



ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

**THE EFFECTIVENESS OF PROJECT MANAGEMENT PRACTICES OF
INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)
IMPLEMENTATION PROJECT IN PUBLIC ENTERPRISES IN
ETHIOPIA:**

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August 2020
Addis Ababa, Ethiopia

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**A THESIS SUBMITTED TO THE SCHOOL OF GRADUATE STUDIES OF
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Ethiopia**

“A project is a problem scheduled for solution.”

—J. M. JURAN

Declaration

I, Abebe Shiferaw, hereby declare that the work which is being presented in this thesis entitled “the effectiveness of project management practices of international financial reporting standards implementation project in public enterprises in Ethiopia” is an original work of my own and prepared under the guidance of Abebaw Kassie (PhD). It has not been presented for any scholastic achievement and level of study (Bachelors or Masters or PhD programs) in any other Institute, College and University. All the source of the materials used in this dissertation paper has been duly acknowledged.

The Candidate

Date

This is to certify that the above declaration made by candidate is correct to the best of my knowledge.

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Name _____

Signature _____

Date _____

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Abebe Shiferaw

Abstract

The purpose of this study is to determine the effectiveness of Project Management Practices of IFRS implementation Project in the case of Public enterprises in Ethiopia. In this study, descriptive design and quantitative research through structured questionnaires, and a semi-structured interview designed for qualitative research have been used. A Project management Body of Knowledge (PMBok), a critical success factors obtained through implementation and the way the process groups operated are used as a variable. The data collection methods were a questionnaire and semi-structured interview with review of relevant documents. The data collected from the questionnaire was analyzed using descriptive analyses with SPSS 21 and the interview was qualitatively interpreted. The result from the study revealed that Public enterprises have practiced a project management during their IFRS implementation processes led by different teams and steering committee without a project manager. Getting the primary all-inclusive sensitivity of the concerning body were one of the major critical success factors and the load thrown on the finance department to coordinating responsibility is one of the challenge they faced. So that, the same support and follow up from concerning bodies for future implementers has recommended. And finally, possible research areas that investigators shall use for the future following this result as a paving a way has showed.

Key words: - Project, Project Management, Project Management Practices, IFRS implementation, Public Enterprise

Table of contents

Contents	Pages
Declaration.....	II
Acknowledgments.....	IV
Abstract.....	V
List of Tables	IX
List of Figures.....	X
Abbreviations and Acronyms	XI
INTRODUCTION	1
1.1. Background of the study.....	1
1.2. Statement of the problem	3
1.3. Research Questions	4
1.4. Objective of the study.....	5
1.4.1. General objective	5
1.4.2. Specific objectives	5
1.5. Significance of the Study.....	5
1.6. Scope and Limitation of the Study.....	6
1.6.1. Scope of the Study	6
1.6.2. Limitation of the Study.....	7
1.7. Definition of terms.....	7
1.8. Organization of the Paper	7
CHAPTER TWO	8
THE LITERATURE REVIEW.....	9
2.1. Empirical Review.....	9
2.1.1. Adopting IPSAS - A project management perspective	9
2.1.2. IPSAS Project Implementation board	10
2.2. The Historical and Current Status of IFRS Implementation around the World.....	11
2.2.1. Concepts of IFRS	12
2.2.2. Benefits of IFRS in the Context of Ethiopia	12
2.2.3. Key Impacts of the Differences on Financial Report	13
2.3. Overview of the Project, Project Management and Project Management Practices.....	13

2.3.1. What is a project?	13
2.3.2. Definition of a Project Management	14
2.3.3. Project Management Practices	15
2.3.4. The Success of the Project and the Project Management	16
2.3.5. Critical Success Factors (CSF) of Project Management Practice.....	16
2.3.6. Project Management Body of Knowledge (PMBOKs).....	18
2.4. Public Enterprises	21
2.4.1. Concepts of Public Enterprises.....	21
2.4.2. Why Public Enterprises Were Created?	21
2.4.3. Public Enterprise and Their Accounting Practices in Ethiopia	22
2.4.4. IFRS Adoption of Public Enterprises in Ethiopia	24
2.5. Conceptual frame work.....	26
CHAPTER THREE:	28
RESEARCH METHODOLOGY	28
3.1. Introduction.....	28
3.2. Research Design.....	28
3.3. Source of Data.....	29
3.3.1. Primary sources of data.....	29
3.3.2. Secondary sources of data	29
3.4. Sampling Design.....	29
3.5. Sampling Techniques.....	29
3.6. Sample Size Determination.....	30
3.7. Data Collection Tools and Methods.....	30
3.7.1. Questionnaires	31
3.7.2. Interviews	31
3.7.3. Document analysis	31
3.8. Validity and Reliability.....	31
3.9 Reliability test	32
3.10 Method of Data Analysis	33
3.11. Ethical Consideration.....	34
3.12. Research Gap	34
CHAPTER FOUR.....	35

RESEARCH FINDINGS AND DISCUSSION	35
4.1. Empirical findings.....	35
4.1.1. Respondents’ Demographical characteristics.....	35
4.1.2. Was the IFRS Implementation Managed as a Project?	36
4.1.3. Analysis by whom the IFRS Implementation project has led or managed.....	37
4.2. Analysis of project Constraints.....	38
4.2.1. Assessment if the Implementation of IFRS has completed as per the time scheduled.....	39
4.2.2. Assessment if the Implementation of IFRS has completed as per the cost allocated.....	39
4.2.3. Assessment if the implementation of IFRS has completed as per the quality expected.....	40
4.2.4. IFRS Implementation has completed as per the Customer's need satisfaction.....	41
4.3. Critical success factors attained during the implementation of IFRS Project.....	41
4.4. The Analysis of the Project Management Body of Knowledge areas	42
4.4.1. An Integrated Management under the Facilitating Function	42
i. Analysis of IFRS Implementation Charter Development	43
ii. Analysis of Implementation Management Plan development.....	43
iv. Analyses on Additional Knowledge during IFRS implementation are managed.....	44
v. The activity phase has closed and took over after completion has recognized.....	44
4.4.2. Bodies of knowledge under Core Function.....	46
i. Descriptive Statistics of Scope Management.....	46
ii. Descriptive Statistics of Schedule/Time Management	46
iii. Descriptive Statistics of Cost management.....	47
iv. Descriptive Statistics of Quality management	48
4.4.3. Descriptive Statistics of Supporting Functions.....	49
4.4.4. Summary of PMBoK.....	52
CHAPTER FIVE	54
CONCLUSION AND RECOMMENDATIONS.....	54
5.1 Introduction.....	54
5.2 Conclusion	54
5.3 Recommendation	56
5.4. Future Research Areas	58
REFERENCES	i
ANNEX 1.....	v
ANNEX II	vi
ANNEX III.....	xi

List of Tables

Table 2. 1. Project critical success factors	18
Table 2.2: Road Map for Adoption of IFRS as of AABE.....	25
Table 3:1. Response rate for the selected samples	31
Table 3.2: The reliability test of each of Body of Knowledge	33
Table 4.1 Respondent’s Demographic Characteristics.....	35
Table 4.2 If yes by whom it has been managed?	37
Table 4.3. The response for triple constraints.....	39
Table 4.4. Critical success factors the Enterprises has faced during IFRS adoption	41
Table 4.5 Respondents reflection on Integrated Management	42
Table 4.6. Descriptive Statistics of Integrated management.....	45
Table 4.7. Descriptive Statistics of Scope Management	46
Table 4.8. Descriptive Statistics of Schedule/Time Management	46
Table 4.9. Descriptive Statistics of cost Management.....	47
Table 4.10. Descriptive Statistics of Quality Management	49
Table 4.11. Descriptive Statistics of supporting Functions	49
Table 4.12. Overall mean & standard deviation of PMBoK.....	52

List of Figures

Figure 2.1. The project management body of knowledge areas (PMBok).....20
Figure 2.2. Conceptual framework.....27
Figure 4.1 Graph consisting of respondents overall demographic data36
Figure 4.2. Response if the IFRS adoption has led as a project or not37

Abbreviations and Acronyms

AABE: Accounting and Auditing Board of Ethiopia

APM: Association of Project Management

CSF: Critical Success Factor

FDI: Foreign Direct Investment

GDP: Growth and Development Program

GTP-I: Growth and Transformation plan One

IAS: International Auditing Standards

IASB: International Accounting Standards Board

IASC: International Accounting Standards Committee

IFAC: International Federation of Accountants

IFRS: International Financial Reporting Standard

IFRS for SMEs: IFRS for a Small and medium-sized entities

IPSAS: International Public Sector Accounting Standards

MHBPs: Mass Housing Building Projects

MoPE: Ministry of Public Enterprises

PEs: Public Enterprises

PIEs: Public Interest Entities

PM: Project Management

PM3: project management maturity model

PMBok: Project Management Body of Knowledge

PMI: Project Management Institute

PMIS: Project Management Information System

PMP: Project Management Practice

PMTT: Project Management Tools & Techniques

ROSC: Reporting on Observance of Standards and Codes

SFP: Statement of Financial Position

SSNIT: Social Security and National Insurance Trust

ToT: Training of Trainees

CHAPTER ONE

INTRODUCTION

1.1. Background of the study

Global Business and Financial information is demanding high quality, transparent and understandable financial reporting system applicable to any Business entities for an informed decision making purposes. IFRS is the one that is applicable set of international accounting standards stating how particular types of transactions and other events should be reported in financial statements. Countries with plenty of their jurisdictions around the world require or permit IFRS including the developed countries like The EU, China, Japan, South Korea, Australia, Russia, etc. United States who adopt US GAAP for years also accept IFRS (Latifah et.al, 2012). Recently, information about 160 Countries has adopted IFRS (Hoogervorst, 2018).

The standards strengthen accountability by reducing the information gap between the providers of capital and the people to whom they have entrusted their money that contribute to economic efficiency by helping investors to identify opportunities and risks across the world. Use of a single, trusted accounting language lowers the cost of capital and reduces international reporting costs for businesses (IFRS Foundation, 2018). IFRS is issued by the International Accounting Standards Board which is sometimes confused with International Accounting Standards (IAS), which is the older standard that IFRS replaced. The IFRS Foundation is established to develop a single set of high-quality, understandable, enforceable and globally accepted accounting standards to promote and facilitate adoption of the standards (Simegnew, 2015).

The mission of the Accounting and Auditing Board of Ethiopia, AABE is striving to achieve in developing IFRS Standards in Ethiopia is to bring transparency, accountability and efficiency by enhancing the international comparability and quality of financial information to financial markets around the world which enabling investors and other market participants to make informed economic decisions. As the road map AABE has set depending on the international benchmarks, the implementation period of the project takes about 22 months (AABE Five Year Strategic Plan (Fiscal years 2016-2021) Page 1) for the transition, adoption and reporting dates moving through different sequential activities within the three phases. Processes moving through are,

- **Phase 1, transition date**, Awareness, Assessment, Amendment of laws, regulation and directives, Training Planning/ impact analysis & Transition,
- **Phase 2, adoption date**, Transition adjustments, Prepare IFRS opening statement of financial position SFP, Dry Runs for “significant PIEs” & Prepare comparative figures &
- **Phase 3, reporting date**, IFRS/Quarterly reporting by sig. PIEs, Audit procedures, Stakeholders communications, Other PIE’s prepare opening SFP & comparative figs, dry Runs for other PIEs.

