Cost Performance Index (CPI) were computed for projects. SPI is a measure of progress achieved compared to progress planned for a project. While SPI value of less than 1 indicates less work was completed than was planned, SPI value of greater than 1 indicates more work was completed than planned. CPI measures the value of the work completed compared to the actual cost or progress made on the project. While CPI value of less than 1 indicates cost over run for the work completed, CPI value of greater than 1 indicates cost under-run or work was accomplished for less cost than budgeted (PMI, 2008 and Deborah et, al., 2013).

$$SPI \ = \ EV \div PV$$
$$CPI \ = \ EV \div AC$$

Where:

SPI = Schedule Performance Index	*PV = Planned Value*
CPI= Cost Performance Index	*EV = PV * % Complete*
EV = Earned Value	*AC = Actual Cost*

EFFECTIVENESS:

Performance of the project's specific indicator was computed by comparing the cumulative achievement of that specific indicator against what was originally planned.

$$\text{Performance of an indicator} = \frac{\text{Cumulative Achievement of the indicator}}{\text{Original target of the indicator}} \times 100$$

The overall effectiveness of the project was therefore computed by taking average achievements of all key indicators.

$$\text{Project Effectiveness} = \sum_{i=1}^{n} \frac{X_1 + X_2 + X_3 + \ldots X_n}{n}$$

Where:

> *X: Key Indicator*
>
> *N: Number of Key Indicators*

The composite index of determining project success was, therefore computed by taking average of the aforementioned three parameters as follows:

$$\text{Project Success} = \sum_{i=1}^{n} \frac{X_i + Y_i + Z_i}{3}$$

Where:

X = *The rate at which the project was completed compared to the approved schedule*

Y = *The level of budget utilization at project completion*

Z = *Mean accomplishment of the project on key indicators.*

Paul (2008) explains the conventional approach of determining project success as "an assessment of performance based on whether the project was completed "on time, within budget and to specification. If each was achieved within a narrow range of tolerance then the project is deemed a success." The Standish Group (1995) categorized projects into three. Accordingly, while Resolution Type 1, (Successful Projects) include those projects completed on-time and on-budget, with all features and functions as initially specified, Resolution Type 2, (Challenged Projects) comprise of those completed and operational but over-budget, over the time estimate, and offers fewer features and functions than originally specified. Resolution Type 3 (Impaired Projects) include those projects cancelled at some point during the development cycle. Pact uses 4 categories[1] to rate projects based on their level of accomplishment (0-25%, 26-50%, 51-75% and 76-100%).

Taking inputs from this, the wide range of literature discussed in chapter - 2 and the actual practice of Pact, which is in line with Paul's conventional approach, the research considered five categories of projects to gauge project completion status:

Type – 1 Projects: Successful Projects

− Refers to projects that were completed on-time and on-budget, with the key indicators achieved 90 percent[2] or more of their targets. Accordingly, a successful project will have a composite index of 96.7% or more.

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[1] *Pact's Promise Indicator/Balanced Score Card (BSC) Tracking Instruction Sheet*
[2] *Pact, among other parameters, considers a project successful if it manages to achieve 90% or more of its targets on key indicators. Source: Pact's Promise Indicator (BSC) Tracking Instruction Sheet.*

Type – 2 Projects: Moderately Successful Projects

- Refers to projects that were completed and operational but with some extension period and/or over budget while meeting 75 to 90 percent of the originally specified key indicators. Accordingly, a moderately successful project is the one with an index score of 76 to 96.6 percent.

Type – 3 Projects: Challenged Projects

- Refers to projects that wrre completed and operational but with significant extension period and/or over budget while meeting 50 to 75 percent of the originally specified key indicators. Accordingly, a challenged project is the one with an index score of 51 to 75 percent.

Type – 4 Projects: Impaired Projects

- Refers to projects that were cancelled at some point during the implementation process.

Type – 5 Projects: Failed Projects

- Refers to projects that were completed with a very significant extension period and/or over budget and might/might not be operational, with the project achieving less than 50 percent of the originally specified key indicators. Accordingly, a failed project is the one with an index score of 50 percent or less.

3.5 DATA ANALYSIS TECHNIQUES

3.5.1 QUANTITATIVE ANALYSIS

3.5.1.1 MODEL SPECIFICATION

The relationship between an ordered dependent variable and independent variables can be computed using ordered logit or probit models. The first comprehensive treatment of ordered response models in the social sciences appeared with the work of McKelvey and

Zavoina (1975) who generalized the model of Aitchison and Silvey to more than one independent variable. Their basic idea was to assume the existence of an underlying continuous latent variable related to a single index of explanatory variables and an error term and to obtain the observed categorical outcome by discretizing the real line into a finite number of intervals.

Aitchison and Silvey (1957) proposed the ordered probit model to analyze experiments in which the responses of subjects to various doses of stimulus are divided into ordinally ranked classes. Snell (1964) on the other hand suggested the use of ordered logit for its mathematical simplicity. Logit and probit distributions are very close to each other and using one or the other will not result in substantial differences (Maddala, 1983). In so many cases, logit is preferred to the probit due to its link to other models, such as linear models, and its simpler interpretability as the logarithm of the odds ratio and its eminence effort to retrospectively collected data analysis (McCulaah and Nelder, 1989). Mukherjee et al. (1998) pointed out that in a wider context, using a logit model allows bringing out patterns in the data that might be obscured. As a result, logits are considered as 'first aid bandages' that can help wrapping various factors in a meaningful form (Tukey, 1977 cited in Mukherjee et al. 1998). Thus, ordered logit model fit by ologit, which is also known as the proportional odds model will be employed for the study. Stata software, version 11 was used to analyze the data for the study. Detail of the model extracted from Richard (2015) is presented below.

1. In the ordered logit model, there is an observed ordinal variable, γ.

2. Y, in turn, is a function of another variable, $\gamma*$

    a) In the ordered logit model, there is a continuous, unmeasured latent variable $\gamma*$, whose values determine what the observed ordinal variable γ equals.

    b) The continuous latent variable $\gamma*$ has various threshold points. (κ is the Greek small letter Kappa.) Your value on the observed variable Y depends on whether or not you have crossed a particular threshold.

        For example, when M = 3

$$\gamma_i = 1 \text{ if } \gamma*_i \text{ is} \le \kappa 1$$

$$\gamma_i = 2 \text{ if } \kappa1 \leq \gamma^*i \leq \kappa2$$

$$\gamma_i = 3 \text{ if } \gamma^*i \geq \kappa2$$

3. So, what does γ^* equal? How do you estimate this model?

    a) In the population, the continuous latent variable γ^* is equal to

$$\gamma^*{}_\iota = \sum_{k=1}^{K} \beta_\kappa X_{\kappa\iota} + \varepsilon_\iota = Z_\iota + \varepsilon_\iota$$

    b) The Ordered Logit Model estimates *part* of the above:

$$Z_\iota = \sum_{k=1}^{K} \beta_\kappa X_{\kappa\iota} = E(\gamma^*{}_\iota)$$

    c) The K βs and the M-1 κs are parameters that need to be estimated. Once you have done so, using the corresponding sample estimates for each case you compute

$$Z_\iota = \sum_{k=1}^{K} \beta_\kappa X_\kappa$$

Note that there is no intercept term. The estimated M-1 cutoff terms will be used to estimate the probability that γ will take on a particular value. The formulas are

$$P(\gamma_\iota > j) = \frac{exp(X_\iota\beta - \kappa_j)}{1 + \lfloor exp(X_\iota\beta - \kappa_j) \rfloor}, j = 1, 2, \ldots \ldots, M - 1 \quad \textit{Which implies}$$

$$P(\gamma_\iota = 1) = 1 - \frac{exp(X_\iota\beta - \kappa_1)}{1 + \lfloor exp(X_\iota\beta - \kappa_1) \rfloor}$$

$$P(\gamma_\iota = j) = \frac{exp(X_\iota\beta - \kappa_{j-1})}{1 + \lfloor exp(X_\iota\beta - \kappa_j - 1) \rfloor} - \frac{exp(X_\iota\beta - \kappa_j)}{1 + \lfloor exp(X_\iota\beta - \kappa_j) \rfloor}, j = 2, \ldots, M - 1$$

$$P(\gamma_\iota = M) = \frac{exp(X_\iota\beta - \kappa_{M-1})}{1 + \lfloor exp(X_\iota\beta - \kappa_{M-1})\rfloor}$$

In the case of M = 3, these equations are simplified to

$$P(Y = 1) = \frac{1}{1 + exp(Z_\iota - \kappa_1)}$$

$$P(Y = 2) = \frac{1}{1 + exp(Z_\iota - \kappa_2)} - \frac{1}{1 + exp(Z_\iota - \kappa_1)}$$

$$P(Y = 3) = 1 - \frac{1}{1 + exp(Z_\iota - \kappa_2)}$$

3.5.1.2 DEFINITION OF THE DEPENDENT VARIABLE

The research employed Ordered Logit model to identify correlates of project success in Pact-Ethiopia. In the model, the success status of projects (ProSS) was designated by a value of:

- 5: If the project was successful (Type – I)
- 4: If the project was moderately successful (Type – II)
- 3: If the project was challenged (Type – III)
- 2: If the project was impaired (Type – IV)
- 1: If the project was failed (Type – V).

Success status of the project was regressed as dependent variable against the independent variables mentioned below.

3.5.1.3 DEFINITION OF THE INDEPENDENT VARIABLES

TECD: Represents the composite score of the project against technical design. The expectation is that projects that pass through a well thought design process have high probability of successful completion. The composite score was computed from the score of the project against constituents of the variable including clarity of objectives (SMART), conceptual framework/Theory of Change (ToC), logical framework/results framework and identification of key.

WOPL: Represents the composite score of the project against work plan. The expectation is that projects with detail work plan have high probability of success. The composite score was computed for each project against constituents of the variable including exhaustiveness of the activities, development of work breakdown structure, inclusion of targets against key indicators, estimation of duration for each activity and inclusion of due dates and responsible entity for each activity.

COBR: Represents the composite score of the project against cost breakdown. The expectation is that projects with detail cost breakdown structure have high probability of success. The composite score was computed for each project against constituents of the variable including use of Activity Based Costing (ABC), assumptions, basis of estimate and taking account of inflation across time.

TEAM: Represents the composite score for the project team. The basic assumption is that people are central in project success, because it is people who deliver projects. Therefore, a composite index was developed and score computed for each project against constituents of the variable including availability of governance structure, job description, timeliness and adequacy of staff recruitment, placement and replacement, training, availability of key personnel and the practice of individual operational plan and performance appraisal.

PROC: Represents the composite score for the practice of procurement. The expectation is that projects with proper procurement practice can avail goods and services on the right time and within the budget thus contributing to successful project completion. Therefore, a composite index was developed and score computed for each project against constituents of the variable including availability of procurement policy/manual both at Pact and implementing partners' level, the practice of identifying vendors, tender evaluation and documentation.

MOEV: Represents the composite score for the monitoring and evaluation practice of the project. The expectation is that projects with properly functioning monitoring and evaluation system are better positioned to learn, identify limitations and take timely rectifying measures to keep the project on track. As a result, such projects have high probability of successful completion than others. A composite index was developed for the purpose and score computed for each project against constituents of the variable including availability of Performance Monitoring Plan (PMP), monitoring schedule, monitoring checklist, monitoring visit reporting template, type of evaluation, consistent use of tools, timeliness of the evaluation, methodology and validation processes

3.5.1.3 DESCRIPTIVE ANALYSIS

The data collected from projects was also analyzed employing descriptive statistics. Statistical Package for Social Science (SPSS) software was used to compute frequency, mean and percentages. The outputs of the descriptive analysis was presented in tables, graphs, bar chart and pie-charts.

