



ST.MARY'S UNIVERSITY

**THE USE OF TRAVEL ALLOWANCE AND PER-
DIEM RATE AS MOTIVATING FACTOR FOR
PARTICIPANTS IN TRAINING/WORKSHOPS:
*STUDY ON ICAP & PLAN INTERNATIONAL
ETHIOPIA.***

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**JANUARY 2017
ADDIS ABABA, ETHIOPIA**

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INTERNATIONAL ETHIOPIA.**

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DECLARATION

I, the undersigned, declare that this research project is my original work. All sources of materials used for the research project have been duly acknowledged. I further confirm that the research project has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Name

Signature

St. Mary University January, 2017

ENDORSEMENT

This research project has been submitted to St. Mary University, School of Graduate Studies, and Department of General MBA for examination with my approval as a university advisor.

_____ Chalachew Getahun (PhD)

Advisor Signature

St. Mary University

January, 2017

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List of Acronyms and Abbreviations

CCT	Conditional Cash Transfer
CCRDA	Consortium of Christian Relief and Development Association
CSA	Charities and Civil Societies Agency
CSOs	Civil Society Organizations
DAG	Development Assistance Group
DSA	Daily Substance Allowance
EU	European Union
FEAC	Federal Ethics and Anti-Corruption Commission
ICAP	International Center for AIDS Care and Treatment Programs
ICT4D	ICT for Development
IDA	International Development for Aid
MDG	Millennium Development Goal
MoFED	Ministry of Finance and Economic Development
NGOs	Non-Government Organizations
OFAG	Office of the Federal Auditor-General
PIE	Plan International Ethiopia
SDA	Safari Day Allowance
SNNP	Southern National People and Nationalities
UNDP	United Nation Development Program

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Abstract

Per diems and allowances payments made to compensate staff for work-related travel or participation in staff development activities were recognized as an important factor in motivating workers in government and non-government organizations. A large portion of development aid was spent on seminars, trainings and workshops to enhance competence and efficiency in state administrations as well as in civil society organizations. While there can be little doubt that the government, non-government staff and civil society employees attending such training and awareness-raising events learn something and upgrade their skills. The purpose of this study is to examine the use of travel allowance & per-diem rate as motivating factor for participants in a training/workshop on two selected non-governmental organizations (International Center for AIDS Care and Treatment Programs and Plan International Ethiopia) staffs and their government partners'. In terms of the methodology the researcher used questioner & interview techniques for data collection, and employing sequential explanatory design with the view to using qualitative results to assist in explaining and interpreting the findings of a primarily quantitative study. The study was found that per-diem and travel allowance rate had an effect on motivating employees to attend training/workshop, therefore, the higher the per-diem rate and travel allowance the more employees motivated in training and workshop activities. The findings drive to a conclusion that the major purpose of per-diem was reimbursing travel expenses and not to remunerate staff. If the per-diem rate is more than actual cost, employees motivated to participate in unnecessary meeting or workshop. In contrary, if the rate of per-diem is not sufficient enough to cover the expenditure related with travel, the participants/employees pursue illegal mechanism to compensate their expenses like inflating the training days, manipulating /falsifying the documents. Based on the result of this study, it was recommended that introducing tighter financial control & enhancing transparency in policy implementation may help to reduce per-diem abuse.

Key Words: Per-diem, Travel allowance, Training, Motivation

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Seminars and workshops are necessary to enhance competence and efficiency in state administrations as well as in civil society organizations. The need to improve efficiency in most developing countries' basic service delivery explain why a significant proportion of aid money is spent on seminars, workshops and travel arrangements for civil servants and members of civil society organizations. Reimbursement of participants' travel expenses is an integral part of such activities.

Training, workshops and seminars conducted for the purpose of capacity building specially in developing countries. Capacity building is a central concern of development efforts in general, and particularly in Africa. A large portion of development aid is spent on seminars, trainings and workshops to enhance competence and efficiency in state administrations as well as in civil society organizations. While there can be little doubt that the government staff, NGO staff and civil society employees attending such training and awareness-raising events learn something, uplift their motivation and upgrade their skills, the effectiveness of these workshops is a sadly understudied and underreported area (Søreide, Tostensen&Skage, 2012).

An increasing amount of public spending in Africa is allocated to per-diem as a core instrument of the incentive structure. This is mainly given to compensate employees for extra expenses incurred when on travel away from their normal duty station (Søreide, Tostensen, &Skage, 2012).

It has been reported (Chêne, 2009 ; Søreide et al., 2012) that, in the last decades, there has been a rapid increase in the amount of money which is allocated to these expenses in many African countries with the aim to enhance competence and efficiency in state administrations. While such

expenses on per diems might be cost-effective in some settings, the increasingly large amount spent warrants more attention to the question of whether those who spend get value for money for these expenses.

While using per diems as a financial coping strategy may be functional in the sense that it motivates workers to continue in their jobs, per diem policies may also reduce effectiveness, waste resources, and provide opportunities for abuse. Examining aid effectiveness in a Tanzanian natural resource program, Jansen (2009) estimated that 50-70% of the USD 60 million donor-funded projects were spent on workshops, per diems and travel expenses. In an editorial appearing in the journal *Tropical Medicine and International Health*, Valéry Ridde stated that a “deliberate process is needed to find an equitable treatment for this long neglected disease” of per diemitis (Ridde 2010).

Circumstantial as well as systematic evidence from many countries and projects suggest that there are much trickery of the system and opportunistic rent-seeking behavior around per diems. A recent study by Ridde (2010) reported that malfunction of the per diem systems (which he called per diemitis) is one of the most prevalent illnesses in Africa and is contributing to the expected failure to achieve the MDGs in Africa.

The organizers of the meeting or workshops especially NGOs compete each other to attract more participants by paying highest rate. There is a per diem arms race, where external donors bid up allowances in an attempt to get key decision makers to prioritize the donor's activities. Another problem with per diem is that beneficiaries start to demand payment for any type of training or meetings, regardless of whether the employee incurs expenses as a result of attending these events.

Unfortunately this topic has remained unexplored and little has been written on the subject. The serious lack of knowledge regarding the allowance and per diem issues severely hampers any attempt to understand and improve the system. This paper contributes to fill this gap in the literature part.

1.2 Statement of the Research Problem

Per-diem, or daily substance allowance, is an important mechanism for reimbursing work-related expenses and, for encouraging participation in professional development activities.

As a significant part of their work, a great number of non-governmental organizations in Ethiopia support trainings and workshops with the aim of enhancing the capacity of government and non-government employees in different sectors at federal, regional, zonal, or Woreda level. The financial resources allocated for these activities constitute a significant portion of the annual budget of the non- governmental organizations.

Even though, huge budget expended by Non-government organizations in the name of capacity building for training and workshop but the training could not bring the intended impact that expected. Conducting skills building trainings and workshops at the current scale cannot be sustainable when the non-governmental organizations cease operation due to various reasons, and the government entities will find it difficult to support these resource-intensive activities.

In low-income settings, per diems are an increasingly important source of compensation for many workers (Chêne, 2009; Roenen, Ferrinho, Van Dormael, Conceicao, & Van Lerberghe, 1997 as cited in Vian& Sabin, 2012). A main concern with per diem spending is that per diem policies are often manipulated and abused by individuals to increase their compensation, or per diem-related decisions are made in ways that appear to favor some staff over others (Vian, Miller, Themba, & Bukuluki, 2012 as cited in Vian& Sabin, 2012).

Per diems and other allowances have been shown to distort human resource management systems by shifting the focus of work from routine tasks to workshop attendance (Hanson, 2012 as cited by Vian& Sabin, 2012). Higher level employees may even seek to maximize personal income by adding unnecessary workshops and travel to budgets, or by creating fake records of travel to defraud the system. These types of gaming the system and rent seeking behavior are seen as inflating the cost of services (Søreide et al., 2012).

There are few studies conducted at global and Ethiopia's cases related to per-diem and travel allowance malpractice. The first is a set of country studies examining the origins and consequences of per diem compensation conducted by Chr. Michelson Institute (CMI) researchers in Tanzania, Ethiopia, and Malawi (Søreide et al., 2012). The research and analysis was done at the national not at organizational level. Moreover, this study examined per diems through the broad lens of political economy analysis, looking at government institutions, power relationships, and stakeholders.

In terms of methodology and structure, this study comprises: mapping of policies, regulations and practices in three countries. During fieldwork they relied on in-depth, qualitative interviews with key informants representing a wide range of institutions and stakeholders, including academia, civil society and the media. Time and resource constraints prohibited quantitative methods of data gathering that would have allowed for statistical analysis.

The second source is a study of health staff perceptions of per diem abuse in Malawi and Uganda by the Boston University School of Public Health researchers, with support from the U4 Anti-Corruption Resource Centre (Vian, Miller, Themba, & Bukuluki, 2011; Vian et al., 2012). This study applied qualitative research methods to understand individual perspectives and organizational issues related to per diem abuses.

Per-diems are sometimes used informally to incentivize employees and increase job satisfaction, without having to permanently increase salaries (Vian 2009). A U4 study which gathered data from 41 key staff in government and NGO organizations in Malawi and Uganda found that staff liked per diems because they facilitated getting work done, encouraged training which increased the knowledge base of organizations, and motivated staff to be more productive (Vian et al., 2012).

In light of the above facts and research gaps: the research and working paper conducted basically at national level, as well as used qualitative method of data gathering. There is also contextual gap because the research and working paper mostly conducted in various African countries other than Ethiopia. The studies mainly focus on per-diem and travel allowance malpractice and per-

diem abuse. The purpose of this study is to examine the use of per-diem and travel allowance rate as motivating factor for participants in training/workshops on selected two NGOs (ICAP & Plan International Ethiopia) and their government partners. In terms of the methodology the researcher will use mixed method approach using interview and questionnaires for data collection, sequential explanatory design typically to use qualitative results to assist in explaining and interpreting the findings of a primarily quantitative study. Moreover, the researcher will use descriptive and inferential statistics for data analysis and interpretation.

It is important to address the gap because the study will use empirical evidence to find the effect of per-diem and travel allowance rate on workshop participant's motivation. Further, the researcher believes that the difference in per-diem rate in various training activities will have a motivation effect or influence on training participants' behavior. Moreover, it scans the extent to which per diems are used and abused in the above mentioned organizations and government offices. Hence, depending on the research result, to understand the motive of training participants and avoid the negative impact of per-diem and the organizations adjust themselves to use their financial and human resources efficiently and effectively for its intended purpose.

1.3 Research Questions, Objectives and Significance

1.3.1 Research Questions

The research aimed to answer the following questions:

- What does the existing practice in the use of travel allowances and per-diem rates look like in Plan International and ICAP Ethiopia?
- Do travel allowances and per-diem rates used as motivating factor for participants in training/workshops? If so, to what extent and how?
- How ought to travel allowances and per-diem rates be used to training/workshop participants?

1.3.2 Research Objectives

1.3.2.1 General Objective

The general objective of the research is to examine the use of travel allowance and per-diem rate as motivating factor for participants in training/workshop in the case of ICAP & PLAN International Ethiopia and their government partners' offices.

1.3.2.2 Specific Objectives

To assess the existing practice in the use of travel allowances and per-diem rates look like in Plan International, ICAP Ethiopia and their government partners.

To understand travel allowances and per-diem rates influence on training participants' motivation.

To regulate, per-diem rate to be used in training or workshop sessions for participants.

1.3.3 Significance of the Research

The research identifies the positive and negative aspects of per diem (travel allowances) rates on training participants' motivation to take part in a particular meeting or workshop. The paper revisits the conception of per diems on selected two non-government organizations and their government partners; scans the extent to which per diems are used and abused assess its effect on motivation of training participants to participate in training/workshop.

Government or non-government organizations may use the research document to understand benefits and drawbacks of per diems and take corrective actions in the future to control their staffs from unnecessary trainings and workshops.

The recommendation to be drawn from this study will be a vital input for policy makers, promoters and any other stakeholders concerned. It also serves as a platform for taking further investigation by other researchers hence, it contributes to fill the gap in the existing literature and can be used as an input for further studies.

1.4 Limitations of the Study

The study empirically examine the effects of per diem rate on training participants motivation however; there may be some other factors that can have impact on employees of motivation like economic factors, inflation, salary of civil servants & NGOs employees and rate of unemployment in the country.

Per-diem and travel allowance is a complicating factor that may encourage recipients to abstain from critiquing unsustainable interventions. The beneficiaries might be deliberately reluctant to provide or obtain information improve transparency because their own benefits and power might hinge on the secrecy surrounding the system. Therefore, it may be helpful to relay on informal relationship and collaborating organization to obtain data. Moreover, research that touches upon personal and sensitive issues, like peoples' attitudes toward the use of per diems, may have inherent limitations.

The above mentioned limitation may have impact on the quality of the finding and result and to make generalization of the finding from the study but the researcher believe that this limitation will be overcome by increasing the population & sample size.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The body of the literature is reviewed using the following themes: Conceptual literature regarding the issue being studied: per-diem, travel allowance, and motivation, theoretical literature regarding the relationship between per-diem and travel allowance and empirical literature on the same issue as the theoretical literature. Synthesis of the major findings from the literature review, in terms of what is so far known, what is not known (gap), which gap is addressed by present research, and what specific contribution the present research has to existing literature.