Having this in consideration AABE has set a mandatory reporting date of reporting entities as of their classification and categorization. Financial Institutions and Public Enterprises owned by federal or regional governments are the significant reporting entities who starts preparation of transiting would need to convert its closing balance at July 7, 2016 to IFRS based figures which then become the opening balances as at July 8, 2016 for IFRS based financial statement at July 7, 2017 which is the first IFRS complied financial statement as at July 7, 2018. (Guide AABE, unprinted Road map).

A project is a new, unique and temporary set of activities, with a defined beginning and end, which uses resources in a planned and organized way with the purpose of the reaching certain objectives. The temporary nature of projects stands in contrast with repetitive or permanent activities. Projects, as a way to attain objectives, have been used since ancient times, generating important results to society and culture like The great wall of China, Ancient Roman Roads, the first steam engine and many others. (Daniel F. Ofori, 2013)

The characteristics of a project require a specific type of management. Project management is the application of knowledge skills, tools and techniques to project activities. Project is accomplished through the application and integration of the project management process of initiating, planning, executing, monitoring and controlling and closing (PMBOK, 2004, pp.38). Project management is recognized to be key enabler of business change and a vital contributor to future business success (Whilty, Mayor, 2009, pp.304).

The aim of this study is to investigate if the public enterprises are used project management body of knowledge (PMBOK), the way they pass through the process groups and the critical success factors (CSF) they obtained during their IFRS adoption for the effectiveness of project management practices.

1.2. Statement of the problem

The Government of Ethiopia has successfully completed the implementation of the first phase of its Growth & Transformation Plan (GTP-I) and has poised to embark upon the second generation of its growth and transformation plan (GTP-II) which is planned to sustain and further improve the economic growth of the country to realize its goal of making Ethiopia a middle income country by 2025. In line with the Government ambition of making the country the top manufacturer in Africa, manufacturing has been given special focus in GTP-II with its relative share of the GDP set to grow from the current 4% to 8% by the planning period and later to 18% in the year 2025.

As of the plan, Industry, which includes construction and mining sectors besides manufacturing, is also expected to grow at 18 per cent over the course of the GTP laying the foundation for structural transformation on basis of manufacturing. During the GTP-II period, the economy is expected to grow at annual average of 11 percent. The move to manufacturing sector in the GTP-II will require the mobilization of huge financial resource for investment, both from domestic resources and from FDI. Therefore, to keep FDI inflow sustained, there is a need to improve the investment climate. Among other prerequisites for the sustained growth and improved business climate is high quality financial reporting underpinned by a robust accountancy profession regulated by a strong independent oversight body, which is AABE. (AABE five-year strategic plan 2007-2012).

Recognizing the importance of high quality financial reporting and its contribution to improved business environment necessary to attract investment, the Government of Ethiopia in 2014 passed the Financial Reporting Proclamation No.847/2014, a groundbreaking piece of legislation enshrining the accounting profession's role in fostering the growth of the economy and ensuring the stability of the economy; and the related Council of Ministers Regulation setting-up the oversight Board – the Accounting and Auditing Board of Ethiopia (AABE). The Proclamation sets out financial reporting frameworks applicable to different reporting entities and mandated AABE with the responsibility of regulating the accountancy profession and ensuring its development in the country that brings transparency by enhancing the international comparability and quality of financial information, which enabling investors and other market participants to make informed economic decisions.

Plenty of studies have been conducted globally about the factors, progresses, benefits and challenges of adopting IFRS on different business organizations of different countries prospective

of Authorized accountants and Auditors of the country (Firdawek, 2017); on financial institutions (Mekonnen 2016); on members of Ethiopian Commodity Exchange (ECX) which are adopted voluntarily, (IFikiru. 2012); on Public Enterprises, (Teklemuz T. and Agaredech B. 2018) and also on best project management practices in different scholars (Liviu & Emil (2014), Suliman & Al Freidi (2014)).

These studies have their own limitations that they were focused only on the challenges during adoption process, benefits the IFRS-based financial statement has for different stakeholders after adoption/conversion of IFRS of the Entities, and but not see how the adoption/conversion process has accomplished from the view of project and they didn't give attention how it has been managed.

So, because IFRS implementation is a timely bounded, with a specific cost allocated, have an expected quality and beneficiaries, it needs to be managed as a project. So, for the project to be successful, the application of appropriate knowledge, skill, processes, tools & techniques have a significant impact. Therefore, because of the lack of studies conducted in the area of project management practices when IFRS is implemented, this study was aimed to resolve the gap that the IFRS adoption project and its management practice faced by harmonizing these basic standards, the project management practices made and the IFRS adoption conducted in the PEs in Ethiopia. In such a way that, the effectiveness of the project management practices of IFRS adoption project can be measured by applying the PMBoK properly passing through important process groups with considering the basic CSFs attained during the adoption/conversion project of the IFRS.

1.3. Research Questions

The central research question of this study is

To discover how PEs in Ethiopia had practiced project management concepts for their successful adoption of IFRS project?

Accordingly, the Study has guided with the following specific questions:

- Q1. Do the Project management bodies of Knowledge (PMBoK) effectively practiced in these Enterprises?
- Q2. What critical success factors, CSFs are attained due to the implementation of IFRS project?
- Q3. How do the implementation of IFRS project has managed in terms of assigning the professional?

Q4. How the IFRS implementation did has kept their process groups (PGs) while performing the PMBoKs?

1.4. Objective of the study

1.4.1. General objective

The main objective of this study is to assess the IFRS implementation project management practice of public enterprises in Ethiopia.

1.4.2. Specific objectives

1. To determine the effective practice of project management body of knowledge (PMBOK) in the Enterprises.
2. To find the critical success factors (CSFs) attained during the process of IFRS implementation project.
3. To describe how the implementation of IFRS has managed in the Enterprises in terms of assigning professional.
4. To analyze that the IFRS adoption project activities in the Enterprises kept the Process Group.

1.5. Significance of the Study

IFRS implementation is new for Ethiopia and has not covered all business entities in the first phase of implementation. Being new for local companies compared to international companies that already have the experience will naturally impose the understanding of IFRS implementation as a project. Because the adoption of these standards are timely bounded with an allocated budget, and there are plenty of challenges in closing projects on the time, budget and quality expected and some of its managements have a problem in satisfying for different stakeholders, this research have a meaningful effect on companies exercised such a practices.

The significance of this research is also helps PEs and related companies in identifying the major challenges facing in the implementation of IFRS and to take corrective actions based on qualitative decisions.

According to AABE road map to phase II and phase III implementers, it will have a useful contribution in identifying the challenges to be faced and give them readiness in managing it and strengthened them by exercising opportunities obtained by managing the project.

It will also have some contribution in order to analyzing the challenges and benefits of adopting IFRS to practitioners and government bodies. It will be useful for development academic knowledge and create eagerness for the next researcher to work on others complemented factors of problem.

In the course of government's aspiration to encourage foreign investors to invest in the country in line with privatization policies Proclamation No. 146/1998 (Privatization of Public Enterprises) whereas the investors require transparent and efficient financial information to make informed economic decisions, this study highly contribute in terms of the adoption/conversion of IFRS project in order for the preparation of high quality financial report in the PEs.

World Bank (WB) and the International Monetary Fund (IMF) who provide loan especially for developing countries required adoption of IFRS. This study highly contributes some perception to analysis cost-benefits of adopting IFRS through examining its management during adoption as a project.

1.6. Scope and Limitation of the Study

1.6.1. Scope of the Study

The study has focused only on Public Enterprises Owned by Federal Governments like Berhanena Selam Printing Enterprise, Ethiopian Rail Way Corporation, Agricultural Businesses Corporation, Commercial Bank of Ethiopia, Public Service Employee Transport Service Enterprise and Ethiopian Alcohol and Liquor Factory those who are only adopted IFRS out of 27 Enterprises supervised under the Ministry of Public Enterprises and 15 Enterprises which are under different ministerial offices but not under the MoPE. (Annex-I).

Respondents from management team and accountants engaged on the implementation process and focal persons assumed as a project manager on each enterprise were selected. These are one of the Significant Public Interest Entities (PIEs) categorized as a first phase Implementers classified by AABE whose opening statement of financial Position has started on the transition date of July 8/2016 and the reporting date is July 7/2018 and has adopted IFRS. This study has also cover two years in terms of period (2015/16-2017/18), which is the period that IFRS adoption has conducted in public Enterprises in Ethiopia as of the data from AABE.

The study also has focused only whether the Enterprises have implemented IFRS as of the Roadmap AABE has set or not and not focused on the size, nature, culture and structures of the Enterprises.

1.6.2. Limitation of the Study

Because of its broad nature, this study was delimited to investigate the IFRS adoption PMP in Ethiopia in the case of six public Enterprises, only located in Addis Ababa head office. The research has examined the PMP of adopting IFRS from perspectives of some major variables that the enterprises are practiced (PMBok) and (CSF) attained during adoption of a project and also if they are conducted the process groups.

These variables are broad by themselves but interrelated, and also couldn't use other variables like tools and techniques; managerial rolls (Planning, Organizing, Directing, Monitoring & Control and Evaluation) are some of its limitations.

The last but not the least limitation of the study was the challenge faced to collect the data due to the confidentiality policies of the Enterprises.

1.7. Definition of terms

- i. **IFRS:** Means International Financial reporting standards. It represents unified global commitment to developing a single set of high quality, globally accepted accounting standards whose aim is to provide transparent and comparable information that is in the public interest through general purpose financial statements. (Herbert, 2010).
- ii. **Adoption:** The term adoption means “the reconciliation of different accounting and financial reporting systems by fitting them into common broad classifications, so that form becomes standard while content retains significant differences” (Mathews & Perera,1996).
- iii. **Convergence:** means the process of converging or bringing together international standards issued by IASB and existing standards issued by national standard setters, with the aim of eliminating alternatives in accounting for economic transactions and events (Odia and Ogiedu, 2013).

1.8. Organization of the Paper

This study has been organized in five chapters. The first chapter is Introduction that elaborates background of the Study, Statement of the Problem, Research questions, Objectives of the Study, Significance of the Study, Scope and Limitation of the Study and Definition of some terms. The

second chapter is Literature Review which is highly related to the concept of project management and adoption of IFRS in public Enterprises. The third chapter is Research Design and Methodology while Chapter four is research findings and discussion and the last chapter, Chapter Five is conclusion, Recommendation and future research areas are noted.

CHAPTER TWO

THE LITERATURE REVIEW

2.1. Empirical Review

2.1.1. Adopting IPSAS - A project management perspective

(Carrolin P. Aggestam 2010) Conducted a study on A Project Management perspective on the adoption of Accrual based IPSAS. The focus of this paper is of a more practical nature, concerned as it is with the project management practices that are required when implementing the accrual-based IPSAS. The accrual-based IPSASs are to a large extent and were applicable to the public sector, based on the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). IPSAS, however deal specifically with public sector specific financial reporting issues that are not dealt with in IFRSs. There are numerous challenges for any organization or government moving from cash based accounting or modified accrual-based accounting. The work challenges facing any public sector entity seeking to implement accrual-based IPSAS lies not only in the accounting arena but also across all organizational processes as business practices have to be aligned with the new accounting requirements. The first important step in adopting accrual-based IPSAS is thus to recognize that it is a project that reaches well beyond that of accounting in any given public sector entity.