3.5.2 QUALITATIVE DATA ANALYSIS

The qualitative data collected from secondary sources including baseline, mid-term and end line evaluations, monitoring visit reports and program progress and terminal reports was used to complement results of the quantitative analysis.

CHAPTER FOUR: RESULTS AND DISCUSSION

4.1 RESULTS OF DESCRIPTIVE ANALYSIS

4.1.1 DISTRIBUTION OF PROJECTS BY DONOR

Pact-Ethiopia had implemented a total of 36 projects in the last 13 years (2004 – 2016) at a total cost of USD 183.3 million. The fund for the implementation of these projects were drawn from 10 donors of which the lion's share accounting for over half of the projects was from the United States Agency for International Development (USAID) followed by Swedish International Development Agency (SIDA) and OAK foundation accounting for 8.3% each. While Packard foundation, Education Above All (EAA), World Bank (WB) and NIKE foundations financed 5.6% of the projects each, UNOCHA, International City Management Association (ICMA) and DFID financed each 2.8% percent of projects. Proportion of projects financed by different donors is presented in Figure – 4.1.
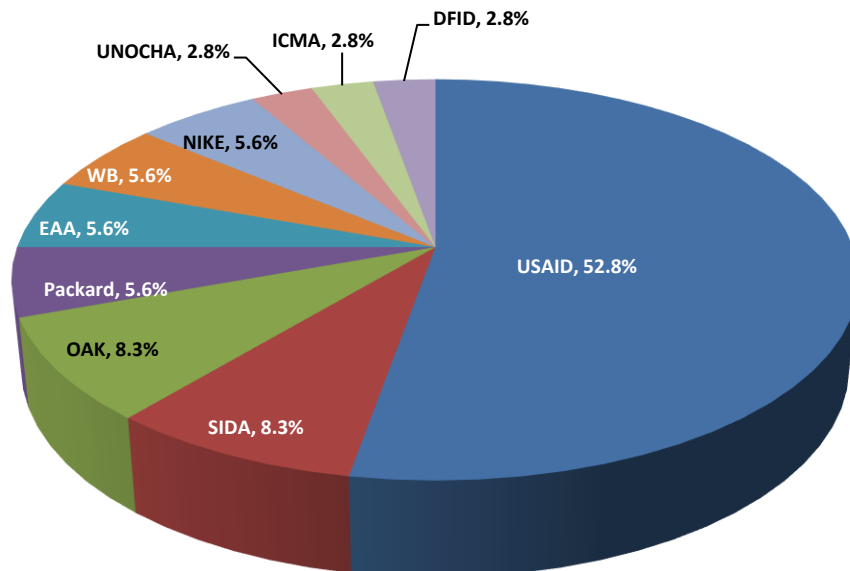
Figure - 4.1: Number of Projects by Donor

4.1.2 SOURCE OF FINANCE FOR PROJECTS

USAID holds the lion's share in terms of financing Pact's projects. Accordingly, over nine-tenth of the total project cost accounting for USD 163.9 million was financed from USAID followed by SIDA (3.7%), EAA (1.7%) and Packard and NIKE foundations each accounting for 1.2% and 0.7% respectively. The remaining 5 donors contributed to only 1.3% of the total cost of projects. Detail source of finance for projects is portrayed in table – 4.1.

Table - 4.1: Project Finance by Donor

Donor	Project Fund (in USD)	%
USAID	163,852,277	91.4%
SIDA	6,672,922	3.7%
OAK	497,965	0.3%
Packard	2,200,000	1.2%
EAA	3,134,592	1.7%
WB	765,833	0.4%
NIKE	1,202,193	0.7%
UNOCHA	466,600	0.3%
ICMA	321,956	0.2%
DFID	154,639	0.1%
Total	179,268,977	100%

Source: Own Survey (April 2017)

4.1.3 SIZE OF PROJECTS

Size of projects implemented in the last 13 years vary widely. It ranges from as high as USD 92 million for Yekokeb Berhan HVC project to as low as USD 50,000 for a project to support the establishment of alternative childcare secretariat. The largest slice of projects accounting for two-third of Pact's projects were implemented with a total cost of less than USD 2 million. The number of projects with a total cost of USD 2 to 5 million and over USD 5 million constitute 16 % and 17% respectively. Distribution of projects by total cost is presented in figure - 4.2.
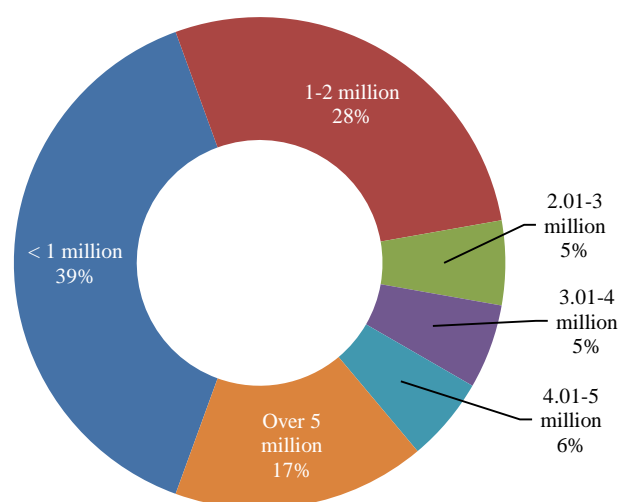
Figure - 4.2: Size of Projects by Cost (in USD)

4.1.4 DURATION OF PROJECTS

The life span of projects implemented in the last 13 years vary widely. It ranges from five projects (working on education, highly vulnerable children, HIV prevention and peace building) with life of 72 or more months to the shortest one with a planned life of 4 and 11 months (working on acute watery diarrhea and control and rehabilitation of abandoned artisanal and small scale mining sites respectively). While a quarter of projects were found to have life of over 4 years, two-fifth and a quarter of the remaining projects had life of 2 to 3 years and 2 years or less respectively. Figure – 4.3 presents detail duration of projects.
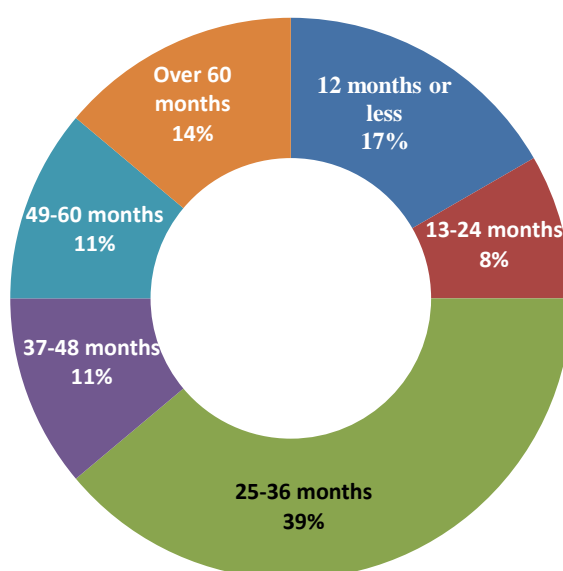
Figure - 4.3: Pact's Projects by Duration

4.1.5 SECTORAL DISTRIBUTION OF PROJECTS

Pact-Ethiopia's projects implemented in the last 13 years can be categorized into six broad sectors. It implemented a total of 18 projects in the health and livelihood sector accounting for half of Pact's projects followed by peace building and governance constituting over a quarter of projects. While education is the third largest portfolio with a total of 6 projects accounting for about 17%, projects in the mining sectors follow with 2 projects accounting for 6%. Sectoral distribution of projects is presented in table – 4.2.

Donor	No. of Projects	%
Health	10	27.8%
Livelihood	8	22.2%
Peace Building	7	19.4%
Education	6	16.7%
Governance	3	8.3%
Mining	2	5.6%
Total	**36**	**100%**

Source: Own Survey (April 2017)

4.1.6 GEOGRAPHIC DISTRIBUTION OF PROJECTS

Pact had been implementing projects in all the nine national regional states and two city administrations. The largest slice of projects accounting for two-third were implemented in three regional states, namely, South Nations, Nationalities and Peoples Region (SNNPR), Amhara and Oromia regions that constitute 80.2[3]% of the country's population. While Gambella and Afar regional states each received support from about half of Pact's projects, Benishangul Gumuz, Tigray and the Federal Government each benefited from the implementation of one-third of projects. About a quarter of Pact's projects were also implemented in Somali regional state and Addis Ababa City Administration. Details of the geographic distribution of Pact's projects is portrayed in figure – 4.4.
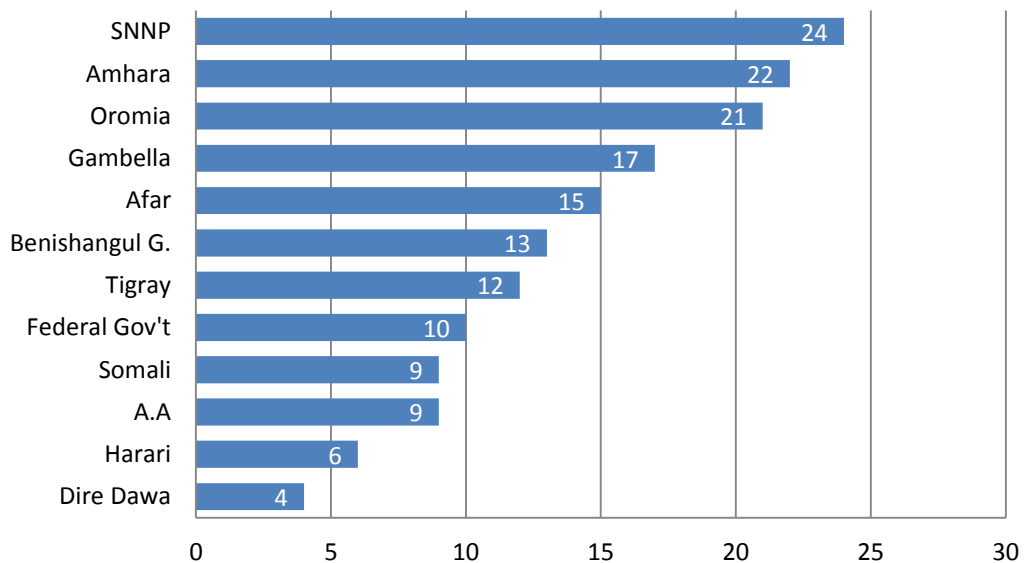
Figure - 4.4: Geographic Distribution of Pact's Projects

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[3] *Central Statistics Agency (CSA, 2008) in its 2007 census report indicated that the population of the three regions (Oromia, Amhara and SNNPR) constitute 80.2% of Ethiopia's population. While Oromia region is the largest with a proportion of 36.7%, Amhara and SNNPR follows with 23.3% and 20.4% respectively.*

4.1.7 DISTRIBUTION OF PROJECTS BY IMPLEMENTING PARTNERS

Pact implemented its projects through a total of 98 locally operating Non-Governmental Organizations. While half of these NGOs were engaged in the implementation of 2 to 5 of Pact's projects each, two-fifth of them implemented one project each. The remaining 7% of the partners were engaged in the implementation of 6 to 9 projects each. The number of partners per project ranges from 1 to as high as 41. Detail of project distribution by partners and number of partners per project is presented in Table – 4.3 and Figure – 4.5 respectively.