2.2 Background of the Study Area

For more than half a century, inter organizational arrangements have been cultivated to guide development collaborations among donors, implementation partners, non-governmental organizations (NGOs), and developing world (public sector) recipients. Often such efforts have persisted despite asymmetric (unequal) power relations, cultural differences, resource inequalities, political tensions, and underlying conflicts of interests. Although the experiences and strands of reasoning that various stakeholders draw on to inform and legitimize participation in development projects differ (Jensen & Winthereik, 2013 as cited Sanner, & Sæbø, 2014), the players have been able to arrive at organizational forms (e.g., collaborative networks and partnerships) and practices (e.g., workshops) that mutually satisfy short-term expectations (Jordan Smith, 2003 as cited by Sanner, & Sæbø, 2014.)

An increasingly considerable portion of public spending is allotted to allowances and per diems, usually in connection with seminars and workshops. This is especially the case as capacity building is a central concern of development efforts notably in Africa. It has been reported (Chêne, 2009 ; Søreide et al., 2012) that, in the last decades, there has been a rapid increase in the amount of money which is allocated to these expenses in many African countries with the aim to enhance competence and efficiency in state administrations. While such expenses on per diems might be cost-effective in some settings, the increasingly large amount spent warrants more attention to the question of whether those who spend get value for money for these expenses.

Pfeiffer (2003) reports on the competitive use of per diems to garner project participation and support in Mozambique's health care sector. He notes that per diem rates paid by donors skyrocketed during the 1990s. This resulted in a situation where one week of per diems yielded higher pay than a month's salary in the public health services. At present, the use of inflated per diems has evolved into perdiemitis: where "[t]he players plan their actions around the primary goal of acquiring per diems, rather than of effecting changes among the publics targeted by their intervention" (Ridde, 2010). As a result, the wrong people participate in project workshops and too many workshops are held at the wrong locations for too high a cost (Pfeiffer, 2003).

Although a few studies pointed at these challenges with development projects more than a decade ago (e.g., Jordan Smith, 2003; Pfeiffer, 2003), inflated per-diem payments remain prevalent (Søreide, Tostensen&Skage, 2012). Søreide et al. report on the persistent use of per diems in Malawi, Tanzania, and Ethiopia and argue that it could even be seen as foolish or immoral not to exploit such arrangements to satisfy for "one's own," as per diems "form an entrenched, informal component of the system" (2012, p. 52). They refer to this institutional logic as aid entitlement logic. Aid entitlement logic allows government employees to make sense of their conflated roles as underpaid, overburdened civil servants, kinsmen, and development project participants.

Anecdotal as well as systematic evidence from many countries and projects suggest that there are muchtrickery of the system and opportunistic rent-seeking behavior around per diems. A recent

study by Ridde (2010) report that malfunction of the per diem systems (which he called ‘perdiemitis’) is one of the most prevalent illnesses in Africa and is contributing to the expected failure to achieve the MDGs in Africa. The serious lack of knowledge regarding the allowance and per diem issues severely hampers any attempt to understand and improve the system. This paper contributes to fill this gap in the literature.

2.3 Travel Allowance

A travel allowance is a payment made to an employee to cover expenses when he or she travels for work. This money might be used to cover things like accommodation, food, drink and incidentals. An allowance may be paid to an employee before or after they travel.

2.4 What is Per-diem?

The term ‘Per diem’, a Latin term for ‘per day’, is a specific amount of money that an organization gives to individual per day, to cover travel-related expenditures in connection with work done away from home (Vian, Miller, Themba, & Bukuluki, 2012).

Per diem policies in organizations serve two main purposes: to fund expenses which employees may incur for approved, work-related activities; and to encourage professional development through attendance at workshops, conferences and other training or staff development events. In addition, per diems are sometimes used informally to incentivize employees and increase job satisfaction, without having to permanently increase salaries (Vian, 2009).

Sometimes referred to as Daily Subsistence Allowance, the allowance is always calculated based on number of days, and may be paid in advance or after expenses have been incurred. This daily allowance eliminates the need for employees to submit expense reports. Instead employers pay employees a standard daily rate without regard to the amount actually spent by the employee,

therefore, simplifying administration by eliminating the controls needed in a system of reimbursing actual costs.

Payment of per diems to officials dates back to the 14th century in countries such as the UK (Søreide et al., 2012). Even though systems vary across countries and organizations, per diem allowances are usually set at a standard rate, payable according to stipulated rules and regulations.

2.5 Purpose and Characteristics of Per-diems

Reimbursing employees for work-related expenses has advantages and disadvantages. A U4 study which gathered data from 41 key staff in government and NGO organizations in Malawi and Uganda found that staff liked per diems because they facilitated getting work done, encouraged training which increased the knowledge base of organizations, and motivated staff to be more productive (Vian et al., 2012).

Employees also perceived that per diems benefited them personally by providing additional revenue to pay household expenses and save for the future. In some countries (e.g. Malawi and Tanzania) per diem rates are very high in relation to wages, while in others (Ethiopia), per diem rates are low in relation to average wages. Per-diem spending in relation to total government budget may also vary (from 1.6% in Tanzania to 6% in Malawi) and in relation to total spending on wages and allowances (16.2% in Tanzania and 22% in Malawi) (Søreide et al., 2012).

2.6 Types of Per-diem Allowances

Per-diem rates are generally set in advance. This is because it would require a lot of time and effort to document, review, and account for actual expenditures of the many employees who incur work-related expenses during travel. Instead, many organizations develop daily allowance rates, determined prospectively, to cover subsistence costs such as lodging, meals and

incidentals. In theory, the daily per diem rate should be set slightly above the expected average cost for a day of travel, to make sure that actual expenses are covered.

Søreide, Tostensen and Skage (2012) distinguish between remunerative allowances, and “duty enhancing” allowances.

Remunerative allowances: are an entitlement of employment contract, often used to make a post more attractive (e.g. housing allowance, hardship post allowance).

Duty-enhancing allowance: is the amount paid for travel outside one’s duty station which involves an overnight stay. Reasons for travel may include attending a workshop or conference, or conducting supervision. Duty enhancing allowances are distinguished by the fact that the allowance is not an entitlement of employment, but depends on the discretion of the manager. While the manager must respect the duty-enhancing allowance rate established by organizational policy, it is up to the manager discretion to approve work-related activities by which the employee can earn the allowance.

The researcher focus is on daily allowances which are related to travel, meetings, and workshops, including per diem and transportation. These allowances are often given more frequently and may be more vulnerable to abuse.

2.7 Motivation

Paraphrasing Gredler, Broussard and Garrison (2004) broadly define motivation as “the attribute that moves us to do or not to do something” (p. 106). Motivation involves a constellation of closely related beliefs, perceptions, values, interests, and actions. Research suggests that motivation can be manipulated through certain instructional practices, although studies demonstrate both positive and negative effects. The use of rewards may either encourage or diminish motivation, depending on the type of rewards and the context in which they are given.

2.7.1 Intrinsic Motivation (IM)

Intrinsic motivation is motivation that is animated by personal enjoyment, interest, or pleasure. As Deci, & Ryan, (1999) observe, “Intrinsic motivation energizes and sustains activities through the spontaneous satisfactions inherent in effective volitional action. It is manifest in behaviors such as play, exploration, and challenge seeking that people often do for external rewards” (p. 658). When a person is intrinsically motivated he or she will perform the behavior voluntarily, in the absence of material rewards or external constraints (Deci& Ryan, 1985.)

2.7.2 Extrinsic Motivation (EM)

Contrary to intrinsic motivation, extrinsic motivation (EM) pertains to a wide variety of behaviors that are engaged in as a means to an end and not for their own sake (Deci, 1975). It was originally thought that extrinsic motivation referred to non-self-determined behavior, behavior that could only be prompted by external contingencies (e.g., rewards). That is, it refers to behavior that is controlled by external sources, such as material rewards or constraints imposed by others (Deci& Ryan, 1985).

2.8 Benefits of Per-diem

Per-diem payments serve two official functions in organizations: covering work-related expenses and encouraging professional development. In addition, they may also be an important means of providing financial incentives to employees to increase job satisfaction.

2.8.1 Covering Work Related Expenditure

Employees should not have to pay out-of-pocket for reasonable expenses incurred while travelling on official business. Sometimes these expenses are predictable, in which case it is

more efficient for accounting systems to reimburse employees based on prospectively-determined per diem amounts, rather than actual expenditures. Reimbursing expenses through the use of per diem payments also increases efficiency by controlling the maximum amount employees can spend, thus preventing lavish spending on high priced hotels or meals.

2.8.2 Encouraging Professional Development

People are more likely to attend optional trainings or meetings at which they will learn new professional skills if they are reimbursed for the expenses required to attend these meetings. Organizations or donors who wish to support professional development in the work force may be willing to pay per diems to encourage attendance at trainings, workshops, and conferences where information is shared and knowledge can be gained.

2.8.3 Providing Incentives

In some countries, employees are poorly paid. Low salaries translate into low levels of motivation to participate wholeheartedly in efforts to achieve organizational goals.

These employees may rely on per diem payments to supplement their income. Getting a per diem allowance can help to increase their motivation and help them to make ends meet.

2.9 Problems with Per-diems

However, per diems can also produce negative incentives and provide opportunities for abuse. One writer (Jack, 2009) called per diems “a form of institutionalized, legal time-wasting that is endemic and an unwelcome global phenomenon legitimized by donors and international organization’s alike”. Another international development blogger (Grepin, 2009) observe that some staff attend meetings in languages they cannot understand for the sole purpose of earning per diem, suggesting that development aid is being wasted or may not be having the intended impact. Whilst providing incentives to motivate employees is a worthwhile goal, per diem does not directly confront the problem of low wages and may actually have a negative impact on

development by falsely inflating the need for travel or re-directing employees' time towards less productive activities. Some of the drawbacks and inefficient factors associated with per diems include (Vian, 2009; Peters, 2010; Søreide et al., 2012).

2.9.1 Determining Work Plan and Strategy Based on Per-diem

Maximization

Some people exploit the system. They may decide to hold a meeting or training programs in a distant location, so that all attendees have to travel to the meeting and can therefore get per diem. They justify this by arguing that people can focus more if the meeting is off-site, but does location really improve quality or outcomes of meetings? Some evidence suggests that residential training programs are no more effective than non-residential programs, yet residential programs may cost a lot more due to the expenses of accommodation and allowances.

2.9.2 Going to the Field or a Meeting, Even If There's No Need

People might even go to the field when it isn't necessary. In many cases, it is clear that the travel is inspired by the desire to gain income, as personnel even forego meals in order to save their per diem money.

2.9.3 Sending the Wrong People for Training

Opportunities to gain per diem, especially within hierarchical organizations, create incentives not to delegate appropriately. Whilst a junior staff member might be the ideal person to attend a skill-based training, his/her supervisor may choose to attend the training instead. The person who could have used the training is denied the opportunity to improve his or her skills, whilst the person who does attend may not contribute to or benefit from the experience because he/she lacks the right prerequisites. Ultimately, programs could fail because of ineffective training.

2.9.4 Slowing Down Government Operations

Just as per diems encourage senior managers to attend trainings instead of sending their subordinates, the lure of per diem revenue encourages high level government officials to attend meetings and conferences rather than fulfilling administrative tasks which would require time at their desks. An official in Ethiopia claimed that donor organizations were out-bidding each other, paying higher and higher per diems and drawing staff away from their jobs (Grepin, 2009).

2.9.5 Changing Norms and Decreasing Intrinsic Motivation

Another problem with per diems is that beneficiaries start to demand to be paid for any type of training or meetings, regardless of whether the employee incurred expenses. A Tanzanian doctor reported being paid an allowance to attend a meeting which was only a short walk from her office because the organizers believed no one would attend the meeting if they were not paid (Jack, 2009).

2.9.6 Favoring Certain Types of Work over Others

Given a choice, many people will apply for assignments for which there are per diems involved, and especially those tasks with the highest per diems.

2.9.7 Fostering Dependence

As government workers seek more revenue from allowances, they may favor programs directed by external agencies, which sometimes pay higher rates than government. Even where donors set rates that do not exceed government rates, the revenue from allowances still fosters dependence. As a result, civil servants have less incentive to advocate for a living wage or fairer compensation package from their own government.

2.9.8 Eroding the Sustainability of Intervention

Civil servants' and employees of NGOs expectation of per diems have a damaging effect on project sustainability. What such projects seek to implement becomes associated with the accompanying monetary incentives and may erode quickly when funding runs out.

Initially, per diem payments facilitate a win-win situation; the participants get some allowances, and the funders quickly get to demonstrate impact back home. However, the routines instilled by donors are not necessarily institutionalized and require continued external funding.

2.9.9 Creating Pressure and Opportunities for Fraud

The temptation of per diem also creates pressure for fraud and kickbacks of per diem revenue. In some cases, people falsify records or receipts in order to gain more per diem. They may claim more days of travel than they actually incurred – as in the case of a government official in Malawi who reportedly collected over 1,000 days of per diem allowance in one year. Participants in a U4 anti-corruption workshop in Malawi also described other examples of per diem scam: for example a government official who did not even bother to attend the trainings at all, instead sending his driver to collect per diems and sign on his behalf. Other participants noted that some managers who select staff to attend international trainings expect the staff member to share or “kickback” a portion of the per diem. A third type of fraud mentioned was where attendancelists are falsified and allowances “skimmed”.

2.10 Per-diem Notion in the Case of Ethiopia

Ethiopia is also an aid-dependent country, its top donors being the International Development Association (IDA), the United States, the European Union (EU), the United Kingdom, the African Development Bank and the Global Fund. The government intervened with stringent monetary and fiscal policies to calm inflationary pressures in 2009, the currency devaluation and salary increase of civil servants in the beginning of 2011 contributed to pushing inflation back

into double digits (Ethiopian Economic Association 2011). Ethiopia has no minimum wage regulation or compulsory national standard for paying the workforce. The salaries in the public, private and other sectors such as civil society vary significantly. Salaries of professionals in foreign institutions such as embassies and branches of international organizations, as well as in some CSOs, are significantly higher than those in both private and public sectors.