The scope of a project to adopt accrual-based IPSAS will thus affect most or all business practices and also external stakeholders, who will ultimately receive new information in the annual financial statements. This means that successful project management of an IPSAS implementation needs to include consideration of and involvement and communication with all internal and effected external stakeholders of the public sector entity. It is thus crucial that the project manager is attentive to the nature of the project, combines demanding accounting work with the broader interests of the public sector agency.

In a recent communication (IFAC, 2010) IFAC has, for example, issued a serious of recommendations for consideration by the G20 countries at their meeting in June 2010. IFAC specifically points out that: “many governments adhere to the cash basis of accounting. IFAC and the International Public Sector Accounting Standards Board (IPSASB) encourage the adoption of

accrual based accounting as it reinforces the principles of transparency and accountability. Under the accrual base of accounting, transactions and other events are recognized when they occur (and not only when cash or its equivalent is received or paid). Therefore, transactions and events are recognized and reported in the financial statements of the periods to which they relate.”

Some studies like (Wynne, 2007) have taken a more critical approach to accrual accounting in the public sector, pointing to the fact that there is a lack of empirical research indicating that benefits outweigh costs in moving from cash based to accrual-based accounting.

(Christensen,2007) argued that accrual accounting is based on a private sector model that is not appropriate for the public sector as it may divert attention away from the real issues

This paper seeks to provide an overarching introduction to some good project management practices that can be applied when adopting accrual-based IPSAS. In order to enable an understanding of a project management approach to adopt accrual accounting in the public sector.

Initiating a project management process two of the most substantial challenges, for most public sector entities, seeking to adopt accrual-based IPSAS are those of keeping the implementation process within a reasonable timeline and, relatedly, adopting the standards in a cost-effective manner. It is crucial that the change process entails senior management support, risk management, quality assurance, communication, internal and external stakeholder involvement and support.

(Pretorius & Pretorius, 2009) Important lessons from the introduction of accrual accounting among OECD countries are that: 1) the transition is not just a technical exercise, it requires culture change and needs to link with wider public sector management reforms; 2) the phasing of implementations needs to be carefully planned; 3) there is a need for greater accountancy skills and appropriate IT systems; and 4) the importance of communication, with all internal and external stakeholders should not be ignored or underestimated A sound project management approach assists organizations in managing such challenges.

2.1.2. IPSAS Project Implementation board

(Shehu & Akintoye, 2009) have judged that support of top management is broadly emphasized in the overall literature on project management and the project board is a governing mechanism accountable for the success of a project. The establishment of an effective project board is crucial to ensure that the adoption of accrual-based IPSAS produce visibility and drives accountability

throughout the implementing entity. It is critical that the project board members have the necessary authority and responsibility to make decisions and commit resources to the project. It is also beneficial if some project board members have a sound understanding of accounting and financial reporting when implementing accrual-based IPSAS. The board essentially delegates the day-to-day running of the project to the dedicated project manager. The composition of the board will vary depending on the organization's operations, structure, geographical presence and the nature of the organization's activities. The structure of a board commonly includes a project executive, senior users and suppliers and the project manager. The project executive is accountable for the project, supported by the senior user(s) and the senior supplier(s). The senior users are responsible for specifying the needs of those who will use the final product(s). In the case of implementing accrual-based IPSAS, the final products are the IPSAS-compliant financial statements. Senior users are thus required to ensure user liaison with the project team and to ensure that the solutions developed within the project will meet user needs and regulatory requirements.

The project manager has the authority to run the project on a day-to-day basis on behalf of the project board within the constraints laid down by the board. The project manager is responsible for the day-to-day management of and decision-making for the project. The project manager's prime responsibility is to ensure that the project produces the required products to the required standard of quality and within the specified constraints of time and cost. In the case of implementing accrual-based IPSAS the project manager will need a dual set of skills: an overarching understanding of IPSAS and accounting and an in-depth understanding of project management.

2.2. The Historical and Current Status of IFRS Implementation around the World

Arguably one of the most important events in terms of international accounting was the creation and growing acceptance of international financial reporting standards (IFRS) around the world with the aim of increasing the efficiency of global capital markets and fostering globalization, IFRS has now been adopted in some form by 128 countries around the world according to the International Standard Board (IASB). The consequences of this global accounting phenomenon have been documented in hundreds of academic papers. However, from an empirical standpoint, the definition and classification of IFRS adoption is not as simple of a concept as previously suggested in the exciting academic literature. Early works using the European Union (EU) IFRS adoption setting had a simple, binary event as the same set of standards were implemented by law

for all EU member states for reporting periods ending December 31, 2005. However, as more recent studies have noted. (Zeff & Nobes, 2016; Zeff 2016).

The Accounting and Auditing Board of Ethiopia (AABE) believed that it has been in the best interest of the nation to adopt IFRS as issued by the International Accounting Standard Board. The Board, AABE has planned a three phase transition over a period of three years for reporting entities in Ethiopia. The transition plan has prepared on the basis of Article 54(1) of the Proclamation No.847/2014 and anchored on the understanding that the Board and all stakeholders will follow the milestones and timelines as described and explained in its plan.

2.2.1. Concepts of IFRS

International Financial Reporting Standards (IFRS) is the principle based accounting standards which is issued by an UK stand independent organization, named International Accounting Standard Board (IASB). International Accounting Standard Committee (IASC) is the predecessor of the IASB, established in 1973 that are responsible for issuing international accounting standard (IAS) before IASB. IASB has developed a conceptual framework with few basic principles to guide the development of new IFRS and revision of the existing one. This conceptual framework addresses the purpose of the financial reporting, the characteristics of the elements of the financial statements as well as the quality of information. Financial reporting is intended to provide quality information to the user about the financial positions, claims and changes of a reporting entity.

2.2.2. Benefits of IFRS in the Context of Ethiopia

As of the AABE's five-year strategic plan description,

- High quality financial reporting in Ethiopia will also contribute to more efficient tax collection, an area of Public Financial Management identified as requiring improvement. (PEFA Assessment findings).
- Accordingly, implementing high quality International Financial Reporting Standards (IFRS) is critical to meeting and sustaining Ethiopia's economic growth potential.
- IFRS provides international investors with a brand of trust in the quality of financial reporting. That trust in financial reporting is essential if investors are to be encouraged to step in to promote continued economic growth.

- IFRS will also have a profound impact on the country's growth potential because nationally supported IFRS will increase stability, stewardship, accountability and transparency both at institutional and government level.
- It will also increase the general level of professional education of accountants and standards setting bodies and improve their policies and decision making.
- It will lay the foundation to the much needed domestic capital market to mobilize financial resources for long-term investment. In general, implementation of IFRS contributes to Government efforts of improving good governance and reducing the level of corruption and rent seeking behaviors. All of these will in turn help to remove major impediments to growth that are common in emerging economies like Ethiopia.

2.2.3. Key Impacts of the Differences on Financial Report

- The international reporting reflects true value of asset, liability, revenue and expense
- Different asset, liability, revenue and expense classification
- Different recognition, De recognition and measurement bases
- Additional disclosure requirement
- Timing of recognition of employee benefit and provision reduce profit smoothening impact
- Introduction of concept of impairment
- Greater transparency
- Impact on profit and financial position of a firm
- Component accounting

2.3. Overview of the Project, Project Management and Project Management Practices

2.3.1. What is a project?

According to the Project Management Institute's (PMI, 2008) Body of Knowledge (PMBOK) projects, which are temporary endeavors undertaken to meet unique goals and objectives within a defined scope, budget and time frame, typically go through a life cycle. The project life cycle, which is a logical sequence of activities to accomplish the project's goals, is made up five stages namely; *the Project Initiation stage, the Project Planning stage, the Project Execution stage, the Monitoring and Controlling stage, and the Project Closure stage.* (Daniel F. 2013). A project is a new, unique and temporary set of activities, with a defined beginning and end, which uses resources in a planned and organized way with the purpose of reaching certain objectives. The

temporary nature of projects stands in contrast with repetitive or permanent activities. (Liviú Ilies, 2010). As of Vittal S. (2010) Projects are used as a means to achieve an organization's strategic goals.

In the same manner others define project as a temporary endeavor undertaken to create a unique product, service or result. The temporary nature of project indicates a definite beginning and end. The end is reached when the projects objectives have been or when the project is terminated because its objectives will not or cannot be met, or when the need for the project no longer exists. As of the publication of PMI, Inc., a guide to the PMBOK, Temporary does not necessarily mean short in duration. Temporary doesn't generally apply to the product, service, result created by the project; most projects are undertaken to create a lasting outcome. Although repetitive elements may be in some project deliverables this repetition doesn't change the fundamental uniqueness of the project work.

A project, as defined by Wysocki, Beck and Crane (2000), is a sequence of unique, complex, and connected activities having one goal or purpose that must be completed by a specific time, within budget, and according to a specification. This can be contrasted from a routine set of activities or daily operations which are intended to be continuous process without a planned end. Projects are also characterized by general attributes such as the purpose, life cycle, uniqueness, conflict and interdependencies (Meredith & Mantel Jr., 2000).

Merna and Al-Thani (2008) also defined a project as a unique investment of resources to achieve specific objectives, such as the production of goods or services, in order to make a profit or to provide a service for a community. It is an irreversible change with a life cycle and defined start and completion dates. A key characteristic of projects is the role played by a key actor aptly named as project manager. While the project manager is central to the process of project management, s/he is only as good as the project team s/he leads. Thus, it might be an underestimation to propound that the success or otherwise of a project depends solely on the project manager. (Daniel F. Ofori, 2013)

2.3.2. Definition of a Project Management

Project management is the application of knowledge, skills, tools and techniques to all activities of a project in order to achieve the project requirements. This can be applied across different practices as tools, techniques, concepts or "tailoring" consisting in adapting processes, tools and techniques

for each type of project in the organization. (Mafalda F., Anabela T., Pedro R., Gabriela F. & Isabel L. 2013). The concept of project management has diverse but parallel definitions. It is described by the Association for Project Management as the application of tools, techniques, processes, methods and experience in achieving the desired purpose of a project (APM, 2012). In the same manner, PMI (2013) defines project management as an application of skills, knowledge, tools and techniques to project endeavors in order to achieve the project prerequisites. Kerzner (2013) adopts the definition of the classical approach to management to describe project management as planning, organizing, directing and monitoring of an organization's resources for a temporary purpose that will eventually achieve specific goals and objectives.

In general, these definitions all describe project management as 'a means to an end'. Project management has been recognized as an essential requirement for organizations in order for them to achieve their objectives through managing projects (Pulmanis, 2014).

According to Tan (1996), project management concept and techniques can be applied to any project ranging from simple task, office renovations or refurbishment to complex and complicated projects like the design and construction of an airport or hospital complex. Almost any project requires the application of art and science of project management. The level of technology needed the degree of sophistication of the tools and techniques plus the types and number of personnel involved will depend on the size complexity or nature of the project.