Table - 4.3: Distribution of Projects by Partners

No. of Partners	%	No. of Projects
41	41.8	1
22	22.4	2
14	14.3	3
6	6.1	4
8	8.2	5
2	2	6
2	2	7
2	2	8
1	1	9
Total 98	**100**	

Source: Own Survey (April 2017)
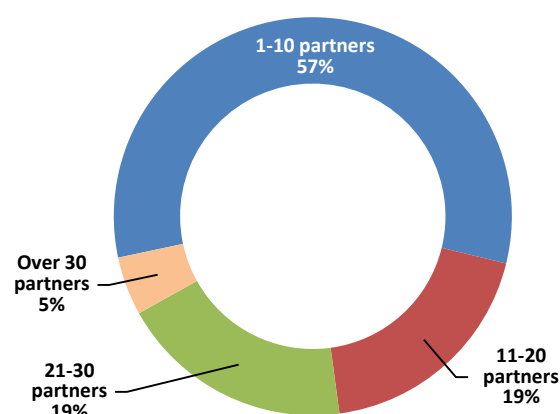
Figure - 4.5: Number of Partners per Project

4.2 SUCCESS STATUS OF PACT'S PROJECTS

4.2.1 SUCCESS STATUS OF PROJECTS: TIME DIMENSION

The Mean SPI of Pact's projects was found to be 0.91 indicating that projects were 91% on schedule. The research revealed existence of variation in the mean SPI value by the level of project success. While mean SPI score of successful projects reached 0.98, moderately successful and challenged projects scored 0.85 and 0.58 respectively. Detail of the SPI data is presented in annex – 5.

Results of the research revealed that four fifth of Pact's projects implemented in the last thirteen years were completed as scheduled. Close to a quarter of Pact's projects, were not completed as scheduled. Of the projects that were not completed as scheduled, a little over one third were completed with a significant extension period accounting for 76 to 100% of the originally approved schedule. While a quarter of the delayed projects were completed with an extension of 26-50% period, the remaining were completed with an extension of 25% or less of the originally approved schedule. The detail is presented in table – 4.4.

Table - 4.4: Completion Status of Projects by Time

Completion Status	No. of Projects	%	Delay Status of Projects		
			Delay %	No. of Projects	%
On Time	28	77.8	-	-	-
Delayed	8	22.2	<25%	3	37.5%
			26-50%	2	25%
			51-75%	-	-
			76-100%	3	37.5%
Total	36	100	Total	8	100%

Source: Own Survey (April 2017)

4.2.2 SUCCESS STATUS OF PROJECTS: COST DIMENSION

The Mean CPI of Pact's projects was found to be 1.16. Over two-third of the projects (77.8%) scored CPI value of 1 or more indicating cost under-run or project activities were accomplished for less cost than budgeted. A little less than a quarter of the projects were found to have CPI score of less than 1 indicating cost over-run. The research revealed existence of variation in the mean CPI value by the level of project success. While mean CPI score of successful projects reached 1.29, moderately successful and challenged projects scored CPI value of 1.01 and 0.69 respectively. Detail of the CPI data is presented in annex – 5.

Only two of the projects accounting for 5.5% of the projects were completed over the total approved budget, one with variation of 5% and the other with 49%. Detail of the cost performance is presented in Table – 4.5.

Table - 4.5: Completion Status of Projects by Cost

CPI Score by Category			CPI by Project Completion Status	
CPI Score	**No. of Projects**	**%**	**Project Completion Status**	**Mean CPI**
1 or over	28	77.8	Successful	1.29
0.76 to 0.9	3	8.3	Moderately Successful	1.01
0.50 to 0.75	5	13.9	Challenged	0.69

Source: Own Survey (April 2017)

Pact's projects are financed from external sources in United States dollar. The value of dollar against the Ethiopian Birr has been ever increasing since the 1990s. The exchange rate, which stood at Birr 8.64 in 2004 tripled in 2016 hitting a rate of Birr 22.25, with annual average growth rate of 8.6%[4]. Pact's projects have therefore, been enjoying foreign exchange gains, which partly contributed for projects to have relatively relaxed budget. Trends of Dollar to Birr exchange rate is presented in annex – 8.

4.2.3 SUCCESS STATUS OF PROJECTS AGAINST KEY INDICATORS

Average performance of Pact on key project indicators was found to be 91.05%. While the vast majority of projects accounting for 88.9% managed to achieve 76 – 100% of their targets on key indicators, 8.3% of the projects achieved 51-75% of their targets.

Pact Global, in its promise indicator tracking system, defines a project successful among other things if 76-100% of key indicators achieve 90% or more of their targets. By this definition, 75% of Pact-Ethiopia's projects were found to be successful achieving 90% or more of targets against key indicators. Detail of project accomplishments on key indicators is presented in table – 4.6.

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[4] *US Dollar to Birr exchange rate extracted from the website:*
http://www.exchangerates.org.uk/USD-ETB-exchange-rate-history.html

Table - 4.6: Performance of Projects on Key Indicators

By Performance Category			By Success Status of Projects	
Performance Level (%)	No. of Projects	%	Success Status	Performance Level (%)
90 or more	27	75	Successful	98.4
76-89	5	13.9		
51-75	3	8.3	Moderately Successful	85.4
26-50	1	2.8		
0-25	-	-	Challenged	57.9
Total	**36**	**100**		

Source: Own Survey (April 2017)

4.2.4 OVERALL SUCCESS STATUS OF PROJECTS

The large majority of Pact's projects accounting for two third achieved a composite score of 96.7% or more. Thus, these projects belong to Type – I projects, which were completed on-time and on-budget, with key indicators achieving 90 percent or more of their targets. About 22% of Pact's projects were found to be in a composite score interval of 76 to 96.6%. These projects belong to Type – II projects, which were completed and went operational but with some extension period and/or over budget, while meeting 76 to 90 percent of the originally specified targets on key indicators. A little over a tenth of Pact's projects were found to fall in a composite score interval of 51-74%, and hence belong to Type – III projects. These projects were completed and went operational but with significant extension period and/or over budget while meeting 51 to 75 percent of the originally agreed targets against key indicators.

Of the five project success status, Pact's projects were found to fall into the first three, namely, successful, moderately successful and challenged project types. Therefore the independent variables were regressed against these three levels of project success status.
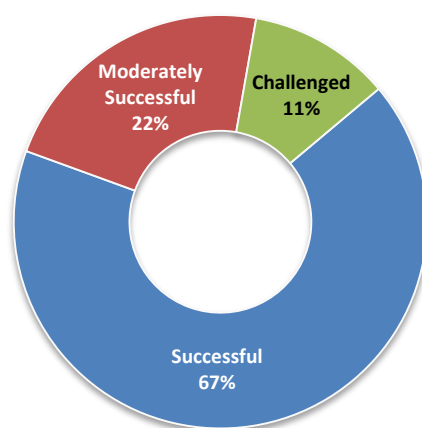
Figure - 4.6: Project Success Status of Pact

Descriptive analysis was conducted to assess the success states of projects across the different sectors. Accordingly, all projects implemented in the education sector were found to be successful, followed by 87.5%, 71.4 and 60% of the livelihood, peace building and health sector projects respectively. Projects implemented in the mining sector were found to be moderately successful, which is encouraging given that the two mining projects were the first mining portfolio for Pact Ethiopia. Two of the projects in the health sector and another two in the governance sector were found to fall in the category of challenged projects. Detail of the project success status by sector is presented in table – 4.7.

Table - 4.7: Project Success Status by Sector

Sector	No. of Projects	Project Success Status					
		Successful	%	Moderately Successful	%	Challenged	%
Health	10	6	60.0	2	20.0	2	20.0
Livelihood	8	7	87.5	1	12.5		
Peace Building	7	5	71.4	2	28.6		
Education	6	6	100.0				
Governance	3			1	33.3	2	66.7
Mining	2			2	100.0		
Total	36	24		8		4	

Source: Own Survey (April 2017)

4.3 DETERMINANTS OF PROJECT SUCCESS

4.3.1 RESULTS OF ORDERED LOGISTIC REGRESSION

Table - 4.8: Results of Ordered Logistic Regression

Number of obs   =   36

LR chi2(6)   =   51.17

Prob > chi2   =   0.0000

Log likelihood = -11.853442   Pseudo R2   =   0.6834

Independent Variable	Coef.	Std. Err	Z	p>/Z/	[95% Conf. Interval	
Technical Design	1.744179	2.320168	0.75	0.452	-2.803267	6.291625
Work Plan	-6.960588	3.534361	-1.97	0.049*	-13.88781	-0.0333669
Cost Breakdown	-3.415004	2.722528	-1.25	0.210	-8.751061	1.921052
Project Team	28.72984	13.30673	2.16	0.031*	2.649123	54.81055
Procurement	16.89203	8.430644	2.00	0.045*	.3682724	33.41579
Monitoring and Evaluation	8.794171	4.253859	2.07	0.039*	.4567606	17.13158

* *Statistically significant at 0.05*

The likelihood ratio chi-square of the model was found to be 51.17 with a p-value of 0.0000 indicating that the model employed for the research as a whole is statistically significant. As depicted in table – 4.8, the relation between the dependent variable (project success) and the independent variables (work plan, project team, procurement and Monitoring and Evaluation) was found to be statistically significant ($p<0.05$). The coefficient of determination stood at 0.6834 indicating that 68.34% of the project success could be attributed to the aforementioned four independent variables. The signs of the coefficients were found to be as expected in the hypotheses. The log-likelihood, which is the difference between successive iterations of Stata stood at -11.853442. This indicates that the difference between successive iterations was sufficiently small, and hence, the aforementioned ordered logistic regression output table was generated at iterations that fits the full model.

4.3.2 DETERMINANTS OF PROJECT SUCCESS IN THE PLANNING PHASE

Marginal effect analysis was conducted employing Stata software to extract the extent to which the independent variables that were found to be statistically significant determine the level of project success. Detail of the marginal effect is presented in the table – 4.9.

Table - 4.9: Marginal Effect of Work Planning Practice

Independent Variables	Ordered Logit Marginal Effect for		
	Successful Projects	Moderately Successful Projects	Challenged Projects
Work Plan	-1.739068	1.739892	0.0000827
Project Team Building	7.178007	-7.181408	-0.0003413
Procurement	4.22039	-4.222389	-0.0002007
Monitoring and Evaluation	2.19718	-2.198221	-0.0001045

Project Technical Design as Determinant of Project Success

The mean composite score of projects for the variable, technical design, was found to be 4.38 with the corresponding value of 4.8, 3.9 and 2.9 for successful, moderately successful and challenged projects respectively. However, results of the ordered logit regression analysis revealed that the variable technical design was not found to be statistically significant. As a result, the null hypothesis "projects that pass through a well thought design process have high probability of successful completion" is rejected. The finding was found to be contrary to Pinto and Slevin (1987) and Ika (2011) who in their research revealed existence of positive relation between the two variables.
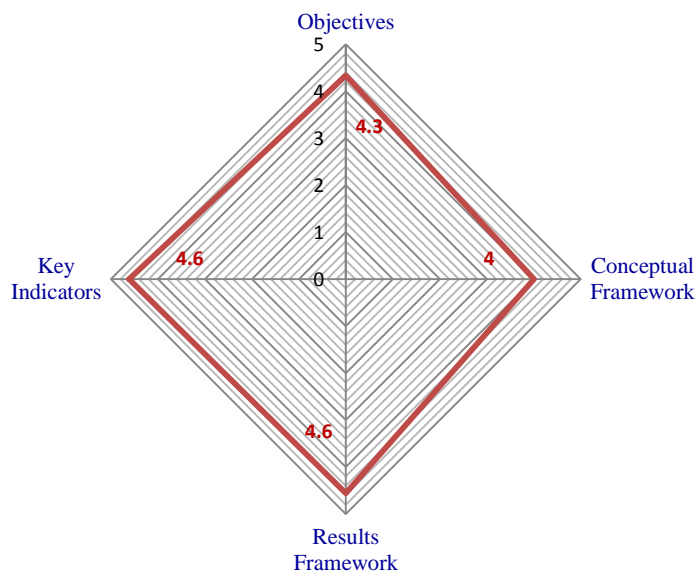
Figure - 4.7: Mean Score of Projects on Technical Design
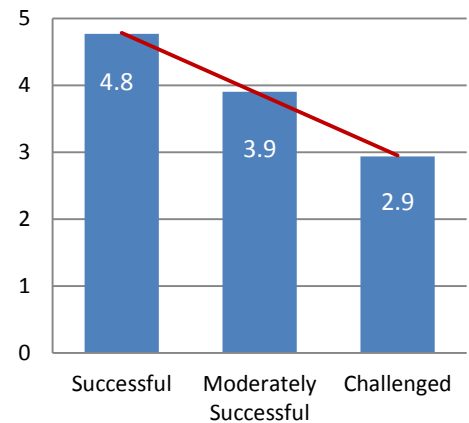
Figure - 4.8: Technical Design Mean Score by Project Completion Type

Project Work Plan as Determinant of Project Success

The research established that work plan preparation and successful project implementation exhibited a positive and statistically significant relationship (p=0.049). Consequently, projects that pass through rigorous work planning process were found to be more likely moderately successful and not likely to be in the challenged project type. Accordingly, such projects were found to be 1.73 fold more likely to be moderately successful and 0.008 probability of falling in the challenged project type. The result was found to be consistent with Ioana et.al (2015) and Stephen and Daniel (2016).