2.10.1 Government System and Rates

According to the Council of Ministers’ Directive on Daily Allowances to Government Employees of 1993 the official per diem rate of the Ethiopian government is differentiated by salary level. Per diems are tax exempt. According to the 1993 directive, per diems are paid to those who travel outside their regular duty station (their home village, towns and cities) to another place of work, and who stay there for a day or more. The per diem is meant to cover meals and accommodation expenses. Of the total daily figure, 10 per cent is for breakfast, 25 per cent for lunch, 25 per cent for dinner, and 40 per cent for accommodation. For those who are not provided with vehicles and thus use mass transportation, travel costs are reimbursed upon submission of original receipts.

In 2001, the Council of Ministers amended the 1993 directive in terms of which the official per diem rates were set as shown in the table below (Revised Council of Ministers’ Directive on daily allowances to government employees 2001).

Table 2.1 Official Per-diem Rates for Civil Servants 2001

Salary level (monthly)	ETB
Up to ETB 300	35
ETB 301 to 600	47
ETB 601 to 900	58
ETB 900 and above	70

Table 2.1 Official Per-diem Rates for Civil Servants 2001. Table adapted from “Hunting for per-diem,” by Søreide, Tostensen,&Skage, 2012.

Higher officials, such as ministers, receive a double per diem rate plus accommodation when they travel outside Addis Ababa and their expenses may be based on hotel receipts. The federal states apply different per diem rates based on their own rules and regulations.

The 2001 per diem rates are far below the real costs of meals and accommodation, which are estimated to be three to four times higher than the maximum per diem rate of ETB 70. While real costs are difficult to establish due to lack of systematic data collection, there is uniform agreement among government officials, donors and civil society representatives alike that the rates are grossly inadequate. Considering the high inflation rate throughout the past decade, the rates from 2001 obviously do not reflect current costs. Hence, civil servants would not be satisfactorily compensated if the existing government rates were strictly applied.

2.10.2 Travel and Allowances for Donor-Funded Projects

According to Søreide, Tostensen&Skage, (2012) Ethiopia has two different per diem systems: (a) the government system and (b) the donor funded project. The latter are donor-funded, though government-executed projects. The latter is the dominant mode of donor support to the government in Ethiopia. Ministry of Finance and Economic Development (MoFED) is responsible for development cooperation and the regulation of per diems for donor funded projects. The Ministry is in charge of programs funded by both multilateral agencies and bilateral donors. The Ministry issued a directive in 2008 (Ministry of Finance and Economic Development Directive on the channel and budgetary projects expenditure payment system 2008) that stipulates per diem rates for projects implemented jointly by donors and the Ethiopian government. The per diem rates for staff attached to donor-funded projects are twice as high as the government scale, and are differentiated by educational qualification, duration of service and the nature of the contract.

Table 2.2 Per-diem Rates for Donor Funded Projects

Salary level (monthly)	ETB
Up to ETB 300	80
ETB 301 to 600	96
ETB 601 to 900	115
ETB 900 and above	138

Table 2.2 Official Per-diem Rates for Donor Funded Projects. Table adapted from “Hunting for per-diem,” by Sørreide, Tostensen&Skage, 2012.

For EU-funded projects the rates vary from one project to another, although the range is not wide. The rates are determined through negotiation at the time the project was initiated. The African Development Bank does not define rates or allowance conditions for the projects it funds and leaves the decision to its implementers (i.e. the government). The donors are generally dissatisfied with the project-specific rates, which are ultimately decided by the government.

The donors appear ambivalent towards MoFED’s attempts to harmonize donor funded per-diem rates. MoFED is concerned with avoiding friction arising from discretionary variation of rates for meetings, workshops and training sessions, arguing that “if all rates were similar, there would be no distortions”.

2.10.3 Harmonized Daily Substance Allowance for Donor Funded Project

This is newly enacted harmonized Daily Substance Allowance (DSA) from April/2016 onwards. In the past years, the government observed some challenges on the effective monitoring and follows up of projects due to different rate of DSA applied by their development partners. This has created negative impact on the program/project implementation.

Taking the issue seriously, the government of and the DAG (Development Assistance Group) have taken actions to harmonize different rates of daily substance allowance for government staffs traveling in the country to different localities for project monitoring, follow-up, review meeting, training, etc.

Accordingly, the government of Ethiopia and the DAG has agreed to harmonize DSA rate applicable to government staffs & officials in country travel to donor funded projects/program meeting and workshops to federal, regional & Zonal cities per-diem rate of 300 & zonal cities birr 210 when an event is organized in cities of Wereda. This per-diem rate applicable to all government experts and support staffs except government appointed officials.

2.10.4 Donor Money Impression

The competitive rates of donor-funded projects attract the most competent people to these projects. If donors are aligned with government priorities, this effect may entail that the most competent staff are found in priority areas. Nonetheless, the variation in rates creates tension and institutional inefficiency due to the grievances of staff not being able to take advantage of donor-funded projects. The difference between government rates and donor-funded project rates are considered a huge challenge by representatives of several ministries, and overall institutional performance is reduced.

2.11 Empirical Evidence

There are a few studies on this subject for the case of Ethiopia as well, Specifically, conducted by Chr. Michelson Institute (CMI) researchers in Tanzania, Ethiopia, and Malawi (Søreide et al., 2012) titled “Hunting for Per-diem”. This study examined per diems through the broad lens of political economy analysis, looking at government institutions, power relationships, and stakeholders. The study makes an assessment of the origins, operation and potential

consequences of per diem compensation with particular reference to effects on development programs, national budgets and civil service delivery.

In terms of methodology and structure, this study comprises four elements: (a) desk study of secondary literature; (b) mapping of policies, regulations and practices in three countries; (c) assessment of consequences; and (d) recommendations. During fieldwork they relied on in-depth, qualitative interviews with key informants representing a wide range of institutions and stakeholders, including academia, civil society and the media.

The Ethiopian case shows how difficult it is to establish a functioning per diem system in a situation of soaring inflation and severe budgetary constraints. The study has no conclusive evidence of the precise magnitude of the per diem problem but gives important insights into the potential for misuse, and contains a number of recommendations on how donor organizations and governments can promote a collective approach to improve on the current systems.

The other one is Perceptions of Per Diems in the Health Sector, Evidence and implications by Vian, Miller, Themba, and Bukuluki, (2012). This study details the perceived benefits, problems, and risks of abuse of per diems and allowances in developing countries. Drawing on 41 interviews with government and nongovernmental officials in Malawi and Uganda the report highlights how practices to maximize per diems have become a defining characteristic of many public institutions and influence how employees carry out their work. Per diems have many negative effects, increasing costs and inefficiencies and creating opportunities for abuse. Any attempt to reform such practices must start with a clear understanding of the incentives for abuse and adopt multifaceted strategies. They find that, abuses were more common in the government sector due to low pay and weaker controls, and per diems were perceived to unfairly provide advantages to already better-off staff.

2.12 The Conceptual Framework

The economy of motivation is governed by the law of supply and demand and the associated price-effect. Applied economics makes the assumption that there is an always positive correlation between reward and motivation, and standard economics largely relies on the skillful application of this price effect. The rational is that individuals are more willing to undertake a task if they can expect a reward. Hence, raising monetary incentives increases supply. Therefore, more per-diems will increase motivation to participation to workshops, seminars, and other travel missions.

Recent studies and literature suggest that conditions involved in influencing and maximizing motivation are more complex than previously presumed. Social psychologists (Frey, 2001) have identified that the motivational structure of individuals is made up of extrinsic and intrinsic motivation. Extrinsic motivation comes from outside of the individual and involves external rewards, most usually associated by economists with the price system. Intrinsic motivation, or “behavioral motivation”, comes from within.

Applying this concept on travel allowances, the nature of the interplay between per diem, extrinsic and intrinsic motivations can be formally analyzed if well integrated into an economic model to derive testable hypotheses. Adapting from the framework proposed by Frey (2001), Figure 2.1 graphically shows the interaction of the crowding-out effect and the per diems for participation in a hypothetical workshop. S is the traditional supply curve based on the relative price effect: Raising the external reward (per diem) for participation from O to R increases workshop participation from A to A'. The crowding-out effect induces the supply curve to shift towards the left to S' (due to fall of intrinsic motivation). Thus, raising the per-diem rate from O to R leads to point C (instead of B). As the figure is drawn, the crowding-out effect dominates the relative price effect, and raising the reward from O to R reduces participation from A to A''. Once intrinsic motivation has been crowded out completely, the normal supply curve takes over again, and raising the reward unequivocally increases work effort (movement along S').

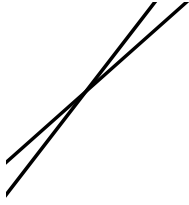


Figure 2.1 Adopted from framework proposed by Frey (2001) graphically shows the interaction of crowding-out effect and the per-diem for participation in hypothetical workshop.

When individuals perceive it as their civic duty to do a professional trip, paying extra per diems might reduce motivation to travel. If there is no extra-per diems, only those with a high intrinsic motivation will attend. As the amount of per diem increases, the incentive of intrinsically motivated individuals will drop and the incentive of extrinsically motivated ones will rise. If the per diem amount increases up to a certain point, the incentive of the intrinsically motivated people will get close to zero, while incentive of extrinsically motivated people will go close to their maximum. This explains why the probability is high to seeing “wrong” people participating in meeting which pay high per diem rate.

2.13 Synthesis of Major Findings

Literature reviewed summarized as follows: the importance or benefit of per-diem for training participants is reimbursement of expense incurred while they are away from their duty station. The reasons for the study: large amount of budget expended for training and meeting activities in the government and non-government organizations, besides, it is necessary to address the issue because organizations might spend their financial and human resource in un-productive area if

there is no clear policy and procedure to manage the issue in an organization, so individual and managers use the gap to get personal benefit. Despite per-diem are in many cases justified payments, it has positive and negative influence on training participants' motivation.

The previous studies mainly focus on the issue of per-diem abuse and how people manipulate the existing procedures to gain personal benefit. Also, there is contextual gap because the research and working paper conducted in other African countries rather than in Ethiopia. Those studies examined per diems through the broad lens of political economy analysis, looking at government institutions, power relationships, and stakeholders.

In light of the above facts and research gaps: the research and working paper conducted focus at national but not at organization level, as well as used qualitative method of data gathering, the researcher couldn't find local literature conducted for specific organization.

The purpose of this study is to examine the use of per-diem and travel allowance rate as motivating factor for participants in training/workshop on two selected NGOs (ICAP & Plan International Ethiopia) and their government partners. In terms the methodology the researcher will use mixed method approach using interview and questioners for data collection, sequential explanatory design typically to use qualitative results to assist in explaining and interpreting the findings of a primarily quantitative study.

It is important to address the gap because the study will use empirical evidence to find the effect of per-diem and travel allowance rate on workshop participants' motivation. Moreover, it scans the extent to which per diems are used and abused in the above mentioned organizations and government offices. Hence, depending on the research result, the organizations understand the motive of training participants, avoid the negative impact of per-diem and travel allowances and adjust themselves to use their financial and human resources efficiently and effectively for its intended purpose.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 The Setting /Study Area

This study was done in Plan International Ethiopia (PIE) and The International Center for AIDS Care and Treatment Programs Ethiopia (ICAP). Plan International (Inc.) founded in 1937, is an international humanitarian, child centered development organization. Child sponsorship is the basic foundation the organization. Plan's operation in Africa started with Ethiopia in 1974 and now covers 24 countries of the continent.

Plan International Ethiopia is currently working in Addis Ababa City Administration, Gambella, Oromia, SNNP and Amhara Regions of Ethiopia. It's program includes Protection of Children from Violence, Early Survival & Development of Children (Health Sector), a Better Childhood Development & Education for all, through streaming gender, inclusiveness towards disabilities and reduction of risk and effect of disaster.

A global health leader situated at Columbia University, ICAP has worked since 2003 with one central goal: to improve the health of families and communities. Working hand-in-hand with individuals at every level of the health system—from patients to health care providers to government officials—ICAP is dedicated to delivering high-performing health system strengthening initiatives that provide quality and affordable health care. ICAP is known for capacity building and for its innovative, effective, and ethical programs that are implemented in the most challenging resource-limited settings. ICAP is also known for its collaborative and supportive approach to strengthening government health systems and local partners' capacity to deliver quality health services.

ICAP's Program in Ethiopia started in 2005 initially supporting the HIV/AIDS care and treatment program in four regions. Currently, ICAP's program has extended to all administrative regions and its main program focus is now capacity building to ensure local ownership of the HIV/AIDS Care & Treatment Program.

3.2 Research Approach

In this study, the researcher used a mixed method consisting both interview and questionnaires techniques for data collection. A Mixed method approach usually features, which includes an implicit purpose statement, research questions, and rationale for using quantitative and qualitative methods and data in the study (Creswell, 2003). In a mixed method approach there is serious steps taken to the validity of both the quantitative data and the accuracy of the qualitative findings.

3.3 Research Design

Research design is a method and procedures for collecting and analyzing the required data. The choice of research design depends on objectives the researchers want to achieve (John, 2007) or the research questions the researcher wants to answer. This study used sequential explanatory strategy type of a mixed method design, where quantitative data were collected and analyzed, followed by qualitative data. Priority is typically given to the quantitative data, and the two methods are integrated during the interpretation phase of the study. The main reason for such sequential mixing of data was to use qualitative results assist in discussing, explaining and interpreting the findings of a primary quantitative results.