2.3.3. Project Management Practices

The term project management practice (PMP) is construed in several ways. Some authors associate it with project management competence and use it synonymously with demonstrable performance (Crawford, 2005), while others refer to it as simply the use of project management tools and techniques on project activities (Olateju, 2011; Abbasi and Al-Mharmah, 2000). The term 'approaches' has also been used in the place of 'practice' but with the same interpretation. G. Ofori and Deffor (2013). In addition, the term has been associated with the project management maturity model (PM3), suggesting that the level of continuity and capability of an organization in dealing with its projects strongly depends on project management practice (Brookes and Clark, 2009). Besner and Hobbs (2006) identified the value of project management practices through investigating the use of tools and techniques. Other aspects of project management practice

identified in the literature include: the use of processes (Winch, 2004) and the use of human side or personnel (Thamhain 2004).

Therefore, for the current study, project management practice in public enterprises is defined as a “project management system demonstrating specific project management tools and techniques that will enhance management processes through the actions of a project manager or professional in order to support government organizations in managing public projects”.

2.3.4. The Success of the Project and the Project Management

To ensure the success of projects, the project manager must have the requisite knowledge of project management, which is defined as the planning, organization, monitoring and control of all aspects of a project and the motivation of all involved to achieve project objectives safely and within defined time, cost and performance. It is also the application of knowledge, skills, tools, and techniques to project activities to meet project requirements (PMI, 2008). In Pinkerton’s (2003) view, project management harnesses the competencies of various individuals, grouping them together and enabling them to achieve the objectives of the project and ensure the success of the project. Quality is a key factor in assessing the success of projects and project management practices. (Daniel F. Ofori, 2013).

Research studies have shown that project manager and project staff members must have both technical and people skills to make the project a success (Loo, 2003; Barad & Raz, 2000). In most organizations project manager who normally come from technical background, learn project management skills either from experience, or by observing other PMs. The acquired knowledge obtained by PMs may be limited due to the lack of experience in managing diverse projects and hence they need formal PM training. (Chemuturi, 2013).

2.3.5. Critical Success Factors (CSF) of Project Management Practice

According to the Project Management Institute’s (PMI, 2008) Body of Knowledge (PMBOK) projects, which are temporary endeavors undertaken to meet unique goals and objectives within a defined scope, budget and time frame, typically go through a life cycle. The project life cycle, which is a logical sequence of activities to accomplish the project’s goals, is made up five stages namely; the Project Initiation stage, the Project Planning stage, the Project Execution stage, the Monitoring and Controlling stage, and the Project Closure stage.

According to PMI's PMBoK® Guide is for ways of managing projects mentioned in this list. It's a set of standards or, simply put, a body of knowledge, a guide that contains structured information on managing projects. Created by the Project Management Institute (PMI), it divides your project work into five distinct but related process groups:

- Initiation: holding the first meetings with the client and obtaining the authorization to start work,
- Planning: setting the objectives, establishing a scope, and creating the project's plan,
- Execution: completing work on tasks and preparing deliverables,
- Monitoring: overseeing the evolution of the project and reviewing its performance,
- Closure: ending all contracts and delivering the final results.

Attention to detail, along with the involvement of key stakeholders and proper documentation at each stage ensures the success and quality of the project. The sequential phases are generally differentiated by the set of activities that are carried out within the phase, the key actors involved, the expected deliverables, and the control measures put in place (PMI, 2004).

For example, setting out the scope and specifications of the project at the Initiation stage enables the project sponsor and manager to be clear on the purpose, expected outcomes, budget, deliverables and time frame of the project. In addition to this, experience shows that getting it right at the Planning stage is critical for project success and the sustainability of the project outcomes. Any ad-hoc planning may lead to the consequences of not meeting deadlines and thereby increasing cost, which in turn affects the quality of the project. (Daniel F. 2013)

The use of project management has become associated with novel complex problems, which are inevitably called a project. Consequently, the success of project management has often been associated with the final outcome of the project. Over time it has been shown that project management and project success are not necessarily directly related. The objectives of both project management and the project are different and the control of time, cost and progress, which are often the project management objectives, should not be confused with measuring project success. Also, experience has shown that it is possible to achieve a successful project even when management has failed and vice versa. (Wit, A D, 1988)

Table 2.1: Project Critical Success Factors

S.No	Phase	Success factors
1	Conceptualizing/ Initiation	Clear understanding of project environment Effectiveness of consultation with stakeholders Competency of project team Implementation
2	Planning	Alignment with development priorities Adequate resource support Effectiveness of consultation with stakeholders Competency of project team
3	Implementation/Execution	Compatibility of regulations for project management Effectiveness of consultation with stakeholders Consistency of support for stakeholders Competency of project team
4	Closing	Adequacy of project closure activities Effectiveness of consultation with stakeholders Competency of project team

Source:- PMI 2008,

There are many examples of projects which were relatively successful despite not being completed on time, or being over budget, e.g. the Thames Barrier, the Fulmar North Sea oil project or Concorde, all of which turned out to be relative successes, even though the project control aspect of them failed. It can therefore be argued that the relationship between the two is less dependent than was first assumed, and in order to measure project success a distinction should be made between the success of a project and the success of the project management activity (A K Munns and B F Bjeirmi, 1996).

Critical success factors, CSF of a project are a set of project variables or factors that are strongly correlated to project success, and whose maximization or minimization, depending on whether they are favorable or unfavorable, will lead to project success, Rockart (1981).

2.3.6. Project Management Body of Knowledge (PMBOKs)

Project management body of knowledge PMBOK (2008) identified nine core knowledge areas in three functions. These nine knowledge areas are integration, scope, time, cost, risk, quality, human resources, communications, and procurement management. The first is facilitating function, the second is core function and the third is support function.

The first facilitating function consists of integration management. Project Integration management includes the processes and activities to identify, define, combine, unify, and coordinate the various processes and project management activities within the project management process groups.

The second core function consists of project scope, time, cost and quality management. Project scope management includes the processes required to ensure that the project includes all the work required and to complete the project successfully. Managing the project scope is primarily concerned with defining and controlling what is and is not included in the project. Project time management includes the processes required to manage the timely completion of the project. Plan schedule, define and sequence activity, resource and duration estimation, develop and control schedule are the processes required in project time management. Project cost management includes the processes involved in planning, budgeting, financing, funding, managing, and controlling costs so that the project can be completed within the approved budget. Project quality management includes the process and activities of the performing organization that determine quality policies, objectives, and responsibilities so that the project will satisfy the needs for which it was undertaken. It works to ensure that the project requirements, including product requirements, are met and validated.

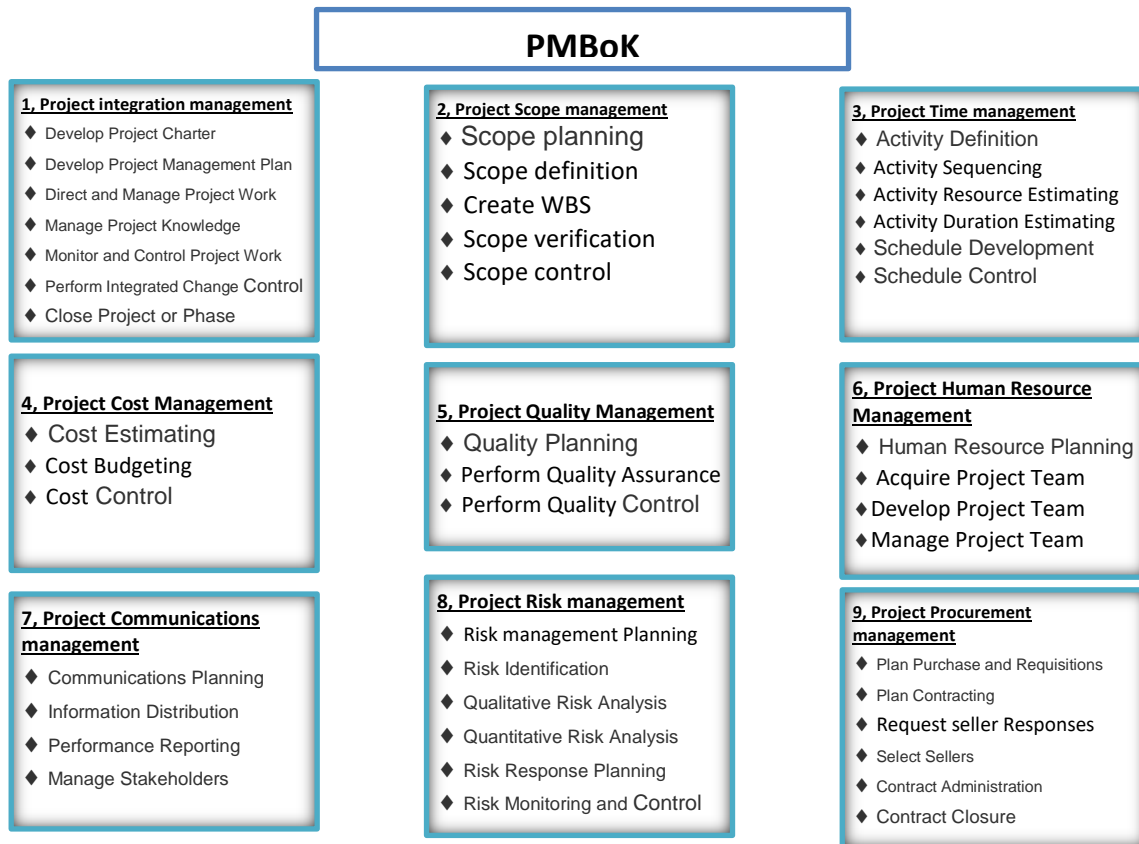
The third function is support function consisting of human resource, procurement, communication and risk management. Project human resource management includes the processes that organize, manage, and lead the project team. The project team is comprised of the people with assigned roles and responsibilities for completing the project. Human Resources are Human resources are varied from other resources due to their motive to educate, adapt to new project situations and establish goals. Managing human resources determines to assign the right person with the right knowledge to the right work environment to perform better. (Adebeji B. 2008)

Project communication management includes the processes required to ensure timely and appropriate planning, collection, creation and distribution, storage, retrieval, management, control, monitoring and the ultimate disposition of project information and timely flow of information management amongst the team and the stakeholders. Researches like (Ahlemann, Teuteberg, Vogel sang, 2009) stated that communication is a key factor in a project management that plays a significant role in a success and failure of a project. Standards are also used harmonize Standards are also expected to help harmonize contrary jargons and multiple clarity-needing languages within a process of adoption.

Project risk management: the processes of conducting risk management planning, identification, response planning, and controlling risk on a project. The objectives of project management are to

increase the likelihood and impact of positive events, and decrease the likelihood and impact of negative events in the project. Project procurement management: includes the processes necessary to purchase or acquire products, services, or results needed from outside to the project team. The organization can be buyer or seller of the products, services, or results of a project. It includes the contract management and change control processes required to develop and administer contracts or purchase orders issued by authorized project team members. (Tewodros A. 2017).

Figure 2.1: The project management body of knowledge (PMBoK)



Source: - Retrieved from the (PMI 2008) PMBoK Guide

2.4. Public Enterprises

2.4.1. Concepts of Public Enterprises

Public enterprises are autonomous or semi-autonomous corporations and companies established, owned and controlled by the state and engaged in industrial and commercial activities. According to Nwoye (2011), a Public Enterprise is viewed as an artificial person, who is authorized by law to carry on particular activities and functions. It essentially has the features of several individuals who act as one. It is described as a corporate body created by the legislature with defined powers and functions and independently having a clear-cut jurisdiction over a specified area of a particular type of commercial activity. It is a part of government apparatus and three implications are hereby highlighted: Public Enterprise, by virtue of its intricate relationship with government, is an instrument of public policy and its primary mission is in connection with governmental objectives and programs. It is therefore, naturally under government control.