Results of the descriptive analysis was found to be consistent with the aforementioned results of the ordered logit regression analysis. The mean composite score of projects for the variable was found to be 3.41 out of 5 with scores of 3.8. 3.1 and 1.8 for successful, moderately successful and challenged projects respectively. Results of the descriptive analysis is presented in Figure – 4.9 and 4.10.
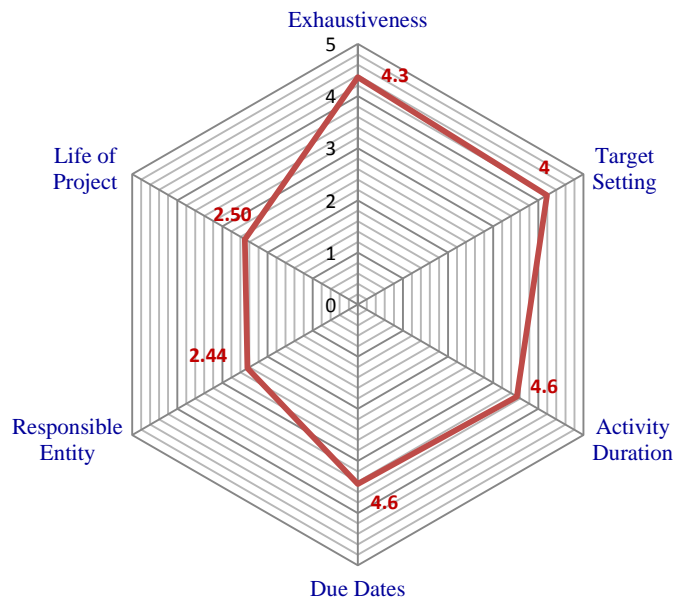
Figure - 4.9: Mean Score of Projects on Work Plan
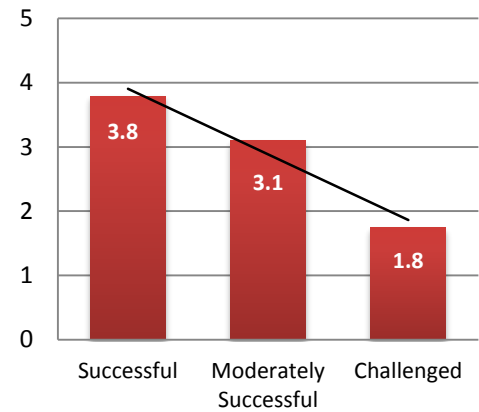
Figure - 4.10: Work Plan Mean Score by Project Completion Type

Review of monitoring visit reports indicate that Pact's good planning practice was acknowledged by government partners. Plan and Prgrogram Department Head of Gambella Region Education Bureau says "Pact's activities are well planned and its contribution is visible. It managed to change the tent, thatch roofed and under tree schoolings into formal schools and contributed to a significant increment in children enrollment."

Project Cost Breakdown as Determinant of Project Success

The mean composite score of projects for the variable, cost estimation practice, was found to be 3.9 with the corresponding score of 4.3, 3.5 and 2.4 for successful, moderately successful and challenged projects respectively. However, results of the ordered logit regression analysis revealed that the variable cost break down preparation was not found to be statistically significant (p=0.210). As a result, the null hypothesis "Projects with detail cost breakdown have more probability of success" is rejected. The finding was found to be contrary to Morteza and Kamyar (2009). Results of the descriptive analysis is presented in Figure – 4.11 and 4.12.
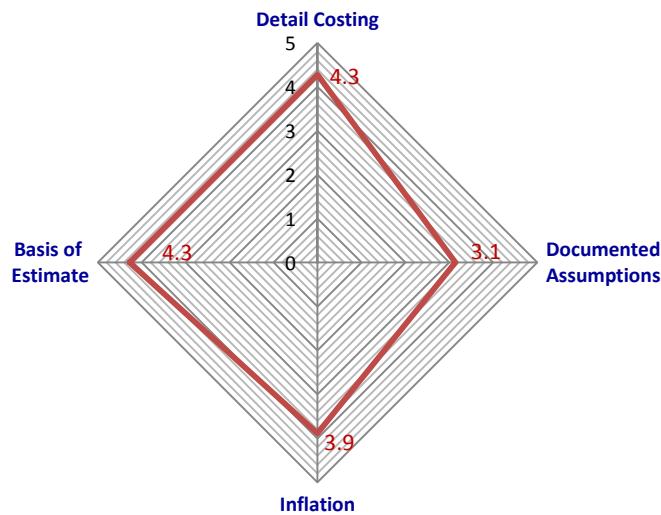
Figure - 4.11: Mean Score of Project Costing Practice
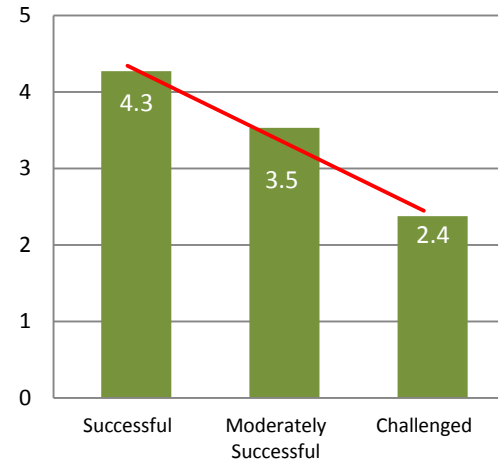
Figure - 4.12: Mean Score of Costing Practice by Project Completion Type

4.3.3 DETERMINANTS OF PROJECT SUCCESS IN THE IMPLEMENTATION PHASE

Project Team Building as Determinant of Project Success

Results of the ordered logit regression analysis revealed that project team building practice and successful project implementation exhibited a positive and statistically significant relationship (p=0.031, which is less than 0.05). Consequently projects that pass through rigorous team building practice were found to be more likely successful and less likely to be in the challenged project type. Accordingly, such projects were found to be seven fold more likely to be successful and 0.03% probability of falling in the challenged project type. The result was found to be consistent with Dugger (2007), Gow & Morss (1988) and Ika (2012).

Results of the descriptive analysis was found to be consistent with the aforementioned results of the ordered logit regression analysis. The mean composite score of projects for the variable was found to be 4.8 out of 5 with scores of 4.9, 4.6 and 4.4 for successful, moderately successful and challenged projects respectively. Results of the descriptive analysis is presented in Figure – 4.13 and table – 4.10.

Review of secondary data revealed that Pact is a capacity developing organization with a motto "Building capacity worldwide". It is engaged in the capacity development of its staff,

implementing partners and the target communities. The Organizational Development (OD) evaluation report revealed that the overall impact of Pact Ethiopia's capacity building activities has been positive. Significant number of partners indicated this by saying "Pact Ethiopia's approach to capacity building was different from other donors – innovative and productive" (Pact, 2008).

Review of secondary data also revealed a recent trend of increasing staff turnover. Decreasing trend of staff development and less competitive benefit packages for staff were amongst the major weaknesses indicated in the Strength, Weakness, Opportunities and Threat (SWOT) analysis exercise of the 2017 – 2020 strategic plan of Pact Ethiopia.

Table - 4.10: Project Team Building Mean Score by Project Completion Status

Figure – 4.13: Mean Score of Project Team Building

Project Success Status	Mean Score
Successful	4.9
Moderately Successful	4.6
Challenged	4.4

Project Procurement Practice as Determinant of Project Success

The research established that procurement and successful project implementation exhibited a positive and statistically significant relationship (p=0.045). Consequently, projects that pass through a systematic procurement process were found to be more likely successful and less likely to be in the challenged project type. Such projects were found to be four fold more

likely to be successful and 0.02% probability of falling in the challenged project type. The result was found to be consistent with Stephen (2014) and Peter and Jane (2015).

Results of the descriptive analysis was found to be consistent with the aforementioned results of the ordered logit regression analysis. The mean composite score of projects for the variable was found to be 4.53 with scores of 4.7, 4.5 and 4.1 for successful, moderately successful and challenged projects respectively. Results of the descriptive analysis is presented in Figure – 4.14 and 4.15.
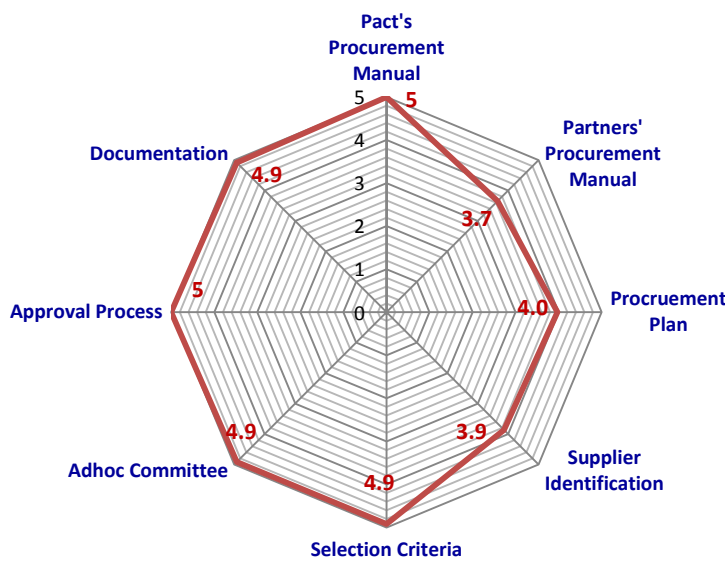

Figure - 4.14: Mean Score of Project Procurement Practice
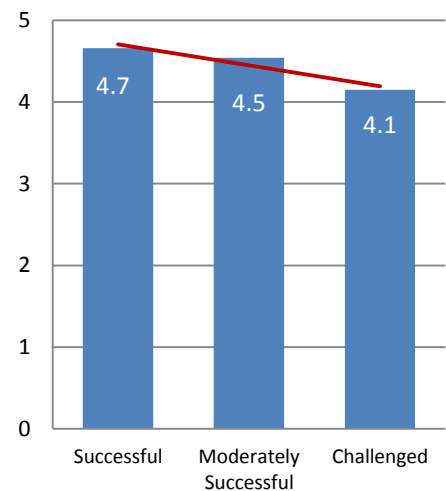
Figure - 4.15: Procurement Practice Mean Score by Project Completion Type

4.3.3 DETERMINANTS OF PROJECT SUCCESS IN THE M&E PHASE

Results of the ordered logit regression analysis revealed that monitoring and evaluation and project success exhibited a positive and statistically significant relationship (p=0.039, which is less than 0.05) supporting the null hypothesis. Consequently, projects with properly functioning monitoring and evaluation system were found better positioned to learn, identify limitations and take timely rectifying measures to keep the project on track. Such projects were found to be more likely successful than others. Accordingly, such projects were found

to be two fold more likely to be successful and 0.01% probability of falling in the challenged project type. The result was found to be consistent with Pinto and slevin (1987), Ika et. al, (2011); Ioana et. al, (2015), Stephen and Daniel (2016) and Aaron and Daniel (2016).