3.4 Sampling Techniques

The entire employees (population) in the two organizations did not actively participate in training/ meeting activities so, the researcher had to classify the population into stratum or departments who actively participated and had working relation-ship in training/workshop activities. A sampling method called stratified random sampling was used to make the sample more representative of the population. As a result, stratified sampling was applied for quantitative data collection. With stratified random sampling, the researcher divided the population into separate group, called strata, then, simple probability sample was drawn from each group.

The main criteria for selecting the sample was active and direct participation in trainings/workshops as trainees and facilitators/trainers. The key informants represent two broad categories: (a) the civil service (government staffs); and (b) civil society (NGOs). Representatives of each of these categories perform dual or triple functions such as: (i) providers or sources of per diems and allowances; (ii) recipients of per diems and allowances; and (iii) controllers of the payment of such allowances.

PIE and ICAP and inclusion criteria:

- Addis Ababa Education and Health Bureau who attended workshop, trainings, meeting and receive per diem for attendance in the last six months, which is organized by either Plan International Ethiopia or ICAP Ethiopia.
- Program Managers and Coordinators Plan and ICAP
- Finance & Logistic staffs of Plan and ICAP
- Training Unit and Human Resource Staff of Plan and ICAP

In the qualitative data collection the researcher applied purposive sampling (expert sampling) techniques to select the required sample units identified as having particularly high quality of information were sampled. So that individuals selected because they had know-how & experience on the central phenomenon.

3.4.1 Sample Size

Sample size needs to be large enough to be representative of the population and decided mathematically from the sample frame (Staff of Plan, ICAP, Addis Ababa Education and Health Bureau who attended workshop, trainings, meeting and received per diem for attendance in the last six months, which was organized by either Plan International Ethiopia or ICAP Ethiopia.). Mathematical formula to determine sample size from the total population of 100(46 from Plan International, 18 ICAP, and 36 government staffs)

Sample size determined by **Yamane Formula**

$$n = \frac{N}{1 + e^2 N}$$

n=sample size=80

N=total population =100

e=margin of error =0.05

At95% confidence level

Table 3.1 Sample Frame and Sample Size for Plan International Ethiopia

Stratum	Program Managers & Coordinators	Human Resource Staffs	Finance Staffs	Logistics and communication staffs	Total
Total Population	28	2	8	8	46
Sample Size	22	2	5	6	35

Table 3.2 Sample Frame & Sample Size for ICAP Ethiopia

Stratum	Program Managers & Coordinators	Training Unit Staffs	Finance Staffs	Logistics and communication staffs	Total
Total Population	10	1	4	3	18
Sample Size	10	1	2	2	15

Table 3.3 Sample Frame & Sample Size for Government Staffs

Stratum	Sample Frame	Session I	Session II	Session III	Total
Training Participants	36	12	12	12	36
Sample Size	30	10	10	10	30

Qualitative data: Respondents for qualitative data were selected purposely from concerned offices (Expert Sampling). The role of these office managers had significant input to the study. Finance and Admin Managers’ of PIE & ICAP selected because they had know-how & experience on the central phenomena as well as endorse travel related payments in the organizations.

3.5 Data Collection Methods

The data collection process followed both primary and secondary data sources. Primary data were collected with open and closed ended questioners with key informants represent both from the organizers of training and workshops and participants or attendants. And Semi-structured, qualitative in-depth interviews were made with the Administration and Finance Managers of the

two organizations (PIE & ICAP Ethiopia). The items both in the questionnaire and interview were based on the existed literatures.

To increase response rate of the self-administer questionnaire, brief and precise instruction was developed along with questionnaire. Collected data were reviewed and qualities of the data were checked, if necessary clarification was asked from respondents. Qualitative data collections were managed by researcher so due to attention was to control personal bias and probe.

3.6 Data Analysis and Presentation

As discussed in above, the research was designed to follow a mixed method approach and sequential explanatory design. Hence, both qualitative and quantitative analyses were used. Data that were collected using survey questionnaire were analyzed using descriptive analysis with the help of a Statistical Package for the Social Sciences (SPSS version 20) software. Whereas data collected through semi-structured, self-administered interview with key informant staffs and reviews of documents were interpreted qualitatively. In analyzing the data from interviews, narrative approaches were used.

The sequential explanatory strategy characterize by the collection and analysis of quantitative data analyzed and interpreted by using descriptive & inferential statistics followed by the collection and analysis of qualitative data. The main reason for such sequential mixing of data were to use qualitative results assist in discussing, explaining and interpreting the findings of a primary quantitative results.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1 Introduction

This chapter was concerned with the presentation and discussion of the gathered data through questioners and interview on the effect of travel allowance & per-dime rate on motivation of training participants in the selected two NGOs and their government staffs partners. The study needed to use 80 respondents through questioners and 2 personnel one from each organization interviewed. Among the distributed questioners 67 were returned timely and 13 of them were discarded as incomplete so all these make the response rate 83.75%. Those questioners were analyzed using computer program i.e. SPSS version 20. Analysis of the primary data was made based on this information-using table, pie & bar charts. Moreover, Spearman's correlation analysis was performed to determine if there were any relationship between the independent and dependent variables.

4.2 Results

4.2.1 Demographic Characteristics of the Respondents'

Table 4.1 Demographic Characteristics of the Respondents

Sex	Frequency	Percent	Cumulative Percent
Female	12	17.9	17.9
Male	55	82.1	100.0
Total	67	100.0	

(Source: Own survey, 2016)

Table 4.2 Educational Background of Respondents'

Education background	Frequency	Percent	Cumulative Percent
Bachelor Degree	27	40.3	40.3
College Diploma	12	17.9	58.2
Post Graduate	28	41.8	100.0
Total	67	100.0	

(Source: Own survey, 2016)

Table 4.3 Responsibility of respondents'

Responsibility	Frequency	Percent	Cumulative Percent
	1	1.5	1.5
Executive management	3	4.5	6.0
Front line	18	26.9	32.8
Middle-level management	25	37.3	70.1
Supervisory	20	29.9	100.0
Total	67	100.0	

(Source: Own survey, 2016)

Table 4.4 Organization of the Respondents'

Organization	Frequency	Percent	Cumulative Percent
GO	27	40.3	40.3
ICAP	10	14.9	55.2
PIE	30	44.8	100.0
Total	67	100.0	

(Source: Own survey, 2016)

As indicated in the table 4.1 among 67 respondents 12(17.9%) respondents were female and the rest 55(82.1%) were male.

From the above table 4.2 respondents educational background 20(40.3%) had Bachelor Degree, 12(17.9%) College Diploma and 28(41.8%) Post Graduate Degree.

In the table 4.3responsibility of the respondents 3(4.5%) were executive managers, 18(26.9%) front line staffs, 25(37.3%), and 20(29.9%) middle level management &supervisory level respectively.

In the table 4.4 indicates 27(40.3%) were government staffs, 10(14.9%) ICAP and 30(44.8%) PIE staffs.

4.2.2The Existing Practice of Per-diem Utilization by the Study Organizations (Descriptive Statistics)

- The respondents’rate (frequency) to participate in training/workshop activities.

Table 4.5 how often the respondents participate in training/workshop

	Frequenc y	Percent	Cumulative Percent
Always	5	7.5	7.5
Most of the time	14	20.9	28.4
Rarely	20	29.9	58.2
Sometimes	28	41.8	100.0
Total	67	100.0	

- (Source: Own survey, 2016)

As Table 4.5 indicated how often the respondents participates in training/workshop activities in the past 6 months. Among all the sixty seven (67) respondents five (5) constituting seven point five percent (7.5%) always participated in training/meeting activities in the past six months, fourteen (14) respondent’s constituting twenty point nine (20.9%) participate most of the time, twenty (20) respondents constituting twenty nine point nine percent (29.9%) participated rarely,

and twenty eight (28) respondents constituted forty one point eight percent (41.8%) sometimes. This implied that the majority of respondents sometimes participate in training and workshops.

- **Per-diem rate received in the last six months by participants.**

Table 4.6 Per-diem rate received in the last six month by participants

	Frequency	Percent	Cumulative Percent
	2	3.0	3.0
101 to 200 birr/day	2	3.0	6.0
201 to 300 birr/day	38	56.7	62.7
301 to 400 birr/day	6	9.0	71.6
401 to 500 birr/day	9	13.4	85.1
501 to 999 birr/day	6	9.0	94.0
Above 1000 birr/day	4	6.0	100.0
Total	67	100.0	

(Source: Own survey, 2016)

As Table 4.6 shows per-diem rate received by participants as result two (2) respondent's constituting three percent (3%) were received 101 to 200 birr/day, thirty eight (38) respondents constituting fifty six point seven percent (56.7%) received per-diem from 201 to 300 birr/day, and six (6) respondents constituting nine percent (9%) received per-diem from 301 to 400 birr/day. On the other hand nine (9) respondents constituting thirteen point four percent (13.4) received per-diem from 401 to 500 birr/day, and six (6) nine percent (9%) from 501 to 999 birr/day and four (4) constituting six percent (6%) received per-diem above 1000 birr/day.

- **Participants response how they spent training/workshopeither away or in their duty station.**

AS table 4.7 below depicts the respondents spent away from their duty stations, as result eleven (11) respondents constituting sixteen point four percent (16.4%) always spent away from their duty station and eleven (11) constituting sixteen point four percent (16.4%) most of the time seven (7) ten point four percent (10.4%) never spent away from their duty station, fourteen (14) constituting twenty point nine percent (20.9%) rarely, and twenty two (22) constituting thirty two

point eight percent (32.8%) spent away from their duty stations sometimes. This implies that the majority of respondents spent away training/workshop from their duty stations sometimes.

Table 4.7 how many participants spent away from duty station

	Frequency	Percent	Cumulative Percent
Valid	Always	2	3.0
	Most of the time	11	16.4
	Never	11	16.4
	Rarely	7	10.4
	Sometimes	14	20.9
	Total	22	32.8
	Total	67	100.0

(Source: Own survey, 2016)

4.2.3 Descriptive Analysis of Main Variables

1. The major purposes of paying per-diem to training participants.
 - Reimbursement of work-related expenditures.

Table 4.8 Reimbursement of work-related expenditures

	Frequency	Percent	Cumulative Percent
Valid	Strongly agree	37	55.2
	Agree	17	25.4
	Neutral	3	4.5
	Disagree	5	7.5
	Strongly Disagree	5	7.5
	Total	67	100.0

As depicted in table 4.8 the major purpose of per-diem thirty seven (37) constituting fifty five point two percent (55.2%) of the respondent strongly agree on the reimbursement of work related expenditure, 17(25.4%) agree, 3(4.5%) neutral, 5(7.5%) disagree and 5(7.5%) strongly disagree on this opinion. This implied that the majority of respondents eightypoint forty four percent (80.44%) believed that the purpose of per-diem reimbursement of work-related expenditure.

- Encouraging professional development activities.

Table 4.9 Encouraging professional development activities

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	11	16.4	17.2
	Agree	19	28.4	46.9
	Neutral	15	22.4	70.3
	Disagree	9	13.4	84.4
	Strongly Disagree	10	14.9	100.0
	Total	64	95.5	
Missing	99	3	4.5	
Total		67	100.0	

From table 4.9 respondents believe that per-diem encourage professional development activities, 11(16.4%) strongly agree, 19(28.4%) agree, 15(22.4%) neutral, 9(13.4%) disagree, and 10(14.9%) strongly disagree on this opinion.

- Motivating employees to work outside the duty station.

Table 4.10 Motivating employees to work outside the duty station

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	19	28.4	29.7
	Agree	18	26.9	57.8
	Neutral	12	17.9	76.6
	Disagree	8	11.9	89.1
	Strongly Disagree	7	10.4	100.0
	Total	64	95.5	
Missing	99	3	4.5	
Total		67	100.0	

According to Table 4.10 per-diem motivating employees to work outside their duty station 19(28.4%) strongly agree, 18(26.9%) agree, 12(17.9%) neutral, 8(11.9%) disagree, 7(10.4%) strongly disagree on this notion. This showed that significant employees, thirty seven (37) respondents constituting fifty five point three percent (55.3%) per-diem motivates to work outside their duty station.

- Salary subsidy

Table 4.11 Salary Subsidy

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	8	11.9	12.7
	Agree	16	23.9	38.1
	Neutral	9	13.4	52.4
	Disagree	8	11.9	65.1
	Strongly Disagree	22	32.8	100.0
	Total	63	94.0	
Missing	99	4	6.0	
Total		67	100.0	

Based on the response on table 4.11 on the major purpose of per-diem used as salary subsidy eight (8) constitute eleven point nine percent (11.9%) strongly agree as salary could be used as salary subsidy, sixteen (16) constitutes twenty three point nine percent (23.9%) agree, nine (9) constitute thirteen point four percent (13.4%) neutral on this notion, eight (8) constitute eleven point nine percent (11.9%) disagree, and twenty two (22) constitute thirty two point eight percent (32.8%) strongly disagree. As a result respondents strongly disagree that per-diem used as salary subsidy.

2. The major benefits of per-diem to training participants.

- Getting work done efficiently & effectively.