Secondly, a Public Enterprise by its nature mostly manages public resources, especially public money and this means that attention must be paid to mechanisms for enforcing accountability. Thirdly, the combination of financial and economic objectives with social and political arms invariably makes it difficult to devise appropriate performance measurement instrument. The definitions of Public Enterprise can vary between countries and can also change over time. The first United Nations (1968) definition of Public Enterprises is thus: industrial, agricultural and commercial concerns, which are owned and controlled by central government (in a Unitary State) or the central government and regional that is set up as a corporate body and as part of the governmental apparatus for entrepreneurial or entrepreneur-like objectives. The United Nations (1971) added to that: Public Enterprise is ‘an incorporated or large unincorporated enterprise in which public authorities hold majority of the shares and/or can exercise control over management decisions’.

2.4.2. Why Public Enterprises Were Created?

The desire for the creation and proliferation of PEs after the post-war II period, particularly in developing countries were motivated by the need to achieve economic and social objectives (Obadan 2008). The PEs was seen as major contributors to economic growth and social political stability.

Fontaine (1993) states that PEs were created in Africa for much the same reasons as in most countries – to correct market failures, provide public goods, control natural monopolistic tendencies and seize the “commanding heights” of the economy. The paucity of African entrepreneurship and of local private investment capital, combined with the infant industry argument reinforced the need for the state to promote development through the establishment of specific agencies. Implied here is that government used PEs as instruments of social or industrial policy. In some countries, PEs came into being to bail out failed private sector firms. Vernon (1984) notes that some governments formed PEs to address socio-political objectives such as promoting industrialization, creating jobs, defending national interest, reducing regional differences and saving moribund firms or industries.

In the context of a variety of economic, social and political objectives, the rationale for public ownership can be summarized as follows:

□ Countering of monopoly powers in many sectors and the need to ensure that prices are not set above costs of producing the output;

□ Freedom of government to pursue equity objectives: redistribution of income, job creation, regional

Development and access to essential goods and services at affordable price;

□ Capital formation, infrastructure development and other lumpy investment, for example, steel, petrochemicals;

□ Lack of private incentives to engage in promising economic activities and hence filling in for a deficient private sector;

□ taking over failed private enterprises;

□ Presence of external costs and benefits and need to produce goods that have high social benefits but which the private sector has no incentives to produce; and

□ Ideological motivations such as the desire of some governments to strengthen economic sovereignty and gain national control over strategic sectors or over foreign enterprises whose interests were not coinciding with those of the country (Hemming and Mansoor 1988, et.al. 1994).

2.4.3. Public Enterprise and Their Accounting Practices in Ethiopia

Privatization of Public Enterprises Proclamation No. 146/1998 which states: “enterprise means a public enterprise governed by the state Public Enterprises, Proclamation No. 25/1992 or Proc No. 412/2004 further offers another definition which considers public enterprise as an enterprise as

defined under Article 2(1) of the Public Enterprises Proclamation No. 25/1992, or as a wholly state-owned share Company. But it excludes those enterprises for which specific supervising authorities are designated by other laws or decisions of the Government.

Proclamation No. 412/2004 selects those enterprises which will be governed by that particular proclamation or supervised by Privatization and Public Enterprise Supervising Authority. What is peculiar about Proclamation No. 412/2004 is that it introduced a new form of public enterprise (i.e. state-owned share company) that was not recognized under Proc. No. 25/1992. Hence, share companies owned by the state are considered as public enterprises under Proclamation No. 412/2004 even if, for legal and practical purposes, they are business organizations by and large regulated by the Commercial Code Proclamation No. 433/2005 defines the term as “any Federal Public Enterprise or Share Company the ownership of which is fully or partly owned by the Government.”

Trade Practice and Consumers’ Protection Proclamation No. 685/2010 and Commercial Registration and Business Licensing Proclamation No.686/2010 classify public enterprises into federal and regional. According to these proclamations, a business organization whose shares are totally owned by the federal government or a public enterprise established by a regional state are deemed to be a public enterprise. Likewise, Investment Proclamation No. 769/2012 defines the term as an enterprise, partially or wholly owned by the federal or regional government established to engage in production, distribution, service rendering or related economic activities in the form of commerce (Meheret,2014,340).

The term “public” can mean accessibility and benefit to the general public, ownership by the public, or ownership and control by public authorities (Meheret,2014,p336 -341).

A public enterprise combines dual features (in status and functions) as enterprise aiming at profit while at the same time having public nature as a public entity. It has a public and private dimension.

Unlike a private business, profit is not the only motive that drives the enterprise or its decisions. Enterprise shall pay to the Government dividend, the state is an owner of public enterprises, and it is legitimately entitled to receive dividends on the capital it has invested in public enterprise. The Public Enterprises Proclamation No.25/92 and the Distribution of Profits of Public Enterprises (Asrat & Shiferaw 2009, p.76).

2.4.4. IFRS Adoption of Public Enterprises in Ethiopia

In Ethiopia, Recently there was no legal requirement for compliance with accounting and auditing standards both in the Commercial Code 1960, Public Enterprises Proclamation and other laws and regulations for financial service sector, corporate sector, state-owned enterprises and nongovernmental organizations (NGOs), but Some laws such as the financial reporting proclamation prepared by (MoFED) and Public Enterprises Proclamation no 25/1992 require compliance with generally accepted accounting principles(GAAP) and generally accepted auditing standards(GAS) (Simegnew,2015).

Accounting and auditing standards and practices using International Financial Reporting Standards issued by the International Accounting Standards Board and its predecessor, the International Accounting Standards Committee (IASC), IASC-issued standards are known as International Accounting Standards (IAS), IFRS also includes IAS and International Standards on Auditing (ISA) as benchmarks.

In Ethiopia, Reports on Observance of Standards and Codes (ROSC) Accounting & Auditing review was conducted from September to November 2007. World Bank and IMF joint initiative that helps member countries strengthen their financial systems by improving compliance with internationally recognized standards and codes of best practice. The global financial community considered that the implementation of internationally recognized standards and codes of best practice would provide a framework to strengthen domestic institutions, identify potential vulnerabilities, and improve transparency. (ROSC, 2007)

The Government of Ethiopia is committed to increase the role of private investment in the economy. This is articulated in the country's second poverty reduction strategy. This Government's agenda will be supported by providing quality financial information, which will facilitate investment decisions and help to reduce risk of financial crises and corporate failures together with their associated negative economic impacts that have been witnessed in many industrial and developing countries; whereas the ROSC review shows that there are no accountings and auditing standards set in Ethiopia and there is no law or regulation that has set or requires accounting standards in preparation of financial statements. ROSC gave recommendation that IFRS should be adopted as accounting standards for all public interest entities (ROSC,2007, p.17).

Ethiopia take the action to adoption IFRS by consideration of necessity of establishing a sound, transparent, and understandable financial reporting system applicable to entities in both private and public sectors; so declared “Financial Reporting Proclamation No. 847/2014” and Establish the Accounting and Auditing Board of Ethiopia with Regulation No. 332/2014”.

AABE established as an autonomous government organ having its own legal personality with the objectives of promote high quality reporting of financial and related information by reporting entities; promote the highest professional standards among auditors and accountants; promote the quality of accounting and auditing services; ensure that the accounting profession is used in the public interest; and Protect the professional independence of accountants and auditors.(Regulation No.332 /2014 &proclamation. No. 847/2014)

Recently, as mentioned AABE established to implement Financial Reporting Proclamation No. 847 /2014 to adopt IFRS and prepared Road Map for Adoption of IFRS in Ethiopia as follows.

Table 2.2: Road Map for Adoption of IFRS as of AABE

	July 2016	July 2017	July 2018
Mandatory Phase 1:- Banks, Insurances and Public Enterprises Owned by Federal and Regional Governments	Opening Statement of Financial Position July 8/2016	Comparative for July 7/2017	Full Set of IFRS based financial statement July 7/2018
	<i>Transition date</i>	<i>Adoption date</i>	<i>Reporting date</i>
	July 2017	July 2018	July 2019
Mandatory Phase 2:- ECX member companies, Reporting Entities that meet the qualitative thresholds and charities and Societies	Opening Statement of Financial Position July 8/2017	Comparative for July 7/2018	Full Set of IFRS or IPSAS based financial statement July 7/2019
	<i>Transition date</i>	<i>Adoption date</i>	<i>Reporting date</i>
	July 2018	July 2019	July 2020
Mandatory Phase 3:- Small and Medium- sized Enterprises (SMEs)	Opening Statement of Financial Position July 8/2018	Comparative for July 7/2019	Full Set of IFRS for SMEs based financial statement July 7/2020
	<i>Transition date</i>	<i>Adoption date</i>	<i>Reporting date</i>

Source: AABE Guide-Unprinted

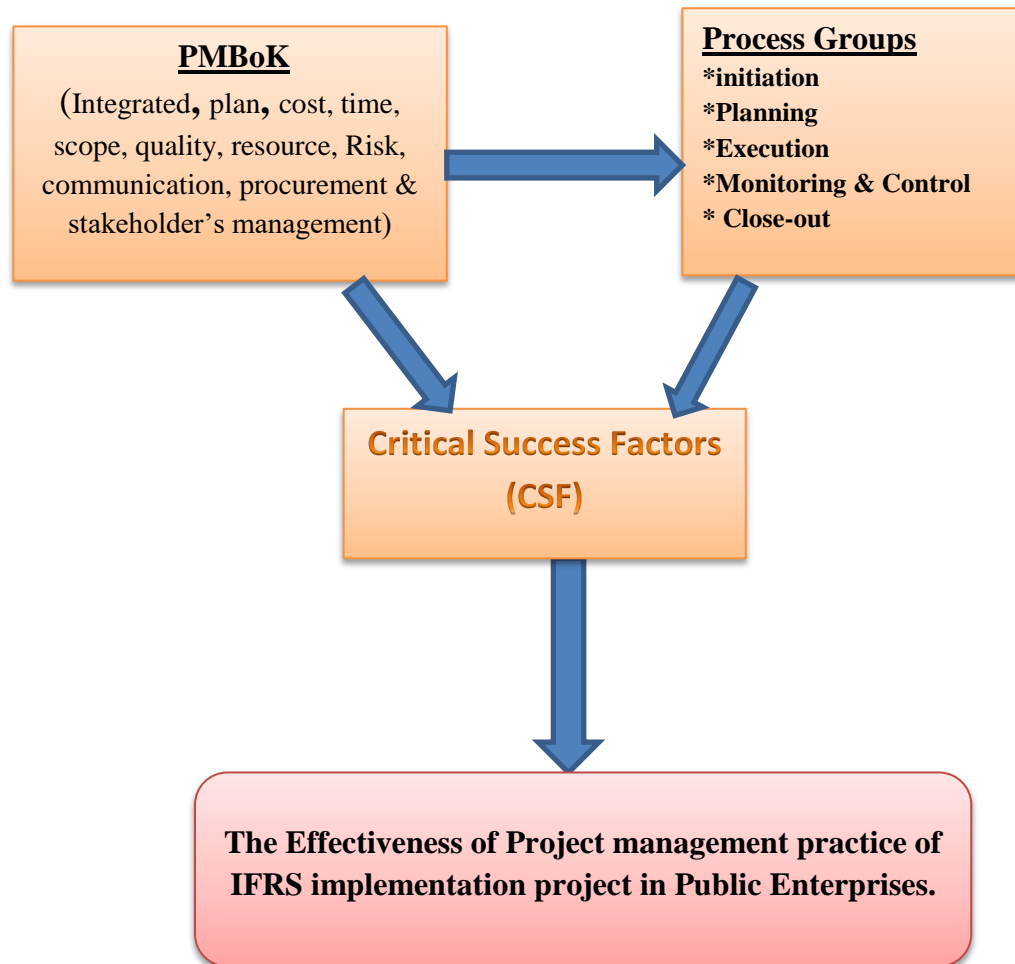
- *Mandatory phase one:- adoption of IFRS is mandatory from fiscal year on or after 1 Hamle 2009 (July 8, 2016) for the following companies,*
- *Significant public interest Entities – Financial Institutions and Public enterprises owned by Federal or Regional Governments. These entities starts preparation of transiting would need to convert its closing balances at July 7, 2016 to IFRS-based figures which then become the opening balances as at July 8, 2016 for IFRS based financial statement as at July 7, 2017. This provides opening balances for July 8 2017 which is the first IFRS complied financial statements as at July 7, 2018. (Guide ABEE, unprinted).*