Results of the descriptive analysis was found to be consistent with the aforementioned results of the ordered logit regression analysis. Accordingly, the mean composite score of projects for the variable was found to be 4.19, with scores of 4.6, 4.1 and 2.3 for successful, moderately successful and challenged projects respectively. Results of the descriptive analysis is presented in figure – 4.16 and 4.17.
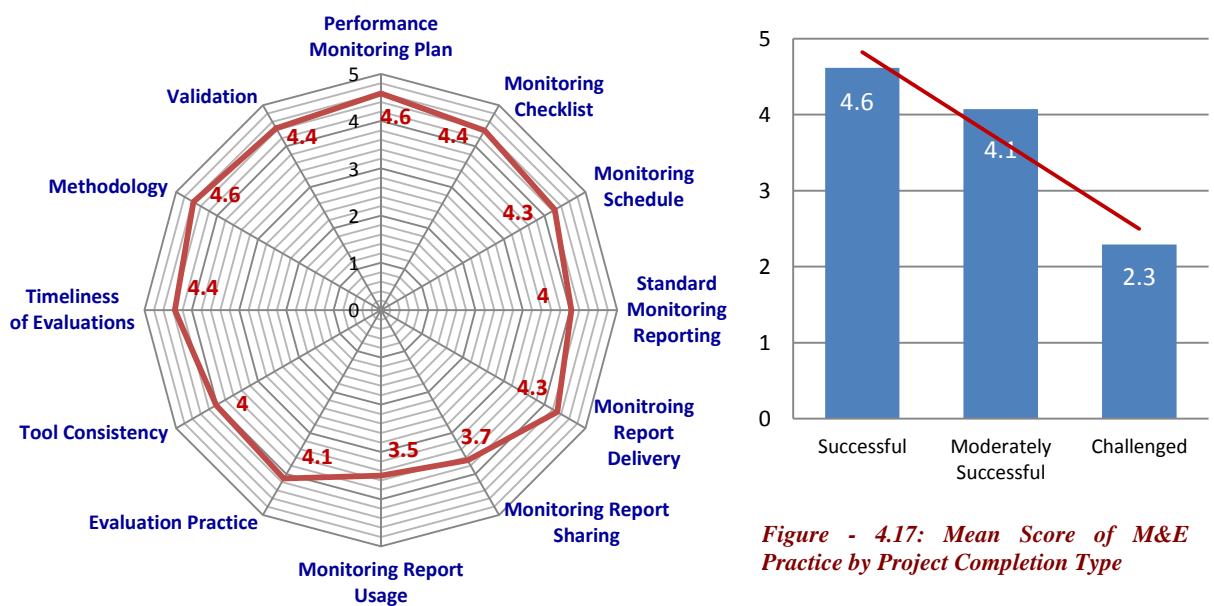
Figure - 4.16: Mean Score of Project M&E Practice

Figure - 4.17: Mean Score of M&E Practice by Project Completion Type

Review of secondary data revealed that Monitoring, Evaluation, Reporting and Learning (MERL) are central components of sound programming for Pact. It firmly believes that the strength of M&E system is not just its ability to report on results, rather its ability to provide performance information that is used to manage for results. Accordingly Pact practices results based management by ensuring that its processes, products and services contribute to the achievement of clearly stated results. Review of the secondary data also revealed that the commitment and strong buy-in of Pact's top management was amongst the major factors that contributed to a properly functioning MERL system.

4.4 INDEPENDENT VARIABLES DROPPED

Pre Award Assessment

The expectation is that conducting pre-award assessment enables the project to identify strengths and limitations of project implementing partners. Results of the pre-award assessment is instrumental to capitalize on what the partners are good and also to address their capacity limitation. As a result, projects that conducted pre-award assessment of implementing organizations are expected to have more probability for successful completion than otherwise.

Pact adopts two types of implementation modalities, namely direct implementation and implementation through partner organizations. Of the total of 36 projects implemented in the last 13 years, 23 of them were through local NGOs and the remaining 13 were through direct implementation with government partners through in-kind grant and/or Fixed Obligation Grant (FOG) that do not require partners to pass through pre-award assessment. About 22 of the 23 projects implemented through local NGO partners have passed through rigorous pre-award assessment.

As the sample size for this variable was too small (23 projects) to run the ordered logit model as well as chi-square test and as there was no data variability among projects for which data for the variable was collected, the variable was discarded from the ordered logit regression analysis. Further attempt was made to view distribution of the 23 projects against the three categories of project success with a focus on this variable. Accordingly, while 17 and 5 projects that passed through a rigorous pre-award assessment exercise were found to be in the list of successful and moderately successful projects respectively, the only one project that was not subject to the assessment was found amongst the list of challenged projects.

Project Scope Creep

Scope creep represents deviation from the originally agreed scope of the project. The expectation was that scope creep usually leads to significant schedule and cost variance, which could put success of the project at jeopardy.

Of the 36 projects implemented over a period of 13 years, only 2 projects experienced scope creep. As there was no variability among the data against this indicator, the variable was discarded from the ordered logit regression analysis. Chi square test was run to further examine the effect of the variable on project success. Result of the Pearson chi-square test (see annex - 6) revealed that there are no statistically significant differences in factors that affect project success for projects with and without scope creep [χ^2(2, N=36) = 1.059, p=0.589].   As a result, the null hypothesis "Projects that encounter scope creep have less probability of success" is rejected. The finding was found to be contrary to Standish Group (2009) and Aaron and Daniel (2016).

As both the two projects that encountered scope creep were found to be successfully completed, there was a need to go to complement the finding with qualitative data. Accordingly, review of secondary data revealed that though scope creep of the two projects resulted in the expansion of project activities, it was supported with the necessary budget and staffing. Furthermore, the additional activities were designed to fit within the agreed project completion period that the variable did not put success status of the aforementioned projects in jeopardy.

Project Risk Management

The expectation was that projects which practice risk management have risk register, with exhaustive list of risks to watch for and act in a proactive way. This will reduce the likelihood and impact of the different risks and contribute for the successful completion of projects. Therefore, a composite index was developed and score computed for each project against constituents of the variable including practices related to risk identification, analysis, monitoring and assignment of responsible person.

The mean composite score of projects against the variable, project risk management, was found to be 2.15 with the corresponding score of 2.2 each for successful and moderately successful projects and 2 for challenged projects. Review of secondary data also revealed that risk management was not part of the project design for majority of the projects and only projects whose donors specify the exercise as mandatory were found to have some elements of risk management. This clearly shows that the risk management practice was not only poor,

but also inconsistent. Given the absence of meaningful data variability among the three different categories of projects success, the variable was discarded from the ordered logit regression analysis. Results of the descriptive statistics is presented in figure – 4.18 and table – 4.11.

Figure - 4.18: Mean Score of Risk Management Practice
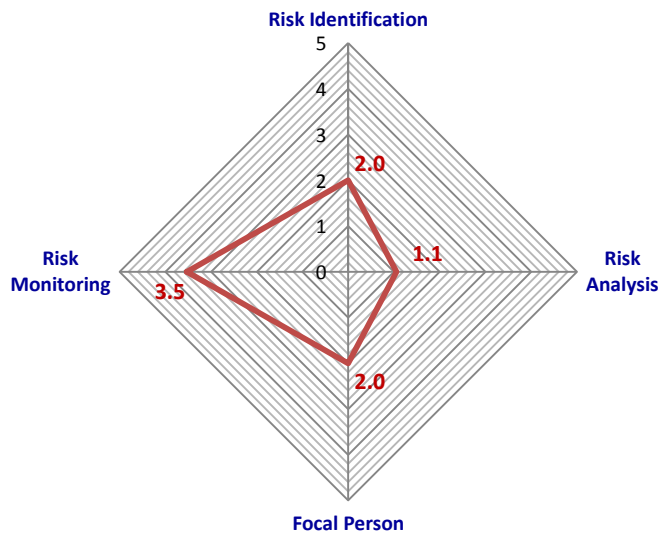
Table - 4.11: Mean Score of Risk Mg't by Project Completion Status

Project Success Status	Mean Score
Successful	2.2
Moderately Successful	2.2
Challenged	2.0

Project Communications Management

The expectation was that projects with proper practice of communications management knows who their stakeholders are, their interest and influence pretty ahead of time. This will enable the project to get well prepared ahead of time and minimize the influence of external factors, thus contributing to successful completion of the project. A composite index was developed and score computed for each project against constituents of the variable including identification of stakeholders from the inception, information requirement of stakeholders, availability of reporting schedule and reporting template as well as the extent to which the project was on track in sharing reports in a timely manner.

The mean composite score of projects against the variable, communications management, was found to be 4.68 with the corresponding score of 4.7 for successful projects and 4.6 each for moderately successful and challenged projects. Due to the absence of data variability

among the three categories of project completion status, the variable was discarded from the ordered logit regression analysis. Chi square test was run to further examine the effect of the variable on project success. Result of the Pearson chi-square test (see annex - 7) revealed that there are no statistically significant differences in factors that affect project success for projects with low, medium and high composite score [χ^2(2, N=36) = 2.235, p=0.693].

As a result, the null hypothesis "Projects with clear and planned communication/ stakeholder consultation have high probability of success" is rejected. The finding was found to be contrary to Pinto and slevin (1987), Ioana et.al (2015) and Stephen and Daniel (2016). Results of the descriptive statistics is presented in table – 4.12 and figure – 4.19.

Table - 4.12: Project Communications Mg't Mean Score by Project Completion Status

Project Success Status	Mean Score
Successful	4.7
Moderately Successful	4.6
Challenged	4.6
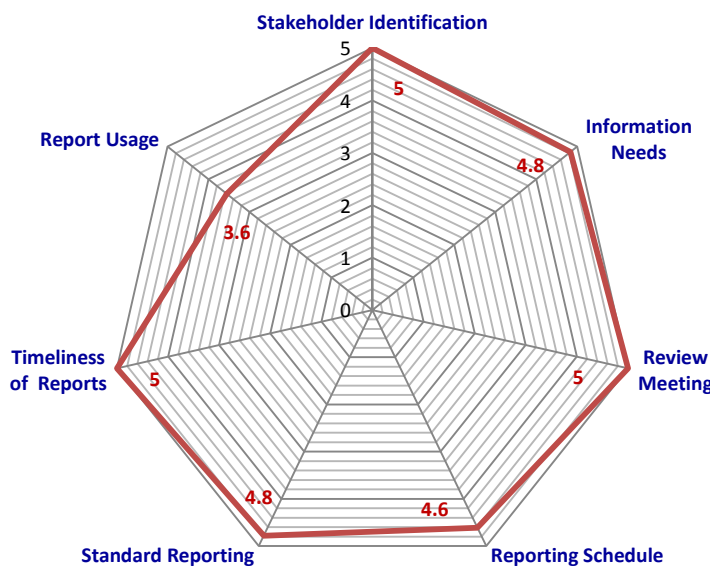
Figure - 4.19: Mean Score of Project Communications Management

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

5.1 SUMMARY OF MAJOR FINDINGS

Pact Ethiopia has implemented a total of 36 projects in the last 13 years, of which over 52% were financed by USAID and the remaining by a total of 9 donors. These projects were implemented with a total outlay of $179 million, of which USAID's fund account for over 91% of the fund.