Table 4.12 Getting work done efficiently & effectively

	Frequency	Percent	Cumulative Percent
Valid	Strongly agree	30	44.8
	Agree	21	31.3
	Neutral	7	10.4
	Disagree	5	7.5
	Strongly Disagree	4	6.0
	Total	67	100.0

As per the table 4.12 on the major benefit of per-diem as getting work done efficiently forty four point seventy eight percent (44.78%) strongly agree, thirty one point thirty four percent (31.34%) agree, ten point forty five percent (10.45%) neutral, seven point forty six percent (7.46%) disagree and five point ninety seven percent (5.97%) strongly disagree on this notion. This inferred the majority of respondents' seventy six point twelve percent (76.12%) positive that per-diem helped getting work done efficiently & effectively.

- Encouraging training.

Table 4.13 Encouraging training

	Frequency	Percent	Cumulative Percent
Valid	Strongly agree	24	35.8
	Agree	18	26.9
	Neutral	11	16.4
	Disagree	10	14.9
	Strongly Disagree	2	3.0
	Total	65	97.0
Missing	99	2	3.0
Total	67	100.0	

As can be seen in the table 4.13 on the benefit per-diem encourage training 35.82% strongly agree, 26.87% agree, 16.42% neutral, 14.93% disagree, 2.99% strongly disagree on this opinion. Indeed majority of the respondents consisting of sixty two point thirty nine percent (62.39%) positive that per-diem encourage training/workshop activities.

- Increasing staff motivation & productivity.

Table 4.14 Increasing staff motivation & productivity

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	19	28.4	29.2
	Agree	22	32.8	63.1
	Neutral	10	14.9	78.5
	Disagree	8	11.9	90.8
	Strongly Disagree	6	9.0	100.0
	Total	65	97.0	
Missing	99	2	3.0	
Total		67	100.0	

From the table 4.14 the major benefit of per-diem is increasing staff motivation & productivity 28.36% strongly agree, 32.84% agree, 14.93% neutral, 11.94% disagree, and 8.96% strongly disagree on this idea. The respondents result showed, sixty one point two percent (61.2%) of the respondents support the idea of per-diem increase staff motivation & productivity.

- Supplementary source of income.

Table 4.15 Supplementary source of income

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	11	16.4	16.9
	Agree	22	32.8	50.8
	Neutral	6	9.0	60.0
	Disagree	11	16.4	76.9
	Strongly Disagree	15	22.4	100.0
	Total	65	97.0	
Missing	99	2	3.0	
Total		67	100.0	

From the table 4.15 the major benefit of per-diem as source of income sixteen point four percent (16.4%) strongly agree, thirty two point eight percent (32.8%) agree, nine percent (9) % neutral, sixteen point four percent (16.4%) disagree, and twenty two percent (22%) strongly disagree on

this idea. Here comes, unlike the previous enquiry result considering per-diem as subsidy to salary, majority of the respondents forty nine point two percent(49.25%) support the idea of per-diem used as supplementary source income.

- Reducing absenteeism/ increasing attendance.

Table 4.16reducing absenteeism/ increasing attendance

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	17	25.4	26.2
	Agree	16	23.9	50.8
	Neutral	6	9.0	60.0
	Disagree	10	14.9	75.4
	Strongly Disagree	16	23.9	100.0
	Total	65	97.0	
Missing	99	2	3.0	
Total		67	100.0	

Based on the table 4.16 on the major benefit of per-diem increase attendance 25.37% strongly agree, 23.88% agree, 8.96% neutral, 14.93% disagree, and 23.88% strongly disagree on this view. This implied forty nine point thirty three percent (49.25%) positive that per-diem reduce absenteeism or increase participants attendance.

3. The main disadvantages of per-diem for an organization.

- Require huge financial resource.

Based on the table 4.17 below on the major disadvantage of per-diem on the respondent's organizations require huge financial resource 19(28.4%) strongly agree, 17(25.4%) agree, 14(20.9%) neutral, 8(11.9%) disagree and 8(11.9%) strongly disagree on this notion. The majority of the respondents (53.8%) believe that per-diem activity require huge financial resource of the organizations. This view supported during the interview process with the managers, as well as in the literature illustrated per-diem constitutes a significant portion of their annual budget of an organization.

Table 4.17 Require huge financial resource

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	19	28.4	28.8
	Agree	17	25.4	54.5
	Neutral	14	20.9	75.8
	Disagree	8	11.9	87.9
	Strongly Disagree	8	11.9	100.0
	Total	66	98.5	
Missing	99	1	1.5	
Total		67	100.0	

- Costly to the organization and not sustainable project or program.

Table 4.18 Costly to the organization

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	11	16.4	17.2
	Agree	13	19.4	37.5
	Neutral	17	25.4	64.1
	Disagree	16	23.9	89.1
	Strongly Disagree	7	10.4	100.0
	Total	64	95.5	
Missing	99	3	4.5	
Total		67	100.0	

Based on the table 4.18 on the major disadvantage of per-diem on the respondent's organizations costly to organization and not sustainable 11(16.4%) strongly agree, 13(19.4%) agree, 17(25.4%) neutral, 16(23.9%) disagree and 7(10.4%) strongly disagree on this notion. The idea that per-diem was costly to organizations and not sustainable for project/program, positively viewed by the respondents and empirically supported in the literature part of this study.

- Creates negative organizational culture where people expect to get paid for every activity.

Table 4.19 Creates negative organizational culture

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	14	20.9	21.5
	Agree	19	28.4	50.8
	Neutral	10	14.9	66.2
	Disagree	14	20.9	87.7
	Strongly Disagree	8	11.9	100.0
	Total	65	97.0	
Missing	99	2	3.0	
Total		67	100.0	

Based on the table 4.19 on the major disadvantage of per-diem on the respondent's organizations Creates negative organizational culture 14(20.9%) strongly agree, 19(28.4%) agree, 10(14.9%) neutral, 14(20.9%) disagree and 8(11.9%) strongly disagree on this view. The majority of the respondents forty nine point three percent (49.3%) were positive that per-diem creates negative organization culture where people expect to get paid for every activity. Further, this notion supported in the literature part of this study and in the response to interview questions.

- Fosters manipulation of work practices (slowing work, over-scheduling training)

Table 4.20 Fosters manipulation of work practices

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	15	22.4	23.4
	Agree	17	25.4	50.0
	Neutral	11	16.4	67.2
	Disagree	13	19.4	87.5
	Strongly Disagree	8	11.9	100.0
	Total	64	95.5	
Missing	99	3	4.5	
Total		67	100.0	

As depicted on the table 4.20 on the major disadvantage of per-diem on the respondent's organizations fosters manipulation of work practices 15(22.4%) strongly agree, 17(25.4%) agree, 11(16.4%) neutral, 13(19.4%) disagree and 8(11.9%) strongly disagree on this view. This implied that forty seven point eight percent (47.8%) agree on view of per-diem fosters manipulation of work practice.

- Fosters dependence as government workers seek more revenue from allowances.

Table 4.21 Fosters dependence

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	18	26.9	27.3
	Agree	19	28.4	56.1
	Neutral	10	14.9	71.2
	Disagree	13	19.4	90.9
	Strongly Disagree	6	9.0	100.0
	Total	66	98.5	
Missing	99	1	1.5	
Total		67	100.0	

As depicted on the table 4.21 on the major disadvantage of per-diem on the respondent's organizations fosters dependence as government workers seek more revenue from allowances 18(26.9%) strongly agree, 19(28.4%) agree, 10(14.9%) neutral, 13(19.4%) disagree and 6(9%) strongly disagree on this view. This implies that fifty five point three percent (55.3%) agree on view of per-diem fosters dependency as government workers seek more revenue from allowances.

4. The per diem rate used by the government entities.

- Insufficient to cover participant's expense.

Based on the table 4.22 below respondents' replay how they see the per-diem rate used by the government entities if it is insufficient to cover their expenses 49.25% strongly agree, 31.34% agree, 2.99% neutral, 7.46% disagree, and 2.99% strongly disagree on this view. Most of the respondents eighty point fifty nine percent (80.59%) support the idea of the rate of per-diem by

the government entities insufficient to cover employees' expense. This view was also supported in the interview sessions.

Table 4.22 Insufficient to cover participant's expense

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	33	49.3	52.4
	Agree	21	31.3	85.7
	Neutral	2	3.0	88.9
	Disagree	5	7.5	96.8
	Strongly Disagree	2	3.0	100.0
	Total	63	94.0	
Missing	99	4	6.0	
Total		67	100.0	

- Just enough to cover their expense

Table 4.23 Just enough

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	5	7.5	8.3
	Agree	8	11.9	21.7
	Neutral	12	17.9	41.7
	Disagree	22	32.8	78.3
	Strongly Disagree	13	19.4	100.0
	Total	60	89.6	
Missing	99	7	10.4	
Total		67	100.0	

Based on the table 4.23 respondent's replay how they see the per-diem rate used by the government entities if it is just enough or not 7.46% strongly agree, 11.94% agree, 17.91% neutral, 32.84% disagree, and 19.4% strongly disagree on this view. Most of the response collected from participants' shows negative result in this view.

- More than enough

Table 4.24 More than enough

		Frequency	Percent	Cumulative Percent
Valid	Agree	1	1.5	1.7
	Neutral	4	6.0	8.6
	Disagree	12	17.9	29.3
	Strongly Disagree	41	61.2	100.0
	Total	58	86.6	
Missing	99	9	13.4	
Total		67	100.0	

Based on the table 4.24 respondents replay how they see the per-diem rate used by the government entities if it is more than enough or not 0% strongly agree, 1.49% agree, 5.97% neutral, 17.91% disagree, and 61.19% strongly disagree on this view.

5. The per diem rate used by respondents’ organizations to pay training/workshop participants.

- Insufficient to cover their expenses

Table 4.25 Insufficient

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	21	31.3	34.4
	Agree	20	29.9	67.2
	Neutral	7	10.4	78.7
	Disagree	9	13.4	93.4
	Strongly Disagree	4	6.0	100.0
Total		61	91.0	
Missing	99	6	9.0	
Total		67	100.0	

As per the table 4.25 showed how the respondent see per-diem rate used in their organizations, insufficient to cover their expenses, 31.34% strongly agree, 29.85% agree, 10.45% neutral, 13.43% disagree and 5.97% strongly disagree on this idea. The response of the NGOs employees

similar with their government counterparts, constitutes sixty one point thirty nine percent (61.39%) the per-diem rate used insufficient to cover their expenses.

- Just enough to cover their expenses.

Table 4.26 Just enough to cover their expenses

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	8	11.9	12.7
	Agree	12	17.9	31.7
	Neutral	15	22.4	55.6
	Disagree	16	23.9	81.0
	Strongly Disagree	12	17.9	100.0
	Total	63	94.0	
Missing	99	4	6.0	
Total		67	100.0	

As per the table 4.26 displays how the respondent see per-diem rate used in their organization, just enough to cover their expenses, 11.94% strongly agree, 17.91% agree, 22.39% neutral, 23.88% disagree and 17.91% strongly disagree on this idea.

- More than enough.

Table 4.27 More than enough

		Frequency	Percent	Cumulative Percent
Valid	Agree	2	3.0	3.4
	Neutral	4	6.0	10.2
	Disagree	15	22.4	35.6
	Strongly Disagree	38	56.7	100.0
	Total	59	88.1	
Missing	99	8	11.9	
Total		67	100.0	

As per the table 4.27 displays how the respondent see per-diem rate used in their organization, more than enough to cover their expenses, 0% strongly agree, 2.99% agree, 5.97% neutral, 22.39% disagree and 56.72% strongly disagree on this notion.

6. The common abuses of per diem in an organization.

- Going to the field or a meeting, even if there's no need

Table 4.28 Going to meeting if there is no need

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	17	25.4	25.8
	Agree	17	25.4	51.5
	Neutral	9	13.4	65.2
	Disagree	14	20.9	86.4
	Strongly Disagree	9	13.4	100.0
	Total	66	98.5	
Missing	99	1	1.5	
Total		67	100.0	

As per the table 4.28 what are the common abuses per-diem in the respondent's organizations, like going to meeting if there is no need, 25.4% strongly agree, 25.4% agree, 13.4% neutral, 20.9% disagree, and 13.4% strongly disagree on this issue. Majority of the respondents (50.8%) agree that there was a tendency of going to the field for the purpose of supervision or meeting, even if there's no need. This view is common practice in the two organizations as per the information obtained at interview session.

- Tendency to change the work plan in order to maximize per diems.

Table 4.29 Tendency to change the work plan

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	6	9.0	9.2
	Agree	21	31.3	41.5
	Neutral	14	20.9	63.1
	Disagree	15	22.4	86.2
	Strongly Disagree	9	13.4	100.0
	Total	65	97.0	
Missing	99	2	3.0	
Total		67	100.0	

As per the table 4.29 what were the common abuses per-diem in the respondent's organizations, like tendency to change the work plan in order to maximize per diems, 9% strongly agree, 31.3% agree, 20.9% neutral, 22.4% disagree, and 13.4% strongly disagree on this issue.

- Slowing down government operations as per-diems encourages senior managers to attend trainings instead of sending their subordinates.

Table 4.30 Slowing down government operations

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	16	23.9	24.2
	Agree	19	28.4	53.0
	Neutral	9	13.4	66.7
	Disagree	11	16.4	83.3
	Strongly Disagree	11	16.4	100.0
	Total	66	98.5	
Missing	99	1	1.5	
Total		67	100.0	

As per the table 4.30 what were the common abuses per-diem in the respondent's organizations like, slowing down government operations 23.9% strongly agree, 28.4% agree, 13.4% neutral, 16.4% disagree, and 16.4% strongly disagree on this issue. This implied that fifty two point three percent (52.3%) support the idea that per-diem slow government operations since, senior managers attend training instead of sending their subordinates.