PEs face continuing risks of political interference, of cronyism and corruption in their governance and operation, and of an inability to generate adequate financial returns to either cover their costs or return a surplus to the government, all of which can divert them from fulfilling development objectives.

2.5. Conceptual frame work

The conceptual frame work outlined below on Diagram 1, illustrates the required contribution of the nine Project Management Body of Knowledge (PMBok), the process groups that the activities within the Body of Knowledge must operationalized from initiation to close out of the IFRS implementation project and the influences of a Critical Success/Failure Factors for the Effective practice of Project management on the implementation of International Financial Reporting Standards (IFRS) in the Public Enterprises

Figure 2.2.- Conceptual frame work



Source: - adopted from the literature (2020)

CHAPTER THREE:

RESEARCH METHODOLOGY

3.1. Introduction

In order to achieve any research objective of the study, a clear and appropriate research methodology is vital. This is due to the fact that this part comprised of description of the study area, research design, sampling design, and, the source of data, methods of data collection, methods of data analysis of the study and ethical consideration. Therefore, in this study the researcher have conducted to clearly and appropriately set the aforementioned components of the research methodology as follows.

3.2. Research Design

As many researchers argued that the research design is the blue print or structure of the research. It is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure (Kothari, 2004). Although, there are different types of research design, using descriptive design for this study has found appropriate and sound to obtaining first-hand data from the sources, so as to formulate rational and sound conclusion and recommendation for the study (Kothari, 2004). Since the objective of this study is to analyze the IFRS adoption project management practices of Public Enterprises in Ethiopia, the researcher has employed a descriptive research design because of the fact that it is appropriate to collect exact data from the respondents and to analyze and utilize it accordingly.

Due to the nature of the research, the researcher has proposed mixed research approach to find the breadth and depth of understanding and justification of the problem. So the researcher have used descriptive design for quantitative research through structured questionnaires, which is appropriate method to obtain relevant information from a wide range of sample respondents.

In addition, the researcher has utilized naturalistic design (descriptive) through a semi-structured interview designed for the focal person of the project for qualitative research. So, in this study, both quantitative and qualitative research data has employed through descriptive research methods.

3.3. Source of Data

3.3.1. Primary sources of data

For this study purpose, the primary sources of data has been gathered from selected relevant management members, and accountants of IFRS adopting of the enterprises through close-ended questionnaires and a focal/contact people/ named as Project Manager of each enterprises through semi-structured interviews.

3.3.2. Secondary sources of data

The secondary sources of data have been obtained from different reports and documents of the enterprises. Other relevant and related sources of data has also obtained from published and unpublished documents, the prepared Annual Financial Reports, internet and Newspapers and these are quoted where necessary and used to draw deductions as per the study.

3.4. Sampling Design

Sampling is a part of the strategy of research. As Prabhat & Meenu (2015) stated sampling designs mean the joint procedure of selection and estimation. Sampling means selecting a given number of subjects from a defined population as representative of that population. Therefore, the researcher applied a non-probability sampling design often better fits the purposes of a study..

3.5. Sampling Techniques

In the study, a researcher used a purposive sampling technique. As Neuman (2014) stated in such technique for a qualitative research, the purpose of research may not require having a representative sample from a huge number of cases. It is a deliberate choice of respondents because of the deep knowledge they possessed. The researcher decides what needs to be known and sets out to find people who can and are willing to provide the information by virtue of knowledge or experience (Bernard 2002, Lewis & Sheppard 2006).

Hence, under non-probability sampling the researcher has utilized purposive sampling technique for qualitative parts of the study to get relevant information on a highly specific relevant issue to the management of the Enterprises. Besides, it helped to identify particular types of cases to get in-depth investigation on the issue through a semi-structured interview to gain a deeper understanding from the IFRS implementation focal person named a project manager.

3.6. Sample Size Determination

A sample is a part of something larger, called a population. According to Kothari (2004) defines sample as a collection of some parts of the population on the basis of which judgment is made.

On the other hand, the population is the totality of entities in which we have an interest, that is, the collection of individuals about which we want to make inferences (Dawson, 2007). As scholars (Lewis & Sheppard 2006) mentioned a purposive sampling technique is a non-random technique that doesn't need underlying theories or a set number of informants. Simply put, the researcher decides what needs to be known and sets out to find people who can and are willing to provide the information by virtue of knowledge and experience. So, the researcher has used concerned management teams (steering committee), accountants and interviewed four focal persons that have engaged in the implementation of the IFRS project in the enterprises purposively.

Hence, the researcher has selected strategically important leaders and experts in the area of study in order to get more available information on the Project management practices of IFRS implementation using their occupation like Finance, IT, Internal Audit, Communication, Legal, HR and Procurement department heads and eleven-fourteen accountants from each enterprise participated in the adoption.

These peoples are with information-rich cases, which one can learn a great deal about issues of central importance to the purpose of the research.

3.7. Data Collection Tools and Methods

Prabhat and Meenu (2015) stated the researcher requires many data gathering tools or techniques. But, the data collection tools may vary in complexity, interpretation, design, and administration. For the purpose of this study, the researcher has used a questionnaire, interview, and document review as a data collection instruments or tools because it assists in triangulating the research to fulfill the gap of the quantitative and qualitative research approach..

Depending on this, even though there were 124 samples are identified, the researcher has distributed 160 questionnaires to provide for non-response. However, 107(66.9%) have responded which is meaningful for the quantitative purpose and 4 leaders out of 6 of the IFRS adoption project focal persons were interviewed for the qualitative purpose of the research.

Table 3:1. Response rate for the selected samples

Description	Amount
Selected sample for the study	160
Staff who filled and returned valid questionnaire	107
Response rate	66.9%

Source:- Study data 2020

3.7.1. Questionnaires

This study has used primary data from the Public Enterprises Management body, IFRS adoption focal person, Professionals, AABE reviewers, by preparing close-ended questionnaires. The researcher has prepared close-ended questions that allow respondents to obtain and collect quantitative data. Most questionnaires have developed by using five-point, Likert-scales and multiple choice questions. As a result, the five points of scales have weighed according to the degree of agreements and occurrences.

3.7.2. Interviews

The study has used semi-structured interview to get rich and valuable information from the IFRS adoption focal persons (project managers), AABE reviewers and Finance department heads. Besides, the interview sessions had conducted in the Amharic language, and then translated to English. It has also used for qualitative data collection methods.

3.7.3. Document analysis

The study have reviewed documents from annual reports, magazines and other related documents of the PEs and it has helped to gather data either qualitative or quantitative information.

3.8. Validity and Reliability

Validity and reliability of the research instrument are inevitable in every research. They are two key components to be considered when evaluating a particular instrument.

Validity is concerned with whether the findings are really about what they appear to be. As Saunders, (2009) argued any research study should ensure that the validity of the research instrument is accurate and measure what they want to suppose. Therefore because the samples selected using the purposive sampling is the representative of the realm it is valid.

On the other hand, reliability is the consistency of measurement or the degree to which an instrument measures the same way in each time. It is used under the same condition with the same subjects. According to Amin 2005 cited in Saunders (2009) reliability of the research instrument refers to the degree to which the instrument consistently measures whatever it is measuring or not.

Therefore, self-developed questionnaires and a review of the relevant literature have prepared based on the objectives of the study. Additionally, Cornbrash's Alpha coefficient has used to determine the reliability of the questionnaires of the quantitative parts of the research. Then, if the result scores 0.70 and above that the finding will be obtained as reliable data. Likewise, triangulation is a primary way of assuring the validity and reliability of the research results through the use of different research methods and approach. Besides, the credibility of the results of qualitative data has checked by using a qualitative data collection instrument. Moreover, the dependability of the research result measurement has been assured by using triangulation of data collection instrument.

3.9 Reliability test

There were three types of respondents for the study. The first group consists of staffs purposely selected from the finance department of the selected reporting entities to respond to close ended questions. The second groups were 39 out of 64 (61%) the selected from the various departments of reporting entities who responded to close ended questionnaire and the third group was a one to one interview made using a prepared a semi-structured interview with the focal persons/leaders of the IFRS adoption project at each public enterprises.

In the same way to assure the consistency among the factors, Cronbache's alpha coefficient has introduced. As of the suggestion of (George and Malley, 2003), the alpha coefficient with the scale of 0.7 and above are acceptable and a study gets strongly reliable and a value more than 0.6 is assumed as a satisfactory level of reliability (Pallant, 2007).

According to the table below, the test of reliability by Cronbach's alpha for the Effectiveness of Project management practices in IFRS adoption project in the case of public enterprises in Ethiopia that ranges between .694to .931and the ultimate coefficient is .807 which it can concludes a reliability of each variable.

Table 3.2: The reliability test of each of Body of Knowledge

No.	Elements of the Project management bodies of Knowledge (PMBok)	No of sub variables	Cronbach's Alpha coefficient
	Facilitating Function		
1	Integrated Management	5	.736
	Core functions		
2	Scope management	4	.928
3	Time management	4	.931
4	Cost management	3	.917
5	Quality management	4	.877
	Supporting functions		
6	Resource management	6	.910
7	Communication Management	3	.849
8	Risk Management	5	.773
9	Procurement Management	4	.694
10	Stakeholders Management	3	.903
	Overall Cronbach's Alpha coefficient		.807

Source: -developed by the researcher from survey data 2020

3.10 Method of Data Analysis

First, the quantitative data have been collected through closed-ended questionnaire; then it has been analyzed by descriptive statistic procedures, by using micro-soft excel through Software Package for Social Science (SPSS) 21 version and the results has been described in tables and percentages respectively by using descriptive statistics. To do this, the data management is very crucial thing, so that the collected data has been edited, coded, cleaned and entered into SPSS, then it has been analyzed in the forms of descriptive such as mean, standard deviation, frequency distribution & percentages.