Pact-Ethiopia's was engaged in the implementation of myriad of projects of which those in the health and livelihood sector were found to be the dominant ones jointly accounting for 50%. It has also been extensively engaged in the implementation of peace building and governance projects constituting over a quarter of its portfolio. Pact is also amongst the few international NGOs engaged in the provision of Alternative Basic Education (ABE) in the peripheral areas of the country to reach the unreached.

Pact's project support reached to millions of Ethiopians. Its projects have been implemented in all the nine national regional states, two city administrations and Federal Executing bodies. The largest slice of projects accounting for two-third were implemented in three regional states (SNNP, Amhara and Oromia regions) that constitute 80% of the country's population.

Pact implemented its projects through a total of 98 locally operating Non-Governmental Organizations. While half of these NGOs were engaged in the implementation of 2 to 5 of Pact's projects each, two-fifth of them implemented one project each. The remaining 7% of the partners were engaged in the implementation of 6 to 9 projects each. The number of partners per project ranges from 1 to as high as 41.

The Mean SPI of Pact's projects was found to be 0.91 indicating that projects were 91% on schedule. While mean SPI score of successful projects reached 0.98, moderately successful and challenged projects scored 0.85 and 0.58 respectively.

The Mean CPI of Pact's projects was found to be 1.16. About 77.8% of the projects scored CPI value of 1 or more indicating cost under-run or project activities were accomplished for

less cost than budgeted. While mean CPI score of successful projects reached 1.29, moderately successful and challenged projects scored CPI value of 1.01 and 0.69 respectively.

Overall mean performance of Pact's projects against key indicators was found to be 91.05%. While about 88.9% of the projects managed to meet 76 – 100%, about 8.3% of the projects achieved 51-75% of their targets. While successful projects met 98.4% of their targets on key indicators, moderately successful and challenged projects achieved 85.4% and 57.9% respectively.

The largest slice of Pact's projects accounting for 67% achieved a composite score (time, cost and achieving key indicators) of 96.7% or more, and hence qualified for Type – I projects, which were completed on-time and on-budget, with key indicators achieving 90 percent or more of their targets. About 22% of Pact's projects were found to be in a composite score interval of 76 to 96.6%, and hence belong to Type – II projects, which were completed and went operational but with some extension period and/or over budget, while meeting 76 to 90 percent of the originally specified targets on key indicators. About 11% Pact's projects were found to fall in a composite score interval of 51-74%, and hence belong to Type – III projects, which were challenged.

A range of independent variables including appropriateness of the technical design, comprehensiveness of the work plan, cost breakdown structures, pre-award assessment, scope creep, procurement, risk management communication, project team and monitoring and evaluation system were identified and regressed against the dependent variable (project success) using the ordered logit model. The result revealed that comprehensiveness of the work plan, procurement, project team building and monitoring and evaluation were found to be determinants of project success with p-value of less than 0.05 and marginal effect of 1.7, 4.2, 7.1 and 2.1 respectively. Technical design and the practice of developing cost breakdown structure were not found to be statistically significant. Scope creep, risk management, pre-award assessment and communications management were dropped from the econometric model due to absence of data with meaningful variability among the different levels of project success.

5.1 CONCLUSIONS

The Mean score for SPI, CPI and performance against key indicators of Pact's projects were found to be 0.91, 1.16 and 91% respectively indicating that a very significant proportion of projects were completed on schedule, within budget and meeting targets on key indicators. Project success rate, measured against the aforementioned three criteria concludes that Pact is in good shape in terms of project success with two-third and close to a quarter of projects completed successful and moderately successful respectively.

The research concludes that the process of work plan preparation affects successful completion of projects. More specifically, application of work breakdown structure to subdivide bigger or complicated activities into smaller and manageable tasks enables project practitioners to come out with exhaustive list of activities that leads to robust work plan.

The research established positive and statistically significant relationship between project team building and successful project implementation. Intentionally planned and properly implemented human resource management activities enables projects to be responsive to issues related to organizational structure and staff retention including key personnel, which are critical towards ensuring the continuity of the management practices, organizational culture and maintenance of institutional memory.

Results of the ordered logit regression analysis also revealed that project procurement practice affects successful completion of projects. Availability of procurement manual, procurement plan and rational bidding process enable projects to have an effective procurement process that ensures availability of goods and services at the right time, right quality and quantity, for the right unit at a reasonable price.

The research concludes that monitoring and evaluation is a determinant of project success. Development of performance monitoring plan enables projects to have a road map on what, why, how and when to monitor and evaluate projects. Monitoring visits conducted using standard checklist and reported using standard reporting templates provides critical inputs that enables the project to be on track. Evaluations conducted systematically helps projects to know whether or not the project is on track against high level objectives and key result

areas and why. The learning thus extracted from periodic evaluations are critically important not only to take rectifying measures that ensures successful completion of the project, but also provide lessons for other on-going and future projects.

Results of the ordered logit regression analysis revealed that the relationship between project success and technical design of projects as well as project success and building cost breakdown structure were not found statistically significant. This was found to be contrary to the descriptive statistics which reveals differences in mean score against the three levels of project success.

Though it was not possible to consider scope creep and communications as independent variables in the ordered logistic regression analysis due to absence of data variability, chi-square test was run to further investigate the relationships. Results of chi-square test established that no statistically significant relationship exist between project success and scope creep as well as project success and communications management.

Results of descriptive analysis revealed that 74% and 22% of projects that passed through rigorous pre-award assessment were found to be successful and moderately successful respectively. However, it was not possible to confirm this through ordered logit regression analysis and chi-square test due to small sample size of projects that qualify for the variable and also absence of variability in the data.

The practice of project risk management was found to be low. Results of the descriptive analysis revealed mean score of 2.15, which is pretty below half of the composite score computed out of five points. Furthermore, no meaningful data variability was observed amongst the scores against the three categories of project success. As a result, it was not possible to make ordered logistic regression driven conclusion on the role of risk management in determining project success.

In the last three years, Pact had implemented two mining projects, one on improving the livelihood of Artisanal and Small Scale Mining (ASM) and the other on the rehabilitation of abandoned ASM sites. Its first time engagement in the mining sector was found to be promising with both projects completed moderately successful.

Results of the descriptive analysis revealed that the lion's share of project fund comes from a single donor, the USAID. It is just like putting all eggs in one basket. Furthermore, review of secondary data also revealed that the volume of fund that Pact gets from USAID has shown declining trend. This could be further compounded by President Trump's "America First" policy, which might lead to significant cut to foreign aid that could in turn have a negative trickling down effect to Pact's current as well as future portfolio.

5.2 RECOMMENDATIONS

Though Pact is on a good shape in terms of completing projects successfully, one third of its projects accounting for 22% and 11% were in the category of moderately successful and challenged projects with an overall project success composite score of 86.9% and 61.6% respectively. This calls the need to keep project success amongst the forefront agenda for Pact-Ethiopia. Project success being a dependent variable can be improved by applying remedial measures against independent variables. Accordingly, the following recommendations are suggested for consideration.

The practice of project work plan preparation was found to be high with mean composite score of 3.4. However, the scores for the two composite elements, namely, assigning responsible entities and deriving life of the project from the duration estimate of each activity were found to be low. There is a general understanding that though the responsible entity was not stated in the work plan, project staff know the activities, which they are in charge of. But this can also be argued from the opposite perspective that an activity left open is an activity assigned to no body. The situation will be much more confusing for projects with many staff. Pact therefore needs to integrate assignment of responsible entities/persons in its work planning process to ensure enhanced level of accountability.

As stated in the literature review, inaccurate project time estimates are amongst leading cause of project failure. Life of projects determined in a scientific way usually yields realistic project schedule, which neither results to over nor under estimation. Pact needs to capitalize on the good practices it built so far (work breakdown structure, activity duration estimating, target setting and use of due dates) to further the practice one step high to

develop project schedule using appropriate project management tools and techniques including the Critical Path Method (CPM).

The research concluded that Pact is in a good shape in terms of building project team. However, review of secondary data revealed an increasing rate of staff turnover in the last couple of years. It is project staffs who implement projects and deliver outputs and outcomes. Staff retention has triple advantages of maximizing the benefits from the so far investment on staff development and utilizing institutional memory in ensuring very smooth continuity of project activities and saving cost of future replacement recruitments. As a result, it is high time for Pact to consider assessment on the causes of high staff turnover and how to address it in a systematic way.

Pact has a standard pre-award assessment tool and an established practice of conducting pre-award assessment prior to providing sub-grant to its implementing partners. While the vast majority of partners that passed through the assessment process completed their projects successfully and moderately successful, one project implemented by a partner that did not pass through the rigorous pre-award assessment process was found with a challenged project completion status. Though this research did not come out with econometric driven conclusion on the role of the variable in determining project success due to issues related to small sample size and absence of data variability, it opens up opportunities for further research.

Though it was not possible to come out with econometric driven conclusion on the role of risk management in determining project success, results of the descriptive analysis could be utilized to come out with recommendations that inform decision making and effective programming. Pact, like any other organizations is implementing projects in a dynamic social, economic and political environment in which the future is uncertain. If this uncertainty is not managed in a systematic way, it can negatively affect cost, time, quality and performance.

Results of the descriptive statistics vividly indicate that the risk management practice of projects were found to be low indicating that the practice was not done as such in a systematic way. Consistent with this, review of secondary data also revealed that risk management was part of the project proposal only for those projects that the donor demands

as a requirement. This calls the need for Pact to nurture and institutionalize risk management so that projects big or small, complex or common, short or long could pass through rigorous risk management process, which includes risk identification, analysis, response and monitoring.

The research established that the practice of procurement affects project success. The mean score of the variable was found to be high indicting that Pact is in a good shape. However, there are still rooms for improvement by enhancing the practices of developing procurement plan as well as preparing and validating list of suppliers and making advantage of bulk purchase. The procurement practice can also be improved by extending technical support for partners to develop their own procurement manual.

Projects could encounter multiple scope creeps at different times. What matters is not what happened, but also why it happened and how it can be managed. If scope creep is not managed properly, it can negatively affect cost, time, quality and performance. Scope creep could either bring expansion or reduction in project activities, but most often the former. Under such circumstances, projects need to exercise the approved change management process, which ensures that the necessary resources (human and financial) that match the revised scope is in place and also ensure that the necessary time extension that fits to the additional activities is approved or the additional activities were designed to fit within the agreed project completion period to the extent of applying project compression techniques.

The research revealed that the extent to which monitoring and evaluation is practiced affects project success. The mean score of the variable was found to be very high indicting that Pact is well positioned in it. However, there are still rooms for further improvement by emphasizing on sharing/dissemination mechanisms and utilization of monitoring visit and periodic evaluation reports. Furthermore, the commitment and strong buy-in of Pact's management for Monitoring, Evaluation, Reporting and Learning (MERL) need to continue to keep the system functional.

Two mining projects that Pact Ethiopia country office implemented for the first time were found to be moderately successful. This provides the country office a new opportunity to expand its portfolio besides its traditional niches of livelihood, alternative basic education and peace building/governance.

The source of funding for Pact's projects is entangled with constraints. The lion's share of project funding comes from a single basket, the USAID. This basket, which is under uncertainty due to President's new policy of "America First" that could result to significant cut of foreign aid, has already shown declining funding trend for Pact Ethiopia even prior to the era of Trump. It is therefore high time for Pact Ethiopia to strategize for the diversification of its funding base to have less reliance on USAID.