- Sending the wrong people for training.

As per the table 4.31 below what were the common abuses per-diem in the respondent's organizations like, sending the wrong people for training 25.4% strongly agree, 37.3% agree, 14.9% neutral, 10.4% disagree, and 10.4% strongly disagree on this issue. This indicted that sixty two point seven percent (62.7%) support the idea that there was a tendency of sending the wrong people for training.

Table 4.31 sending the wrong people

		Frequency	Percent	Cumulative Percent
	Strongly agree	17	25.4	25.8
	Agree	25	37.3	63.6
Valid	Neutral	10	14.9	78.8
	Disagree	7	10.4	89.4
	Strongly Disagree	7	10.4	100.0
	Total	66	98.5	
Missing	99	1	1.5	
	Total	67	100.0	

- Over-estimating time needed for an activity to earn more per diem.

Table 4.32 Over-estimating time needed

		Frequency	Percent	Cumulative Percent
	Strongly agree	5	7.5	7.7
	Agree	25	37.3	46.2
Valid	Disagree	26	38.8	86.2
	Strongly Disagree	9	13.4	100.0
	Total	65	97.0	
Missing	99	2	3.0	
	Total	67	100.0	

As per the table 4.32 what were the common abuses per-diem in the respondent's organizations like, over-estimating time needed for an activity to earn more per diem 7.5% strongly agree, 37.3% agree, 0% neutral, 38.8% disagree, and 13.4% strongly disagree on this issue

- Working slowly in order to get extra per-diem.

As per the table 4.33 below what were the common abuses per-diem in the respondent's organizations like, working slowly in order to get extra per diem 7.5% strongly agree, 35.8% agree, 17.9% neutral, 16.4% disagree, and 19.4% strongly disagree on this issue. This view

shared by one of the manager in his organization there was a tendency of extended stay on field with no justifiable reason.

Table 4.33 working slowly

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	5	7.5	7.7
	Agree	24	35.8	44.6
	Neutral	12	17.9	63.1
	Disagree	11	16.4	80.0
	Strongly Disagree	13	19.4	100.0
	Total	65	97.0	
Missing	99	2	3.0	
Total		67	100.0	

- Getting per diems from two sources at once for the same activity.

Table 4.34 Getting per diems from two sources

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	1	1.5	1.5
	Agree	8	11.9	13.6
	Neutral	22	32.8	47.0
	Disagree	10	14.9	62.1
	Strongly Disagree	25	37.3	100.0
	Total	66	98.5	
Missing	99	1	1.5	
Total		67	100.0	

As per the table 4.34 what were the common abuses per-diem in the respondent's organizations like, getting per diems from two sources, 1.5% strongly agree, 11.9% agree, 32.8% neutral, 14.9% disagree, and 37.3% strongly disagree on this issue.

- **Falsifying participants lists in workshop to claim per-diem**

Table 4.35 Falsifying participant lists

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	2	3.0	3.1
	Agree	13	19.4	23.1
	Neutral	20	29.9	53.8
	Disagree	13	19.4	73.8
	Strongly Disagree	17	25.4	100.0
	Total	65	97.0	
Missing	99	2	3.0	
Total		67	100.0	

As per the table 4.35 what were the common abuses per-diem in the respondent’s organizations like, falsifying participant lists in workshops to claim per diem, 3% strongly agree, 19.4% agree, 29.9% neutral, 19.4% disagree, and 25.4% strongly disagree on this issue. Though, the notion of falsifying participants list in the workshops to claim per-diem during the interview sessions observed that one of the interviewee respond that previously, *“a few people tried to submit fake hotel receipts for settlement, but this problem is now resolved after a flat rate is put in use.”*

- 7. The respondent’s replies what motivates them to participate in a meeting/workshop.**
 - Training/workshop participated to attain certain experience/knowledge.

Table 4.36 to attain certain experience

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	19	28.4	39.6
	Agree	13	19.4	66.7
	Neutral	6	9.0	79.2
	Disagree	6	9.0	91.7
	Strongly Disagree	4	6.0	100.0
	Total	48	71.6	
Missing	99	19	28.4	
Total		67	100.0	

From the table 4.36 what motivated employees to participate in training or workshop, to attain certain experience/knowledge 28.4% strongly agree, 19.4% agree, 9% neutral, 9% disagree, and 6% strongly disagree on this idea. The majority of respondents constitute forty seven point eight percent (47.8%) believe that to attain certain experience/knowledge motivates participants in training/workshop.

- For the income it provides them

Table 4.37 for the income it provides

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	10	14.9	15.6
	Agree	18	26.9	43.8
	Neutral	4	6.0	50.0
	Disagree	18	26.9	78.1
	Strongly Disagree	14	20.9	100.0
	Total	64	95.5	
Missing	99	3	4.5	
Total		67	100.0	

From the table 4.37 for the income it provides them, motivates participants to take part in training/workshop 14.9% strongly agree, 31.9% agree, 6% neutral, 21.9% disagree, and 20.9% strongly disagree on this idea. The majority of respondents forty six point eight percent (46.8%) support the idea that they took part in training and workshop for the income it provides them.

- Because they derive much pleasure from learning new things.

Table 4.38 pleasure from learning new things

		Frequency	Percent		Cumulative Percent
Valid	Strongly agree	27	40.3		41.5
	Agree	26	38.8		81.5
	Neutral	9	13.4		95.4
	Strongly Disagree	3	4.5		100.0
	Total	65	97.0		
Missing	99	2	3.0		
Total		67	100.0		

From the table 4.38 they derive much pleasure from learning new things, motivates participants to take part in training/workshop 40.3% strongly agree, 38.8% agree, 13.4% neutral, 0% disagree, and 4.5% strongly disagree on this idea. Seventy nine point one percent (79.1%) of the respondents affirmed that from training/workshop they derive much pleasure from learning new things.

- Because it has become a fundamental part of their work.

Table 4.39 fundamental part of my work

	Strongly agree	23	34.3	34.8	34.8
	Agree	24	35.8	36.4	71.2
Valid	Neutral	14	20.9	21.2	92.4
	Disagree	4	6.0	6.1	98.5
	Strongly Disagree	1	1.5	1.5	100.0
	Total	66	98.5	100.0	
Missing	99	1	1.5		
Total		67	100.0		

From the table 4.39 it has become a fundamental part of their work, motivates participants to take part in training/workshop 34.3% strongly agree, 35.8% agree, 20.9% neutral, 6% disagree, and 1.5% strongly disagree on this idea. 70.1% of the respondents admitted that training or workshop had become a fundamental part of their work.

- Because it allows them to earn money

Table 4.40 to earn money

		Frequency	Percent	Cumulative Percent
	Strongly agree	7	10.4	10.8
	Agree	23	34.3	46.2
Valid	Neutral	9	13.4	60.0
	Disagree	11	16.4	76.9
	Strongly Disagree	15	22.4	100.0
	Total	65	97.0	
Missing	99	2	3.0	
Total		67	100.0	

From the table 4.40it allows them to earn money, motivates participants to take part in training/workshop 14.4% strongly agree, 34.3% agree, 13.4% neutral, 16.4% disagree, and 22.4% strongly disagree on this idea. Forty eight point seven (48.7%) percent were positive that per-diem allows them to earn money too.

- Because training provides them with job security.

Table 4.41with job security

	Frequency	Percent	Cumulative Percent
Valid Strongly agree	5	7.5	7.6
Agree	24	35.8	43.9
Neutral	20	29.9	74.2
Disagree	12	17.9	92.4
Strongly Disagree	5	7.5	100.0
Total	66	98.5	
Missing 99	1	1.5	
Total	67	100.0	

From the table 4.41training provides me with job security, motivates participants to take part in training/workshop 7.5% strongly agree, 35.8% agree, 29.9% neutral, 17.9% disagree, and 7.5% strongly disagree on this idea.

8. Respondents’ advice to minimize problems associated with per-diem.

- Arrange pre-paid accommodation and meals rather than paying per-diem in cash.

As depicted in the below Table 4.42 respondents reply to minimize problems associated with per-diems, arrange pre-paid accommodation and meals rather than paying per diem in cash 18.18% strongly agree, 12.12% agree, 22.73% neutral, 22.73% disagree & 24.24% strongly disagree on this notion. Majority of the respondents forty six point ninety seven percent (46.97%) didn’t agree the idea of arrange prepaid accommodation meals rather than paying per-diem in cash.

Table 4.42 arrange pre-paid accommodation and meals

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	12	17.9	18.2
	Agree	8	11.9	30.3
	Neutral	15	22.4	53.0
	Disagree	15	22.4	75.8
	Strongly Disagree	16	23.9	100.0
	Total	66	98.5	
Missing	99	1	1.5	
Total		67	100.0	

- Increase per-diem rates.

Table 4.43 Increase per diem rates

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	34	50.7	51.5
	Agree	31	46.3	98.5
	Neutral	1	1.5	100.0
	Total	66	98.5	
Missing	99	1	1.5	
Total		67	100.0	

As depicted in the Table 4.43 respondent's answer to minimize problems associated with per-diems, increase per diem rates 43.94% strongly agree, 39.39% agree, 13.64% neutral, 1.51% disagree & 1.51% strongly disagree on this notion. Most of the respondents eighty three point thirty three percent (83.33%) highly support to increase per-diem rate.

- Harmonize per diem and abolish hierarchy of per diem based on position title

As depicted in the Table 4.44 below respondent's reply to minimize problems associated with per-diems, harmonize per diem and abolish hierarchy of per diem based on position title 34.85% strongly agree, 19.7% agree, 18.18% neutral, 10.61% disagree & 16.67% strongly disagree on

this notion. The majority of respondents that consists of fifty four point fifty five percent (54.55%) in favor of the idea of harmonizes per-diem and abolish hierarchy based on position title.

Table 4.44abolish hierarchy of per diem

	Frequency	Percent	Cumulative Percent
Valid Strongly agree	23	34.3	34.8
Agree	13	19.4	54.5
Neutral	12	17.9	72.7
Disagree	7	10.4	83.3
Strongly Disagree	11	16.4	100.0
Total	66	98.5	
Missing 99	1	1.5	
Total	67	100.0	

- Adjust salary and stop paying per-diem

Table 4.45Adjust salary and stop per-diem

	Frequency	Percent	Cumulative Percent
Valid Strongly agree	16	23.9	24.2
Agree	5	7.5	31.8
Neutral	7	10.4	42.4
Disagree	11	16.4	59.1
Strongly Disagree	27	40.3	100.0
Total	66	98.5	
Missing 99	1	1.5	
Total	67	100.0	

As depicted in the Table 4.45 respondent’s reply to minimize problems associated with per-diems, adjust salary and stop paying per diem 24.24% strongly agree, 7.6% agree,10.61% neutral, 16.67% disagree & 40.91% strongly disagree on this notion. Majority of the respondents (57.58%) were in contrary to the idea of adjusting salary and stop paying per-diem.

- Harmonize per diem rates of NGOs with the Government rates

Table 4.46 Harmonize per diem rates of NGO

		Frequency	Percent	Cumulative Percent
Valid	Strongly agree	9	13.4	13.8
	Agree	7	10.4	24.6
	Neutral	20	29.9	55.4
	Disagree	11	16.4	72.3
	Strongly Disagree	18	26.9	100.0
	Total	65	97.0	
Missing	99	2	3.0	
Total		67	100.0	

As depicted in the Table 4.46 respondent's reply to minimize problems associated with per diems, harmonize per diem rates of NGOs with the Government rates 13.85% strongly agree, 10.77% agree, 30.77% neutral, 16.92% disagree & 27.69% strongly disagree on this notion. Majority of the respondents (41.61%) against the idea of harmonize per-diem rates of NGOs with the Government rates.

Table 4.47 Motivation Per-diem Rate for Training Participants

		Frequency	Percent	Cumulative Percent
	Strongly agree	10	14.9	15.6
	Agree	18	31.9	47.8
	Neutral	4	6.0	53.9
	Disagree	18	21.9	73.7
	Strongly Disagree	14	20.9	100.0
	Total	64	95.5	
Missing	99	3	4.5	
Total		67	100.0	

(Source: own survey 2016)

Table 4.48 Increase per diem rates * Rates are too low Cross tabulation Count

		Rates are too low					Total
		Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	
Increase per diem rates	Strongly agree	10	14	2	1	1	28
	Agree	10	9	3	2	1	25
	Neutral	2	4	2	1	0	9
	Disagree	0	0	0	0	1	1
	Strongly Disagree	0	1	0	0	0	1
Total		22	28	7	4	3	64

(Source: own survey 2016)

As above table 4.47 & 4.48 indicates the majority of respondents replied, they participated in training/workshop for the income it provides them similar to this view they responded that the per-diem rate of government and non-government were too small that needs to increase per-diem rate. Further, in an interview made with Finance & Admin Manager of ICAP *“For many people, per diem is among the major motivating factors to participate in a meeting/workshop. A few people are interested to participate if they feel the per diem rate is too small. The main problem is that per diem has been considered by many as salary subsidizing mechanism.”* This view positively supported during the literature review, the influence per-diem rate on motivation of training/workshop participants.

4.2.4 The Relationship between Per-diem Rate with Employees Motivation (Inferential Statistics)

4.2.4.1 Correlation Analysis

A correlation analysis was performed to determine if there were any relationship between the independent and dependent variables. Spearman’s Correlation Coefficient is a statistical measure

of the strength of monotonic relationship between two variables. And if there is a categorical independent/dependent variable, when the assumption of normal distribution is not met.