Eventually, the scaling of the degree of agreements and occurrences has been coded by using Likert scale techniques. Following this depending on the coding, the mean value for each item has been computed. In addition, in order to arrive at the result, the collected data has been analyzed by properly classifying, tabulating and calculating the statistical values have been used for inference. As the result, the data has been organized by using tables and graphs.

Second, qualitative data have been collected by using close-ended questionnaire and semi structured interview and analyzed in the form of thematically analysis, which is identifying,

analyzing and reporting patterns themes within the data. Therefore, the researcher has collected the data to describe details about practice, challenges, and personal and organizational factors regarding the effective IFRS adoption of the Enterprises. Generally, the qualitative data have analyzed in the form of sentences and meaning which is obtained through interview techniques.

3.11. Ethical Consideration

Ethical issues are an important issue that needs to be considered when conducting a research. This research has conducted in a manner that is reliable and authentic with the ethical issues, which need to be considered. As Kivunja & Kuyini (2017) noted that the implementation of ethical considerations focuses on four principles which you need to uphold when dealing with your participants/respondents and data collections. Accordingly, a letter from St. Mary's University student support office has been written for the concerned bodies. Hence, the researcher have been informed the respondents and informants about the purpose of the study in the introduction part of the questionnaires and interview guide to the respondents/informants; then after obtained confirmation from those, a subject of confidentiality has been protected.

In addition to this, the respondents/informants have been informed that their participation in the study has based on their consent. Moreover, the results of the research have no harm on respondents/participants; it has a benefit for the organization and employees. The researcher did not personalize any of the respondent's response during data presentation, analysis, and interpretation. In fact, the researcher should have a respect for the human right of respondents and informants; if researcher violates the right of the respondent the researcher is liable by the law of the nation in addition to research ethics committees. Likewise, all the materials used for this research have been properly acknowledged.

3.12. Research Gap

Plenty of researches have been conducted on the IFRS adoption challenges, prospects opportunities, progress, benefits and other phenomenon, after and even during the adoption/conversion and implementation of the IFRS introduced all over the world including Ethiopia. Similarly, the effectiveness, quality, efficiency of a project management in business and also humanitarian across different organizations has been discussed. This paper focused to build a bridge between these two different but crucial for the financial sector and the economy.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1. Empirical findings

4.1.1. Respondents' Demographical characteristics

The following findings indicate the gender distribution, age group, academic background, work position and experiences of the respondents to establish the ground of the research study. A total of 160 respondents from 8 public enterprises are selected for the survey by Purposive sampling test and but the responses are received from 124 staffs of six federal public enterprises. Out of the 124 that responded 107, from which 39(36.4%) are management members and 68(63.6%) are accountant are valid and used for the data analysis. From the 107 respondents 71 (66.4%) are Men and 36(33.6%) are Female whose age category less than 25 years old are 10(9.3%), 26 to 35 years old are 31(29%), 36 to 45 years old are 38(35.5%), 46-55 years old are 17(15.9%) and greater than 56 years old are 11(10.3%).

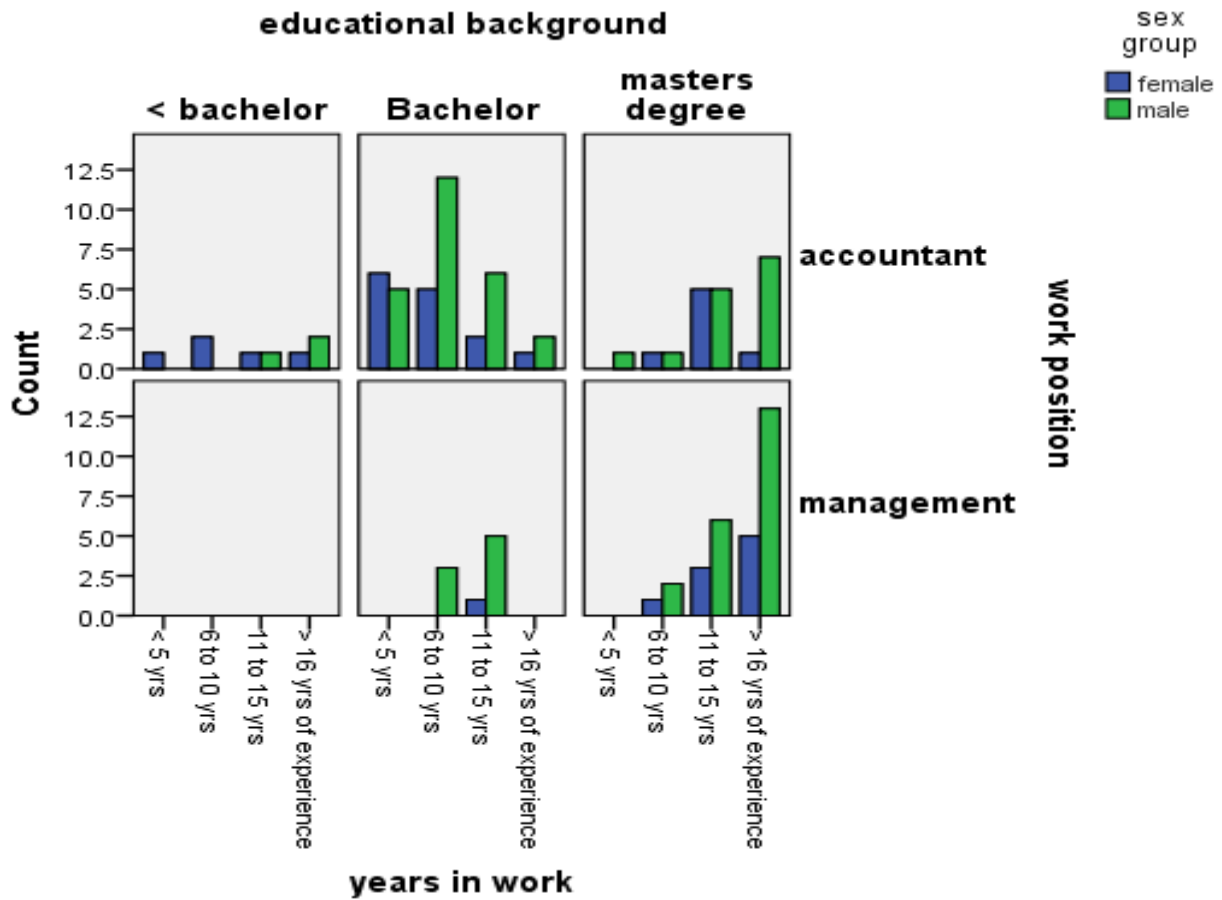
As per the data, 9(8.4%) are less than Bachelor Degree, 48(44.9%) are 1st degree/Bachelor and 50(46.7%) are 2nd degree holders in their academic Background with their work experience of 13(12.1%) are less than 5 years, 27(25.2%) are between 6 to 10 years, 35(32.7%) are between 11 to 15 years and 32(29.9%) have greater than 16 years of work experience who engaged in the implementation of IFRS project t which indicate that the majority or above 65% of the respondents have more than 10 years of work experience. Moreover, the respondents are responsible and well experienced to understand and respond on the Project management practice of IFRS implementation held in their Enterprise.

Table 4.1 Respondent's Demographic Characteristics

Variables	Category	frequency	percent
Gender	<i>Male</i>	71	66.4
	<i>female</i>	36	33.6
age	<i><25 years old</i>	10	9.3
	<i>26-35</i>	31	29
	<i>36-45</i>	38	35.5
	<i>46-55</i>	17	15.9
	<i>>56years old</i>	11	10.3
Academic background	<i>< Bachelor</i>	9	8.4
	<i>bachelor</i>	48	44.9
	<i>Master's Degree</i>	50	46.7
Work experience	<i><5 years</i>	13	12.1
	<i>between 6-10 yrs.</i>	27	25.2
	<i>between 11-15 yrs</i>	35	32.7
	<i>>16yrs</i>	32	29.9

Source: - survey data 2020

Figure 4.1: Graph consisting of respondents overall demographic data



Demographic Characteristics of Respondents

Source: Respondents demographic characteristics survey data

4.1.2. Was the IFRS Implementation Managed as a Project?

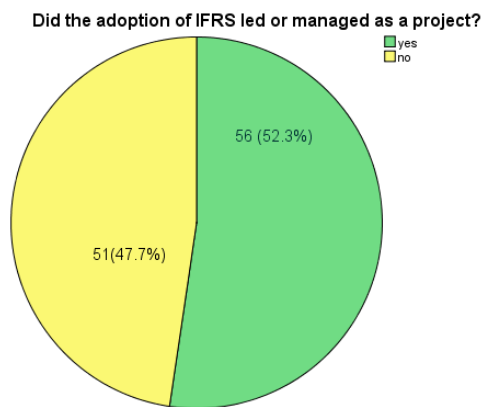
To determine whether the IFRS implementation project of the enterprises was managed as a project or not, 56(52.3%) of the respondents have agreed with and the rest of 51(47.7%) do not believe that the implementation was led as a project and their argument is “projects like this, IFRS adoption shall be managed by the assigned well experienced Project manager”. According to the Project Management Institute’s (PMI, 2008) Body of Knowledge (PMBOK), projects, which are temporary endeavors undertaken to meet unique goals and objectives within a defined scope, budget and time frame, typically go through a life cycle. A project has its own unique characteristics that have a definite start date and an expected completion date even-though the

actual completion date may not be the same as the expected date, has a customer, deliverables, milestones, Risks and uncertainties.

Even-though the procedure and performance of each enterprise varies one from the other, the all researched enterprises Implemented as per the road map set by the regulatory body, AABE, as the first phase adopter. In the same manner, IFRS adoption has different deliverables from initiation to close-out, customers, requires limited time, cost and scope, Similarly, as the expression of the interviewee of the four focal persons, the enterprises have opened project offices and assigned project coordinators of the enterprises, so that these enterprises have undertaken a project.

In the same manner, PMI (2013) defines project management as an application of skills, knowledge, tools and techniques to project endeavors in order to achieve the project prerequisites. Therefore, the IFRS implementation project will be assured if and only if the project is managed with an expected application of necessary tools and techniques, knowledge and skills.

Figure 4.2: Response if the IFRS Implementation has led as a project or not



Source: - Survey data

4.1.3. Analysis by whom the IFRS Implementation project has led or managed

Table 4.2 If yes by whom it has been managed?

		Frequency	Percent	mean	Standard deviation
Valid	Finance manager	51	47.7		
	steering committee	56	52.3	3.5234	.50180
	Total	107	100.0		

As investigated to know by whom the IFRS Implementation project has led, 51(47.7%) respondents agreed that it is managed by Finance managers/team and the rest 56(52.3%) responded that the IFRS adoption has managed by a steering committee established by the enterprises. This is

a reality an IFRS implementation is led with. In some enterprises the adoption led only by finance department and others by steering committee collected from different major departments, and manage by contribution

This study is in contrary with some research studies that project manager and project staff members must have both technical and people skills to make the project a success (Loo, 2003; et.al.2003). In most organizations project manager who normally come from technical background, learn project management skills either from experience, or by observing other Project Managers. The acquired knowledge obtained by Project Managers may be limited due to the lack of experience in managing diverse projects and hence they need formal Project management training. (Chemuturi, 2013). As data collected from the interviewee, project focal persons or leaders has no any skill and knowledge of project management but by sharing experience from others helped as a coordinator. In addition to that, interviewer has no experience in leading a project but having a precondition and benchmark from similar foreign adopting countries. The finding of this study is inconsistent to the researchers (Ivana N. & Jaromiri P. 2016) as stated that success of a project management team is primarily influenced not only by the timely selection of a project manager in the initial phase of the project, but primarily by selecting a suitable person who has professional skills, methodological and procedural skills, social and communication skills, the ability to integrate and self-manage and therefore has potential and is able to lead people. A good, proven manager may still not be automatically a good leader. From the findings it is possible to conclude that such a deficiencies have an impact on achieving the objective of the project and the satisfaction of stakeholders as expected.