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ANNEX

Annex - 1: Data Collection Tool

SECTION – I: PROJECT IDENTIFICATION			
1.1	Name of the project:	*Full Name*	
		Name In Short	
1.2	Donor		
1.3	Partners/sub grantees implementing the project		
1.4	Project implementation regions/city administrations		

SECTION – II: PROJECT SUCCESS CRITERIA						
2.1 Project Time Management						
2.1.1	Planned duration of the project (in months)			2.1.2	Actual duration of the project (in months)	
	Start Date:		*(dd/mm/yyyy)*		Start Date:	*(dd/mm/yyyy)*
	End Date:		*(dd/mm/yyyy)*		End Date:	*(dd/mm/yyyy)*
2.1.3	Project completion score in terms of time dimension (in %)					
2.2 Project Cost Management						
2.2.1	Total Approved Project budget (in USD)					
2.2.2	Budget at completion (in USD)					
2.2.3	Project completion score in terms of budget dimension (in %)					
2.3 Project Performance						
2.3.1	Accomplishment rate of the project against key indicators (in %)					

Instruction: *Responses for questions that dwell on "the extent/magnitude/ rating" are designed to be in a likert scale of 1 to 5. Would you please circle your response noting that 1 is the **LOWEST** and 5 is the **HIGHEST**.*

SECTION – III: PROJECT SUCCESS FACTORS						
QUESTIONS		**RESPONSE**				
3.1 Project Technical Design						
3.1.1	To what extent were objectives SMART?	1	2	3	4	5
3.1.2	How do you rate the conceptual framework/Theory of Change (ToC) of the project?	1	2	3	4	5
3.1.3	How do you rate the logical framework/results framework of the project?	1	2	3	4	5
3.1.4	To what extent were key indicators against which the project would be gauged included?	1	2	3	4	5
3.2 Project Work Plan						
3.2.1	To what extent does the project work plan include exhaustive list of activities?	1	2	3	4	5
3.2.2	To what extent does the project work plan include targets against key indicators?	1	2	3	4	5
3.2.3	To what extent does the project work plan include duration estimates for each activity?	1	2	3	4	5

	QUESTIONS	RESPONSE				
3.2.4	To what extent does the project work plan include due dates for the delivery of each activity?	1	2	3	4	5
3.2.5	To what extent does the project work plan include responsible persons in charge of the activities?	1	2	3	4	5
3.2.6	To what extent was the total duration of the project calculated taking account of the time requirement of key milestones/activities?	1	2	3	4	5
3.3 Project Cost Estimation						
3.3.1	To what extent was budget prepared reflecting detail cost breakdown structure?	1	2	3	4	5
3.3.2	To what extent does the project cost estimate make use of documented assumptions?	1	2	3	4	5
3.3.3	To what extent does the project cost estimate include the basis of cost estimate?	1	2	3	4	5
3.3.4	To what extent does the project cost estimate take account of inflation?	1	2	3	4	5
3.4 Project Scope Management						
3.4.1	Did the project encounter scope creep in its life?	1 = Yes		2 = No		
3.4.2	If, yes, was the expansion of the scope supported with the provision of the required cost?	1 = Yes		2 = No		
3.4.3	If there was scope creep, were provisions made to recruit the required project personnel that the scope expansion required?	1 = Yes		2 = No		
3.4.4	If there was scope creep, was it planned to fit within the agreed project completion period?	1 = Yes		2 = No		
3.5 Pre-Award Assessment of Implementing NGOs						
3.5.1	Did the project conduct pre-award assessment prior to providing sub-award to the implementing partners?	1 = Yes		2 = No		
3.5.2	If yes, was the assessment conducted as per the standard pre-award assessment tool?	1 = Yes		2 = No		
3.6 Project Risk Management						
3.6.1	Did the project have risk management plan?	1 = Yes		2 = No		
3.6.2	To what extent did the project identify risks from its inception?	1	2	3	4	5
3.6.3	To what extent did the project practice risk analysis (probability and impact)?	1	2	3	4	5
3.6.4	To what extent the project managed to assign responsible persons to manage the different risks?	1	2	3	4	5
3.6.5	Would you please rate the risk monitoring practice of the project (in a scale of 5, where 1 is poor & 5 is highest)	1	2	3	4	5
3.7 Project Team						
3.7.1	To what extent is the organizational structure appropriate to the project?	1	2	3	4	5
3.7.2	Did project employees have job description for their post?	1	2	3	4	5
3.7.3	To what extent did the project manage to recruit and place employee on time?	1	2	3	4	5
3.7.4	Did the project manage to have all the required staff?	1	2	3	4	5
3.7.5	Did the project manage to provide induction to all of the new staff?	1	2	3	4	5

	QUESTIONS	RESPONSE				
3.7.6	To what extent did the project manage to develop the skills of its staff as per the staff development plan?	1	2	3	4	5
3.7.7	Would you please rate availability of the project key personnel for the entire life of the project?	1	2	3	4	5
3.7.8	How do you rate the practice of having Individual Operational Plan (IOP) that held staff accountable?	1	2	3	4	5
3.7.9	To what extent did the project conduct staff performance appraisal?	1	2	3	4	5
3.8 Project Procurement						
3.8.1	How do you rate Pact's procurement policy/manual?	1	2	3	4	5
3.8.2	How do you rate implementing partners' procurement policy/manual?	1	2	3	4	5
3.8.3	To what extent did the project develop procurement plan/Scope of Work (SoW)?	1	2	3	4	5
3.8.4	What did the practice of identifying suppliers look like?	1	2	3	4	5
3.8.5	To what extent did the project practice selection of suppliers using objective measures (use of criteria)?	1	2	3	4	5
3.8.6	How do you rate the practice of assigning adhoc committee that work on the selection of suppliers?	1	2	3	4	5
3.8.7	To what extent was the procurement subject to the approval of the highest level official?	1	2	3	4	5
3.8.8	To what extent is the project documents procurement related materials?	1	2	3	4	5
3.9 Project Monitoring and Evaluation						
3.9.1	How do you rate the Performance Monitoring Plan (PMP) of the project?	1	2	3	4	5
3.9.2	To what extent did the project employ monitoring checklist while conducting monitoring visit?	1	2	3	4	5
3.9.3	How do you rate the practice of developing project monitoring schedule?	1	2	3	4	5
3.9.4	How do you rate the practice of using standard template for monitoring visit reporting?	1	2	3	4	5
3.9.5	To what extent project staff delivered monitoring visit report?	1	2	3	4	5
3.9.6	What did the practice of sharing monitoring visit reports look like?	1	2	3	4	5
3.9.7	To what extent did the project use monitoring visit reports for programming/decision making?	1	2	3	4	5
3.9.8	Did the project pass through an evaluation process? (Multiple response possible)	1 = No evaluation 2 = Baseline evaluation 3 = Mid-term evaluation 4 = End line evaluation 5 = Baseline + Mid-term and/or end line evaluation				
3.9.9	To what extent were tools used consistently?	1	2	3	4	5
3.9.10	How do you rate the timeliness of evaluations conducted to the project?	1	2	3	4	5

	QUESTIONS	RESPONSE				
3.9.11	How do you rate the appropriateness of methodologies used for the project evaluations?	1	2	3	4	5
3.9.12	How do you rate the validation processes of the evaluation reports?	1	2	3	4	5
3.10 Project Communications Management						
3.10.1	To what extent did the project identify stakeholders from its inception?	1	2	3	4	5
3.10.2	To what extent did the project identify information needs of its stakeholders?	1	2	3	4	5
3.10.3	To what extent did stakeholders (sector offices and/or beneficiaries) participate in review meetings?	1	2	3	4	5
3.10.4	How do you rate the practice of having project reporting schedule?	1	2	3	4	5
3.10.5	How do you rate the practice of using standard project reporting template?	1	2	3	4	5
3.10.6	To what extent is the project on schedule in terms of submitting performance report to its stakeholders?	1	2	3	4	5
3.10.7	How do you rate utilization of reports for effective programming/decision making?	1	2	3	4	5

Annex - 2: List of Projects Included in the Research

No.	Project Name (in full)	Name in Short
1	Yekokeb Berhan Project for Highly Vulnerable Children	YB
2	Strengthening Civic Education in Primary Schools in Ethiopia	SCEPS
3	Transforming Education for Adults and Children in the Hinterland: Phase-I	TEACH-I
4	Transforming Education for Adults and Children in the Hinterland: Phase-II	TEACH-II
5	WASH Project for TEACH-II	TEACH-II WASH
6	Improving Quality of Primary Education Program	IQPEP
7	Reaching Educational Attainment of Children in the Hinterland: Phase-I project	REACH-I
8	Reaching Educational Attainment of Children in the Hinterland: Phase-II project	REACH-II
9	Strategic Climate Institutes Project	SCIP
10	Support to Improve the Economic Social and Environmental Sustainability of Artisanal Miners	WB-ASM
11	Acute Watery Diarrhea Prevention in Dassenech Woreda	AWD
12	International City Management Association/Regional Municipal Service Strengthening	ICMA/RMSS
13	Youth and Children with Health Option Involving Community Engagement Strategies	Y-CHOICES
14	METEBABER: Enhancing Civil Society through SIDA Cooperation	METEBABER-I
15	Restoration of Community Stability in Gambella	RCSG
16	Muslim Agencies Recharging Capacity against HIV/AIDS	MARCH
17	Stability for Ethiopia's Lowland Marginalized Communities	SELAM-C
18	Promoting Stability at the Sudan-Ethiopia Border through Enhancing Conflict-Sensitive Cross-border Trade	Cross Boarder
19	Constructive Dialogue Initiatives- Phase-I project	CDI-I
20	Capacity and Collaboration for Sustainable Development in South Omo	CCSD-SO
21	Gambella Community Development	GCD
22	Partnership for Community Action to Support OVC	PICASO
23	Girls' Enhancement and Management (GEM) Phase-I project	GEM-I
24	Girls' Enhancement and Management (GEM) Phase-II project	GEM-II
25	Girls Enhancement through Sexual Exploitation Termination	GET-SET
26	Child Protection through Women Socio-economic Development	CPWSED
27	Adolescent Reproductive Health – Phase III	ARH
28	Extractive Industries Transparency Initiatives - Building Capacities in Extractive Industries for Better Responsiveness in Transparency and Accountability	EITI-BERTA
29	Advancement of Women Through Partner Civil Society Organizations	Metebaber-II
30	Establishing Alternative Child Care Mechanisms	Alt. Child Care
31	Literacy-Led Savings and Credit for Women's Empowerment	WORTH
32	Prevention Plus for Muslim Communities	PPMC
33	Expanding and Supporting the Media Sector in Ethiopia	Media Forum
34	Youth Focused Reproductive Health Program in Ethiopia	ARH-II
35	METEBABER: Improving the Wellbeing of Women and Girls in Ethiopia	METEBABER-III
36	Expanding Constructive Dialogue in Post-Election Ethiopia	DRL