Table 4.49 Spearman’s Correlation Coefficient

		Motivating Employees	per diem categorized
Spearman's rho	Motivating Employees	Correlation Coefficient	1.000
		Sig. (2-tailed)	.047
		N	.708
	per diem categorized	Correlation Coefficient	67
		Sig. (2-tailed)	65
		N	.047
		.708	1.000
		65	65

(Source Own survey 2016)

Result: $r = .047$

H1: there was moderate correlation between employees’ motivation and per-diem rate.

4.3 Discussions

On response to what motivated employees to attend a meeting/workshop, most of the respondents’ positively agree that per-diem rate was the most motivating factor to participate in a meeting/workshop. This idea supported by the Finance Managers of the two organizations “*for many people, per diem is among the major motivating factors to participate in a meeting/workshop. A few people are interested to participate if they feel the per diem rate is too small*” and working paper by Nkamleu, Kamgnia, (2014) titled Uses and Abuses of Per-diem in Africa:states as the amount of per-diem increases, the incentive of extrinsically motivated ones increases; explaining for example why paying high per-diem rates for a meeting will increase the probability of having inappropriate people attending.

Majority of the respondents’ on the major purpose of paying per-diem was reimbursement of work related expenditure or to compensate employees for extra expense incurred when travel away from their normal duty station. Moreover, the response showed per-diem encourages

professional development activities, significant portion of the respondents support on the notion of the major purpose of per-diem motivating employees to work outside their duty station.

Majority of the respondents' replied on the major benefit of per-diem, it assists getting work done efficiently & effectively, also positive that per-diem encourages or facilitates training, it increase staff motivation and productivities of employees, and reduce absenteeism and improve attendance.

Most of the respondents contrast on the idea of per-diem could be used as supplementary source of income or using it as subsidy for salary, nonetheless, the literature review and interview with managers of two organizations contrast with this view: by saying "*the main problem is that per diem has been considered by many as salary subsidizing mechanism*" the researcher believe that this one of the inherent limitation of the study on the issues that were of a sensitive in nature. To mention some from literature that support this view: Nkamleu, Kamgnia, (2014) working paper titled *Uses and Abuses of per-diem in Africa: The study proposes underpaid staffs have developed a wide range of coping strategies to top up incomes, one of the most frequent and effective strategies consists of concentrating on activities that benefit from donor funded per diems and allowances. In low-income settings, per diems are an increasingly important source of compensation for many workers (Chêne, 2009; Roenen, Ferrinho, Van Dormael, Conceicao, & Van Lerberghe, 1997 as cited in Vian & Sabin, 2012). Study in some countries shows (e.g. Malawi and Tanzania) per diem rates are very high in relation to wages, while in others (Ethiopia), per diem rates are low in relation to average wages.*

Unlike the respondents reply on the major disadvantage of per-diem, it is costly to organizations and there was a tendency of not sustainability on the program and projects, supported by previous studies and literatures conducted disclosed that: Study conducted in Uganda Civil servants' expectation of per diems has a malign effect on ICT for development project sustainability. What such projects seek to implement becomes associated with the accompanying monetary incentives and may erode quickly when funding runs out (Sanner, & Sæbø 2014). Further, some informants worried about the sustainability of health program strategies which rely on per diem spending, and complained that where policies are not implemented fairly" (Vian et al., 2012). The irregularity of monetary incentives and the high probability that payments will end

abruptly when project funding runs out (Bhattacharyya, Winch, LeBan& Tien, 2001) stimulate short-sighted and opportunistic behavior among ICT4D project participants.

Some of the common per-diem abuses found in the study organizations, and supported in the literature review:

- Sending wrong people participate in project workshops and too many workshops are held at the wrong locations for too high a cost (Pfeiffer, 2003).
- The respondents believed that it fosters manipulation of work practice that employees attend meetings/conferences rather than fulfilling administrative tasks which slowing down government operations. Moreover, they were positive that it fosters dependence as government worker seek more revenue from allowances.
- Per diems and other allowances have been shown to distort human resource management systems by shifting the focus of work from routine tasks to workshop attendance and to tasks within specific programs for which per diems are available (Hanson, 2012).

As supported by the finding the government rate of per-diem is grossly inadequate to cover real costs. Considering the high inflation rate throughout the past decade, the rates from 2001 obviously did not reflect current costs. Hence, civil servants would not be satisfactorily compensated if the existing government rates were strictly applied. Owing to the low rates, an informal practice has therefore been allowed to develop, whereby managers inflate the reported number of days that staffs travel beyond the actual number in order to compensate for their real expenses. Even though the practice is formally illegal, it is generally accepted that management manipulate the number of days as a matter of administrative routine, based on personal discretion.

On the response to what could be done to minimize problems associated with per-diem, respondents didn't support the idea of arrange pre-paid accommodation and meals rather than paying per-diem in cash, only a few backs to continue using the existing system, they highly support the notion of increasing per-diem rates, similarly they support the idea harmonize per-diem rate and abolish hierarchy per-diem based on position title, but against the view of adjust salary and stop paying per-diem, further, only few support the idea of to harmonize per-diem rate of NGOs with government rates.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

This chapter presents conclusion, and recommendations derived from previous data presentations and analysis.

5.1 Conclusion

As it was clearly indicated in the introduction part, the main objective of this project paper was to examine the use of travel and per-diem allowances rate as motivating factor for participants in training/workshop in the case of selected two non-governmental organizations. Therefore, the following conclusion inferred from the study:

Research finds out what motivated employees to participate/attend in training/workshop/meeting:

- Per-diem is among the major motivating factors to participate in a meeting/workshop. Therefore, the higher the per-diem rate used in a given training the more employees motivated.
- The major purpose of paying per-diem is to reimburse work related expenditure or to compensate employees for extra expenses when on travel away from their normal duty stations.
- The major benefit of per-diem is to assist in getting work done efficiently and effectively. Further, it encourages training activities to be facilitated in an organization.
- Data collected suggested that, per-diem or allowance not to be considered as salary top up or subsidy by training participants.
- The majority respondents or employees objected the idea of differentiating per-diem rate due to their grades and ranks.
- The main disadvantage of per-diem in an organization:

- It requires huge financial resource as it usually constitutes a significant portion of their annual budget.
- It fosters dependency as government worker seek more revenue from allowances.
- The research founds out the per-diem rate used by the government & non-government entities was barely enough to cover their expenses while they were away from office on duty.

The research founds out the following common and major abuses of per-diem in the selected government & non-government organizations:

- The likelihood of employees going to a meeting, if there is little need, so the travel is sometimes inspired by the desire to gain income,
- There is slowing down government operations as senior officials attend a meeting/workshop to gain per-diem,
- There is common practice for sending the wrong people for training while junior staffs member might be the ideal person to attend a skill based training, his or her supervisor may choose to attend the training instead.

5.2 Validity and Reliability of Findings

Validity and reliability of the findings ensured by using a mixed method approach both quantitative and qualitative instruments for triangulating data sources, qualitative results assist in discussing, explaining and interpreting the findings of a primary quantitative results, further, the researcher used modified standard instruments for data collection and the finding obtained compared and contrasted with the previous findings for validity & reliability.

5.3 Limitation

When the information provided was inconsistent, most likely reflecting the diverging interests of respondents besides, research that touches upon personal and sensitive issues, like peoples' attitudes toward the use of per-diems, and may have inherent limitations. However, by

triangulating data sources (using questioner & Interview) and seeking validation from diverse respondents my conclusions are based on evidence and can be defended.

Most questioners were forthcoming and communicative, however, some get lost from the subject matter and others were defensive and declined to answer certain questions, especially if they were of a sensitive nature as is inherently the case in a study of this nature.

5.4 Recommendations

5.4.1 Recommendations for the organizations under study

The study found out that the rate of the per-diem had an effect on motivation of the training participants, hence, organizations should be conscious enough on the pre-diem rate they are using for a particular training session neither to be higher or lower than the actual travel related cost or expense.

The researcher recommends that the purpose of per-diem should be to reimburse travel expenses and not to remunerate staff. If the per-diem rate is more than actual cost, employees motivated to participate in the needless meeting or workshop. In contrary, if the rate of per-diem is not sufficient enough to cover the expenditure related with travel, the participants/employees pursue illegal mechanism to compensate their expenses like inflating the training days, manipulating /falsifying the documents. It is advisable for organizations to review or update their per-diem rate frequently in relation to inflation or when there are significant changes in the cost of living in the country.

The researcher argue that there should be no distinction between per diem rates for employees of different ranks, since the expenses of travel should not really be different depending on employees' grade. If rates were standardized, then people would plan their time rationally instead of attending a workshop just because the per diem rate is higher. The researcher noted that differences in rates foster competition rather than collaboration among NGOs. Sometimes it is admitted that different rates lead to competition for participants in which the event that offers

the most advantageous package wins. Therefore, NGOs should not compete each other to attract more participants, currently; there is a per-diem race among NGOs. Especially, CCRDA (The Consortium of Christian Relief and Development Association) has to create uniformity on the per-diem rate among NGOs.

To avoid per-diem abuses in an organization, an annual training plan should be prepared based on targets put by the donors and approved by senior managers. Invitation letters need to be sent to participants. The letters must indicate the type and qualification of the individuals that need to participate. Participants should be required to bring letters from their respective organizations indicating their position title when they are coming for training/workshop. Furthermore, introducing tighter financial control & enhancing transparency in policy implementation may help to reduce abuse. It is also recommended to improve mechanisms to check the appropriateness of the training participants (attendants) in a given training/workshop session. The need for administrative rules to be tighter to reduce opportunities for abuse, including procedures to check whether trips are legitimate and justified by work plans.

Per-diem requires huge financial resources or constitutes a significant portion of their annual budget of an organization's, so organizations need to be conscious of properly utilizing their scarce resources (their workforces) efficiently and effectively, so that, the organizations will be productive, competitive and able to channel the budget for productive activity for the society.

5.4.2 Government Organizations

Abuse seemed more common in the government sector as low salaries are likely to be a driver or motivator for people to abuse per-diems. The problem of per-diem fraud could be the result of inadequate or ineffective controls. Controls alone are unlikely to solve the problem of fraud in an institution with a complete set of weaknesses unless combined with more comprehensive reforms, e.g. pay reform.

Government requires ensuring on the sustainability of the program/project after phase-out, meanwhile, per-diem is costly to organizations and government is responsible to ensure proper utilization public funds.

Per-diems create conflict among staffs; contribute to a negative organizational culture where people expect to be paid for all activities. And work practices are manipulated in order to maximize financial gain; for example, by slowing work, scheduling unnecessary trainings. Therefore, it is recommended to have internal controls: internal controls are generally process-focused (what seminars have been held, with how many participants) instead of results-focused on outcomes in terms of better service delivery. At the end-of-workshop evaluations of what participants have learned about the actual use of the new knowledge acquired and its effect on performance.

5.4.3 Other Researchers

An increasingly considerable portion of public spending is allotted usually in connection with seminars and workshops, thus the increasingly large amount spent warrant more attention to the question of whether those who spend get value for money for those expense, hence, the researcher suggest further study as to what extent such programs give value for money. The researcher cannot quantify the amount of spending on allowances, either by donors or in the government sector. More, the effectiveness of training-workshops is likely to be the subject of a future research program.

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APPENDIXES

Appendix I

Interview Questions

1. Does your organization have travel policy for your staffs, government & partners? If yes, would you please tell me travel policy of your organization?
2. How do you evaluate the per-diem or travel allowance rate of government/partners in your organization is it substantially larger or smaller than the actual expense?
3. Are the components of per diems clear and separately calculated? (e.g. accommodation, meals, transport, incidentals)
4. Do per diem rates for government staffs vary by level of staff, salary grade,by geographic location within the country?
5. What are the major problems you encountered in line with per diem request and settlement? Who are these people?
6. The importance of the training/workshop session evaluated by officials before conducting it?
7. Is there any mechanism to check the appropriateness of the training participants (attendants) in a given training/workshop sessions?
8. Is there any association between low salary or income and hunting per diem?
9. Are people motivated financially (extrinsic motivation) to participate in training, workshop and seminars? If so why? Due to lower wages or salary, andinflation?
10. How frequently are per diem rates updated? When the last time per diem rate was updated?

Appendix II

Self-Administered Questionnaires

St. Mary University

A Questionnaire

For collecting data to be used for the project report entitled The Effect of Travel Allowance & Per-dime Rate on Motivation of Training Participants to be submitted in Partial Fulfillment of the Requirements for the Degree of General MBA, of St. Mary University

=====

INTRODUCTION

The objective of this questionnaire is to gather data from selected charitable organizations regarding the possible impact of per diem (daily subsistence Allowance) on motivation of training/workshop participants.

I appreciate your cooperation in using 10-15 minutes of your time to fill out your response to the following questions.

Please note that the data gathered will be held strictly confidential and will only be used for academic purposes.

PART I

Indicate your response by putting a (X) sign.

1. RESPONDENT PROFILE

1.1. Sex

Male Female

1.2. Level of Education

Primary School Secondary School

Technical/ Vocational College Diploma

Bachelor Degree Post Graduate

1.3. What is your level of responsibility in the organization?

Front Line	<input type="checkbox"/>	Middle-level Management	<input type="checkbox"/>
Supervisory	<input type="checkbox"/>	Executive-level Management	<input type="checkbox"/>

1.4 Your Current Organization (choose from the list)

PIE Staffs ICAP Staffs Government Office Staffs

1.5 What is your monthly basic salary (excluding any additional benefits such as housing allowance, education support, transportation subsidy, etc.)?

_____ Birr

1.6 What is the approximate value of additional benefits you receive, including housing allowance, education support, transportation subsidy, Communication allowance, etc.?

_____ Birr

1.7 How often you participant in an activity for which you received per-diem for training/meeting/workshop? (On Average)

Three weeks per month Two weeks per month a week per month

PART II

2. Personal Experience with per diems:

2.1. How often you participant in an activity for which you received per-diem for training/meeting/workshop? (On Average)

Three weeks per month Two weeks per month a week per month a week in two months
a week in six months

2.2. What is your per diem rate for the last 6 months? If you don't know exact rate please estimate as best you can.

Below 100 birr/day 101 to 200 birr/day 201 to 300 birr/day 301 to 400 birr/day
 401 to 500 birr/day 501 to 999 birr /day over 1,000 birr/day

2.3. In the last 6 months, of the total days you participated in per diem-earning activities, how many were spent away from your duty station (home city/town)?

Always Most of the time Sometimes Rarely Never

2.4. In the last 6 months, for those days spent away from your duty station, please tell me the number of days spent on the following activities, and the rate you received per day on each activity:

	Training	Project Oversight/ monitoring & evaluation	Meeting or conference	Supervision/ on-site support	Other (please specify on remark column)	Total	Remark
Number of Days							
Rate per Day							
Total Earned In per-diem							

2.4. If you have to choose your stay, which one do you prefer? Working in office:

Always Most of the time Sometimes Rarely Never

Working in field/travel/meeting/workshop:

Always Most of the time Sometimes Rarely Never

PART III.

II. QUERIES SPECIFIC TO THE STUDY

Please respond by marking a “X” or “√” sign against the alternative choices given in the table below that are represented from 1 to 5 to indicate:

1. Strongly agree 2. Agree 3. Neutral 4. Disagree 5. Strongly disagree

S#	Question	Alternative Choices				
		1	2	3	4	5
1	In your opinion, what are the major purposes of paying per diem?					
	• Reimbursement of work-related expenditures					
	• Encouraging professional development activities					
	• Motivating employees to work outside the duty station					
	• Salary subsidy					
2	What do you think are the major benefits of per diem?					
	• Getting work done efficiently & effectively					
	• Encouraging training					
	• Increasing staff motivation & productivity					
	• Supplementary source of income					
	• Reducing absenteeism/ increasing attendance					
3	What are the main disadvantages of per diem for an organization like yours?					
	▪ Require huge financial resource					
	▪ Costly to the organization and not sustainable					
	▪ Creates negative organizational culture where people expect to get paid for every activity					

	<ul style="list-style-type: none"> ▪ Fosters manipulation of work practices (slowing work, over-scheduling training) 				
	<ul style="list-style-type: none"> ▪ Fosters dependence as government workers seek more revenue from allowances 				
4	Please indicate how you agree on the following statements:				
	<ul style="list-style-type: none"> • Hierarchy of per diem (i.e., per diem rates varied by level of staff, with higher-level staff receiving higher rates) is necessary. 				
	<ul style="list-style-type: none"> • Per diem rates need to be uniform across the organization, i.e., they should be paid in accordance with needs rather than administrative hierarchies 				
	<ul style="list-style-type: none"> • Most NGOs use per diem rates that go well beyond the purpose of reimbursing actual work-related expenses. 				
	<ul style="list-style-type: none"> • There is no problem in treating per diem as supplementary sources of income as well as reimbursement of work-related expenses 				
5	How big is the per diem rate used by your organization as compared with that of the Government Entities?				
	<ul style="list-style-type: none"> • Almost equal 				
	<ul style="list-style-type: none"> • > by 10%-30% 				
	<ul style="list-style-type: none"> • > by 31%-50% 				
	<ul style="list-style-type: none"> • > by 50%-100% 				
	<ul style="list-style-type: none"> • > by 101% and above 				
6	How do you see the per diem rate used by the Government entities from which participants to your trainings/ workshops are sent?				
	<ul style="list-style-type: none"> • Insufficient to cover their expenses 				
	<ul style="list-style-type: none"> • Just enough to cover their expenses 				
	<ul style="list-style-type: none"> • More than enough 				
7	How do you see the per diem rate used by your organization to pay training/ workshop participants?				

	<ul style="list-style-type: none"> • Insufficient to cover their expenses 					
	<ul style="list-style-type: none"> • Just enough to cover their expenses 					
	<ul style="list-style-type: none"> • More than enough 					
8	What are the major weaknesses of the per diem system in place within your organization?					
	<ul style="list-style-type: none"> • Rates are too low 					
	<ul style="list-style-type: none"> • Rates are excessive 					
	<ul style="list-style-type: none"> • Unfair differences in rates 					
	<ul style="list-style-type: none"> • Unequal opportunities to go to the field 					
	<ul style="list-style-type: none"> • Inflexible policies (e.g. accommodation receipt required) 					
9	From your experience, what are the common abuses of per diem in organizations like yours?					
	<ul style="list-style-type: none"> • Going to the field or a meeting, even if there's no need 					
	<ul style="list-style-type: none"> • Tendency to change the work plan in order to maximize 					
	<ul style="list-style-type: none"> • Slowing down government operations as per diems encourages senior managers to attend trainings instead of sending their subordinates. 					
	<ul style="list-style-type: none"> • Sending the wrong people for training 					
	<ul style="list-style-type: none"> • Over-estimating time needed for an activity to earn more per diem 					
	<ul style="list-style-type: none"> • Inventing work, such as unnecessary trips, to earn more per-diem 					
	<ul style="list-style-type: none"> • Working slowly in order to get extra per diem 					
	<ul style="list-style-type: none"> • Claiming per diem for days that were budgeted to be in the field or at a workshop, even if the work takes less time 					
	<ul style="list-style-type: none"> • Getting per diems from two sources at once for the same activity 					

	<ul style="list-style-type: none"> • Claiming per diem from multiple workshops in one day 					
	<ul style="list-style-type: none"> • Falsifying participant lists in workshops to claim per diem 					
	<ul style="list-style-type: none"> • Going to a workshop which is not needed for your job 					
10	Please indicate how you agree on the following statement/s that motivates you to participate/attend in training or meeting/workshop.					
	<ul style="list-style-type: none"> • Because this is the type of training/workshop, I participate to attain certain experience/knowledge. 					
	<ul style="list-style-type: none"> • For the income it provides me 					
	<ul style="list-style-type: none"> • Because I derive much pleasure from learning new things. 					
	<ul style="list-style-type: none"> • Because it has become a fundamental part of my work. 					
	<ul style="list-style-type: none"> • Because I chose this type of training/workshop to attain my career goals. 					
	<ul style="list-style-type: none"> • Because it allows me to earn money. 					
	<ul style="list-style-type: none"> • Because this type of training provides me with job security. 					
	<ul style="list-style-type: none"> • Because I have been assigned by immediate supervisor 					
11	What do you think can be done to minimize problems associated with per diem?					
	<ul style="list-style-type: none"> • Arrange pre-paid accommodation and meals rather than paying per diem in cash. 					
	<ul style="list-style-type: none"> • Continue using the existing system 					
	<ul style="list-style-type: none"> • Increase per diem rates 					
	<ul style="list-style-type: none"> • Harmonize per diem and abolish hierarchy of per diem based on position title 					
	<ul style="list-style-type: none"> • Adjust salary and stop paying per diem 					
	<ul style="list-style-type: none"> • Harmonize per diem rates of NGOs with the Government rates. 					

Thank You for participating and I highly appreciate your feedback and the time spent for completing the survey!!!

Appendix III

Harmonized Per-diem Rate for Government Staffs for Donor-Financed Activities

Harmonized per diem rates for Government Civil Servants and staff attached to Government for donor-financed activities in Ethiopia

I. Per Diem Rate

Eligibility	When official meetings, seminars, conferences, in-service trainings, courses, monitoring missions and similar activities are conducted at a location other than the participant's duty station and when a participant is required to stay over-night, he/she will be entitled to a daily subsistence allowance (DSA), or per diem. ¹							
1.1	Location	<table border="1" style="width: 100%;"> <tr> <td style="width: 60%;">Federal/Regional Capital Cities/Zonal Cities</td> <td style="width: 40%;">Others</td> </tr> <tr> <td>Addis Ababa, Adama, Dire Dawa, Bahir Dar, Hawassa, Harar, Mekelle, Gambella, Semera, Jijiga and Assosa, Awash sebat, Abe Ala, Assaeta, Gulina, Dalfage, Metekel, Mandra, Kemashe, Agnewa, Nuwer, Gnegnang, Mejenger, Maeti, Etang, Wolkite, Hossana, Sodo, Areba Minch, Dilla, Bonga, Mizan, Dalecha, Jinka, Gumayde, Werabe, Mash, Tercha, Maychew, Adigrat, Setitumera, Axsum, Endeselassie, Kebridehar, Warder, Filtu, Shinele, Aregele, Fik, Bishoftu, Shashemene, Negele, Chiro, Nekemt, Yabello, Ambo, Assela, Robe, Fiche, Gimbi, Jimma, Mettu, Wolliso, Shambu, Dembidollo, Finoteselam, Lalibella, Debre Markos, Debre Tabor, Woldya, Debre Birhan, Dessie, Gondor, Kemisse, Enjibara, Kombolcha. and Seqota</td> <td>All other cities, towns and woredas</td> </tr> <tr> <td>For the above listed federal, regional and zonal capital cities, the per diem rate is 300 Birr per day.</td> <td>For all other towns and woredas the per diem rate is 210 Birr Per day.</td> </tr> </table>	Federal/Regional Capital Cities/Zonal Cities	Others	Addis Ababa, Adama, Dire Dawa, Bahir Dar, Hawassa, Harar, Mekelle, Gambella, Semera, Jijiga and Assosa, Awash sebat, Abe Ala, Assaeta, Gulina, Dalfage, Metekel, Mandra, Kemashe, Agnewa, Nuwer, Gnegnang, Mejenger, Maeti, Etang, Wolkite, Hossana, Sodo, Areba Minch, Dilla, Bonga, Mizan, Dalecha, Jinka, Gumayde, Werabe, Mash, Tercha, Maychew, Adigrat, Setitumera, Axsum, Endeselassie, Kebridehar, Warder, Filtu, Shinele, Aregele, Fik, Bishoftu, Shashemene, Negele, Chiro, Nekemt, Yabello, Ambo, Assela, Robe, Fiche, Gimbi, Jimma, Mettu, Wolliso, Shambu, Dembidollo, Finoteselam, Lalibella, Debre Markos, Debre Tabor, Woldya, Debre Birhan, Dessie, Gondor, Kemisse, Enjibara, Kombolcha. and Seqota	All other cities, towns and woredas	For the above listed federal, regional and zonal capital cities, the per diem rate is 300 Birr per day.	For all other towns and woredas the per diem rate is 210 Birr Per day.
Federal/Regional Capital Cities/Zonal Cities	Others							
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For the above listed federal, regional and zonal capital cities, the per diem rate is 300 Birr per day.	For all other towns and woredas the per diem rate is 210 Birr Per day.							
1.2	Full Accommodation & Boarding	When organizers directly cover accommodation and meals (full board), then the organizer will pay DSA for the participants only for the travel days before and after the meeting.						
1.3	DSA for Government appointed officials	<p>For government appointed officials a special DSA rate of the government is applicable according to the government rules & regulations (See Annex 1). This includes:-</p> <p>1.3.1. At Federal Level:</p> <p>1.3.1.1. Highest level Officials such as Ministers, State Ministers, Speaker of House of people Representative & House of Federation, Deputy Speaker of House of People Representative & House of Federation, president of Federal Supreme Court, Deputy presidents of Federal Supreme Courts, Mayor of Addis Ababa & Dire Dawa City Administration and other government appointed officials equivalent to this level.</p> <p>1.3.1.2. Higher Level Officials Such as Director Generals and Deputy Director Generals of Federal level Agencies and Institutes, Heads & Deputy Heads of Federal Offices, Members of House of People Representative & House of Federation, Presidents & Deputy presidents of Universities, Ambassadors, Chief Executive officers of Addis Ababa & Dire Dawa City administration, Commissioners & Deputy Commissioners of Federal Police and other government appointed officials equivalent to this level.</p> <p>1.3.2. At Regional Level</p> <p>1.3.2.1. Highest Level Officials such as Presidents/Deputy presidents of the Regions, Speakers/Deputy Speakers of Regional Councils, Presidents/Deputy Presidents of Regional Supreme Courts, Members of the Regional Councils, Heads of Zone Administrations and other government appointed officials equivalent to this level.</p> <p>1.3.2.2. Higher Level Officials such as Heads of Regional Sector Bureaus, Authorities of Regional Agencies & Institutes, Heads of Regional offices, Deputy Zone Administrators and other government appointed officials equivalent to this level.</p>						
1.4	For all travelers from the federal government to the regions a per diem rate of 300 Birr is applicable							

¹ Per Diem rates are subject to revision as required, but at least every 2 years (based on market surveys and inflation).

Note: - Payment Related to Government appointed Officials with Special Per diem rate

- Payment of Per diem based on this calculation 10% for Breakfast, 25% for Lunch, 25% for Diner & 40% for Hotel Rooms (Bed)
- The per diem rate for Highest & Higher level Officials (see annex 2 of table 1 & 2) Paid after 40% of the original Per diem rate deducted for hotel room payment at Regional capital cities, two city administrations & zonal cities repayment for hotel room paid upon the submitted receipt
- The per diem rate at woreda towns (see Annex 2 of table 3) included the hotel room payment, so there is no deduction as well as repayment for hotel room at woreda town level.