Annex - 3: Geographic Distribution of Projects

No.	Project	Federal Gov't	Afar	Tigray	Amhara	Oromia	Somali	SNNP	Beni. Gumuz	Gambella	Harari	A.A	Dire Dawa
1	YB-HVC	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
2	SCEPS	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
3	TEACH-I		✔	✔	✔	✔	✔	✔	✔	✔			
4	TEACH-II		✔	✔	✔	✔	✔	✔	✔	✔			
5	TEACH-II WASH		✔	✔	✔	✔	✔	✔	✔	✔			
6	IQPEP	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
7	REACH-I		✔	✔	✔	✔	✔	✔	✔	✔			
8	REACH-II		✔	✔	✔	✔	✔	✔	✔	✔			
9	SCIP	✔			✔	✔							
10	WB-ASM	✔	✔	✔	✔	✔		✔	✔				
11	AWD							✔					
12	ICMA/RMSS									✔			
13	Y-CHOICES		✔	✔	✔	✔		✔	✔	✔	✔	✔	✔
14	Metebaber-I		✔	✔	✔	✔		✔	✔				
15	RCSG									✔			
16	MARCH		✔			✔	✔				✔		
17	SELAM-C							✔					
18	Cross Boarder									✔			
19	CDI-I	✔											
20	CCSD-SO							✔					
21	GCD									✔			
22	PICASO				✔	✔		✔		✔		✔	
23	GEM-I				✔			✔		✔			
24	GEM-II				✔			✔		✔			
25	GET-SET				✔			✔		✔			
26	CPWSED					✔		✔					
27	ARH - III				✔	✔		✔				✔	
28	EITI/BERTA	✔											
29	Metebaber-II		✔		✔	✔		✔	✔			✔	
30	Alt. Child Care	✔											
31	WORTH				✔	✔		✔					
32	PPMC		✔	✔	✔	✔					✔		
33	Media Forum	✔											
34	ARH-I				✔	✔		✔				✔	
35	Metebaber-III		✔		✔	✔		✔	✔			✔	
36	DRL	✔											
	Total number of projects by region	10	15	12	22	21	9	24	13	17	6	9	4

Annex - 4: List of Respondents (Project Staff)

No.	Project	Name of Respondents	Relation to the Project
1	YB-HVC	Gobena Seboka	Chief of Party
2	SCEPS	Takelech Abebie	Senior Program Officer
3	TEACH-I	Makda Getachew	Senior Program Manager
4	TEACH-II		
5	TEACH-II WASH	Yodit Yimenu	Senior WASH Officer
6	IQPEP	Dereje Megersa	Senior MERL Officer
7	REACH-I	Takelech Abebie	Senior Program Officer
8	REACH-II		
9	SCIP	Yodit Yimenu	Senior ASM Program Officer
10	WB-ASM		
11	AWD	Awol Mohammed	Senior Program Officer
12	ICMA/RMSS	Okuch Ougule	Senior Program Officer
13	Y-CHOICES	Metalign Ayehu	Senior MERL Manager
14	Metebaber-I	Aster Birkie	Program Director
15	RCSG	Dereje Getahun	Director, Program Advancement Department (PAD)
16	MARCH	Tesfaye Yimer	Program Manager
17	SELAM-C	Fantahun Legesse	Senior Program Officer
18	Cross Boarder	Dereje Getahun	M&E Director
19	CDI-I	Benyam Akalu	Program Manager
20	CCSD-SO	Fantahun Legesse	Senior Program Officer
21	GCD	Okuch Ougule	Senior Program Officer
22	PICASO	Metalign Ayehu	MERL Manager
23	GEM-I	Haimanot Kagnew	Program Officer
24	GEM-II		
25	GET-SET		
26	CPWSED	Selamawit Menkir	Program Manager
27	ARH - III	Tesfaye Yimer	Program Manager
28	EITI/BERTA	Tamiru Lega	NRM & Strategic Partnership Advisor
29	Metebaber-II	Selamawit Menkir	Program Manager
30	Alt. Child Care	Dereje Getahun	Director, Program Advancement Department (PAD)
31	WORTH	Makda Getachew	Senior Program Manager
32	PPMC	Metalign Ayehu	Senior MERL Manager
33	Media Forum	Benyam Akalu	Program Manager
34	ARH-I	Tesfaye Yimer	Program Manager
35	Metebaber-III	Selamawit Menkir	Program Manager
36	DRL	Benyam Akalu	Program Manager

Annex - 5: SPI, CPI and Burn Rate of Projects

| No.	Project	Schedule Performance Index	Cost Performance Index
1	YB-HVC	0.96	1.26
2	SCEPS	0.97	0.98
3	TEACH-I	0.98	1.37
4	TEACH-II	0.99	1.38
5	IQPEP	1.00	1.05
6	REACH-I	0.99	2.11
7	REACH-II	1.00	2.13
8	Metebaber-I	0.96	1.01
9	MARCH	0.99	1.00
10	SELAM-C	0.98	1.30
11	Cross Boarder	1.00	2.52
12	CDI	0.96	1.30
13	CCSD-SO	0.99	1.30
14	GCD	1.00	1.30
15	PICASO	0.98	1.18
16	GEM-I	0.99	1.71
17	GEM-II	0.98	1.01
18	GET-SET	1.00	1.03
19	CPWSED	1.00	0.95
20	ARH - II	0.96	1.01
21	Metebaber-II	0.99	1.01
22	PPMC	0.90	1.01
23	ARH-I	0.97	1.01
24	Metebaber-III	0.94	1.01
25	TEACH-II WASH	0.91	1.27
26	SCIP	0.96	0.65
27	WB-ASM	0.87	0.89
28	Y-CHOICES	0.76	0.81
29	RCSG	0.91	1.07
30	WORTH	0.89	1.24
31	Media Forum	0.78	1.30
32	DRL	0.76	0.85
33	AWD	0.64	0.71
34	ICMA/RMSS	0.68	0.71
35	EITI/BERTA	0.40	0.71
36	Alt. Child Care	0.60	0.63
	Mean Index Value	**0.91**	**1.16**

Annex - 6: Cross Tabulation of Scope Creep and Project Completion Status

Description		The project encountered scope creep	The project did not encounter scope creep	Total
Challenged Projects	Count	0	4	4
	% within Project completion status	0.0%	100.0%	100.0%
	% within Dummy for scope creep: 1 if the project has not encountered scope creep in its life time and 0 otherwise.	0.0%	11.8%	11.1%
	% of Total	0.0%	11.1%	11.1%
Moderately Successful Projects	Count	0	8	8
	% within Project completion status	0.0%	100.0%	100.0%
	% within Dummy for scope creep: 1 if the project has not encountered scope creep in its life time and 0 otherwise.	0.0%	23.5%	22.2%
	% of Total	0.0%	22.2%	22.2%
Successful Projects	Count	2	22	24
	% within Project completion status	8.3%	91.7%	100.0%
	% within Dummy for scope creep: 1 if the project has not encountered scope creep in its life time and 0 otherwise.	100.0%	64.7%	66.7%
	% of Total	5.6%	61.1%	66.7%
Total	Count	2	34	36
	% within Project completion status	5.6%	94.4%	100.0%
	% within Dummy for scope creep: 1 if the project has not encountered scope creep in its life time and 0 otherwise.	100.0%	100.0%	100.0%
	% of Total	5.6%	94.4%	100.0%

$\chi 2$ test	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square Test	1.059[a]	2	0.589
Likelihood Ratio	1.680	2	0.432

Annex - 7: Cross Tabulation of Communications Management and Project Completion Status

Project Completion Status	Description	Communication Scofre in Categories			Total
		Lower bracket of very good	Middle bracket of very good	Higher bracket of very good	
Challenged	Count	1	0	3	4
	% within Project completion status	25.0%	0.0%	75.0%	100.0%
	% within Communication in categories	12.5%	0.0%	13.0%	11.1%
	% of Total	2.8%	0.0%	8.3%	11.1%
Moderately Successful	Count	3	1	4	8
	% within Project completion status	37.5%	12.5%	50.0%	100.0%
	% within Communication in categories	37.5%	20.0%	17.4%	22.2%
	% of Total	8.3%	2.8%	11.1%	22.2%
Successful	Count	4	4	16	24
	% within Project completion status	16.7%	16.7%	66.7%	100.0%
	% within Communication in categories	50.0%	80.0%	69.6%	66.7%
	% of Total	11.1%	11.1%	44.4%	66.7%
Total	Count % within Project completion status	8	5	23	36
	% within Communication in categories % of Total	22.2%	13.9%	63.9%	100.0%
		100.0%	100.0%	100.0%	100.0%
		22.2%	13.9%	63.9%	100.0%
χ2 test		**Value**	**df**	**Asymp. Sig. (2-sided)**	
Pearson Chi-Square value		2.235[a]	P vale		0.693
Likelihood Ratio value		2.684	P vale		0.612

Annex - 8: US Dollar to Birr Exchange Rate: Trend
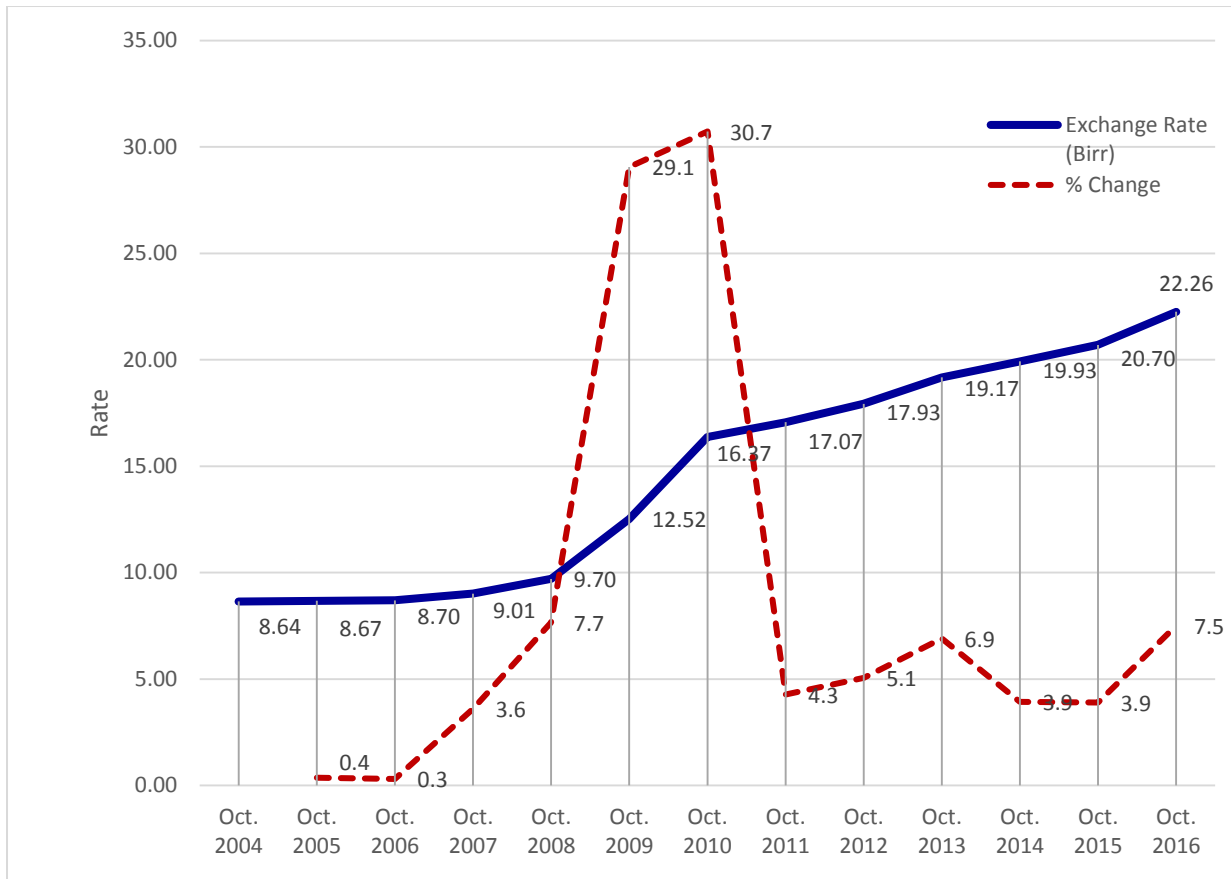
Source: Commercial Bank of Ethiopia