4.2. Analysis of project Constraints

Many researchers (Harvey A. 2002), Project time, scope, cost and quality are the main constraints of the project.it has been many names called the project management triangle, iron triangle and project triangle which should give an idea of how important the triple constraint is when managing the project. These are

- Time: the schedule for the project to reach completion,
- Cost: the financial constraints of a project, also known as the project budget, and
- Scope: that task required to fulfill the projects goal which determines the quality of the project to satisfy the need of the customer or stakeholder.

Basically, the triple constraint states that the success of the project impacted by its budget deadlines and features.

Table. 4.3: The response for triple constraints

Do you believe that the Implementation of IFRs project has completed as per the				
R.no.	variables	response	frequency	percentage
1	Time scheduled?	yes	32	29.9
		no	75	70.1
2	Cost allocated?	yes	47	43.9
		no	60	56.1
3	Quality expected?	yes	56	52.3
		no	51	47.7
4	Customer's need of satisfaction?	yes	45	42.1
		no	62	57.9

Source: - data survey 2020,

4.2.1. Assessment if the Implementation of IFRS has completed as per the time scheduled

In searching for the detail of the accomplishment of the IFRS Implementation as per the time bounded, table 4.3 shown that 32(29.9%) of the respondents agree that the implementation of the IFRS project has completed as per the time scheduled whereas 75(70.1%) of them believed that the IFRS adoption has not as per the time scheduled. Time is the schedule for the project to reach completion. From this the project has not completed as per the time scheduled but as per the AABE road map set as the first phase adopters. This implies that the project activities did not defined as well, sequenced planed and has a poor controlling and monitoring system.

4.2.2. Assessment if the Implementation of IFRS has completed as per the cost allocated

The table 4.3 above shown that 47(43.9%) of the respondents agree that the implementation of the IFRS project has completed as per the cost allocated whereas 60(56.1%) of them believe that the IFRS adoption has not as per the cost allocated. From this the project has not completed as per the cost allocated. For example, as of the briefing from the interviewee of Commercial Bank of Ethiopia, the time overrun about three months has happened due to the complex nature of the company, luck of necessary data, typically argument and dispute between the IFRS implementation project coordinator and consultant on some technical performances (ex, application of IAS 39 and IFRS 9) and others that contributed for the cost and time overrun.

The other thing as (Tarun S. mentioned, while time can be misquoted cost cannot. Anything done to a project, including time overrun would be reflected on the cost. if a project is not managed well its cost will go up: conversely if a project managed well its cost should come down. Therefore cost, cost can be used as a performance indicator for a project management performance. But cost estimates in a project, as we have discussed before, are to be revised at various stages to improve their accuracy, and they invariably increase after every revision. Cost overrun, the expression, which is used to represent the variance between the original sanctioned cost and the final cost incurred, would then provide no indication of managerial performance.

4.2.3. Assessment if the implementation of IFRS has completed as per the quality expected

According to the table 4.3 shown above, 56(52.3%) of the respondents agree that the implementation of the IFRS project has completed as per the quality expected whereas 51(47.7%) of the respondent is believe that the project has not completed as per the quality expected. As a researcher (Daniel F. Ofori, 2013), quality is a key factor in assessing the success of projects and project management practices.

As per the explanation of the interviewee in order to produce high quality financial report using a well experienced expertise on the issue, having appropriate training, due attention and support from the top management, active participation of the established team and stakeholder engagement was the critical input for the quality. Additionally, the issue of employee benefit, lease issues and having and delivering a clear financial statement for a stakeholder/beneficiaries and an investor is unexpected value gained from the project. (Flanagan and Tate, 1997) stated that “Quality may be defined as one of the components that contributes to “value for money”.

Table 4.4. Critical success factors the Enterprises has faced during IFRS Implementation

Critical Success Factors	Frequency	Percent	Cumulative Percent
Understanding of process groups in applying IFRS	1	0.9	0.9
Ending all contracts and delivering the final results on time	11	10.3	11.2
Management of the company has late to communicate the responsibilities to stakeholders	15	14	25.2
lack of knowledge of quality monitoring & control	23	21.5	46.7
Limited staff knowledge and experience	13	12.1	58.9
High time overrun of the adoption	22	20.6	79.4
Poor communication within the team	16	15	94.4
Absence of professional consultants who support in adoption	6	5.6	100

Source: data from survey

Based on this the IFRS Implementation has accomplished in the expected quality. This implies that the quality of the financial report produced by the consultant kept its quality for the team, the external auditors and the management of the enterprises.

4.2.4. IFRS Implementation has completed as per the Customer's need satisfaction

According to table 4.3, if the IFRS Implementation has accomplished as per the customers need of satisfaction 45(42.1%) of the respondents agree that the Implementation of the IFRS project has completed as per the customers need to satisfy whereas 62(57.9%) of the respondent believe that the project has not completed as per the customers need of satisfaction. Depending on these, the result implies that even though the implementation has completed as per the quality expected, customers need has not been satisfied. The explanation collected from the interviewee concerning the customer’s need satisfaction is that as it has been achieved to produce the internationally standardized financial report and being competitive with similar comparatives all over the world the implementation has a great impact on the customer’s satisfaction.

4.3. Critical success factors attained during the implementation of IFRS Project

From the table 4.4 shown above, about the critical success factors faced the public enterprises in implementation IFRS project 1(0.9%) of the respondent believe that the problem of understanding of process groups in applying IFRS, 11(10.3%) believe that ending all contracts and delivering the final results on time, 15(14.0%) agreed that Management of the company has late to communicate the responsibilities to stakeholders, 23(21.5%) agree that lack of knowledge of quality monitoring & control,13(12.1%) respondents believe that limited staff knowledge and experience, 22(20.6%) agreed that High time overrun of the implementation, 16(15%) judge that the Poor communication

within the team is one factor, and lately 6(5.6) respondent said that Absence of professional consultants who support in implementation are the main factors faced the enterprises during their implementation of IFRS project.

Critical success factors, CSF of a project are a set of project variables or factors that are strongly correlated to project success, and whose maximization or minimization, depending on whether they are favorable or unfavorable, will lead to project success. According to Rockart (1981), critical success factors are the limited number of areas in which satisfactory results will ensure successful competitive performance for the individual, department, or organization. They are the few key areas where things must go right for the business to flourish. If results in these areas are not adequate, the organization’s efforts for the period will be less than desired.

Depending on these results, lack of knowledge of quality monitoring & control, High time overrun of the adoption, Poor communication within the team and Management of the company has late to communicate the responsibilities to stakeholders are the major critical success factors of the enterprises.

4.4. The Analysis of the Project Management Body of Knowledge areas

4.4.1. An Integrated Management under the Facilitating Function

This knowledge area contains the tasks that hold the overall project together and integrate it into a unified whole.

Table: 4.5: Respondents reflection on the variables under the Integrated Management

Code	Variables	Responses using a Likert Scale in frequency and percentage					
		F	SD	D	N	A	SA
FFIM1	IFRS implementation charter development	F	34	31	12	24	6
		%	31.8	29	11.2	22.4	5.6
FFIM2	IFRS implementation Management Plan development	F	32	18	17	34	6
		%	29.9	16.8	15.9	31.8	5.6
FFIM3	Works were Directed and Managed	F	20	7	8	46	26
		%	18.7	6.5	7.5	43	24.3
FFIM4	additional Knowledge/profession during IFRS adoption are Managed	F	27	17	18	41	4
		%	25.2	15.9	16.8	38.3	3.7
FFIM5	The activity Phase has Closed and took over after completion has recognized	F	17	9	9	36	36
		%	15.9	8.4	8.4	33.6	33.6

Source: - data collected from survey 2020

i. Analysis of IFRS Implementation Charter Development

The table above implies that 6(5.6%) of the respondents strongly agree that the IFRS Implementation charter has developed, 24(22.4%) agree, 12(11.2%) is neutral, 31(29.0%) disagree and 34(31.8%) of the respondents strongly disagree and in general above 60% of the respondents disagree about the development of the IFRS implementation charter. Researchers (Daniel F. 2013), indicate that Setting out the scope and specifications of the project at the initiation stage enables the project sponsor and manager to be clear on the purpose, expected outcomes, budget, deliverables and time frame of the project. Result obtained from the interviewee stated that they develop a charter which is a blue print for the accomplishment of the project that stakeholders aware about and also get due approval and cooperation to kick off the project.

And they explained that having a benchmark of the related organizations from abroad and sharing their best practices it has been accomplished. So, depending on the study even-though the project charter development is one of the only two processes during the Initiation phase, and that the development of a project charter initiates the project and authorizes the project manager by having ago ahead permission from the stakeholders, the study shows that no IFRS adoption charter has developed. And the findings indicate that a project has no a project charter, it may has no vision or purpose along with supporting objectives and a high level necessities.

ii. Analysis of Implementation Management Plan development

The table above implies that 6(5.6%) of the respondents strongly agree that the IFRS implementation Management Plan has developed, 34(31.8%) agree, 17(15.9%) is neutral, 18(16.8%) disagree and 32(29.9%) are strongly disagree and in general above 50% of the respondents disagree about the development of implementation Management Plan.

In addition to this, experience shows that getting it right at the Planning stage is critical for project success and the sustainability of the project outcomes. Any ad-hoc planning may lead to the consequences of not meeting deadlines and thereby increasing cost, which in turn affects the quality of the project. (Daniel F. 2013)

This is the primary guiding document for the project manager and end result of the planning phase. It is used to ensure a successful outcome to the project. Loosing these is a damaging part of the project success.

iii. Works Were Directed and Managed

According to the table shown above, 26(24.3%) respondents strongly agree that works were directed and managed, 46(43%) agree that works were directed and managed, 8(7.5%) are neutral, 7(6.5%) were disagree and 20(16.7%) were strongly disagree that works were directed and managed. Due to this process encompasses the production of the project's deliverables the result implies that works were directed and managed because above 68% of the respondents believes that work was directed and managed through different orientations. Therefore the result from the findings and explanation from the interview especially Commercial Bank of Ethiopia and Berhanena Selam Printing Enterprise IFRS adoption project leaders stated that it is been given continuous trainings and benchmarks from international trends in order to be ready and to have a strong involvement in the convergence process. So this imply that the day to day works of the project like responding to questions, directing the project team, holding status meetings are managed under these process.

iv. Analyses on Additional Knowledge during IFRS implementation are managed

The table above states that 4(3.7%) respondents strongly agree that additional Knowledge/profession during IFRS adoption are Managed, 41(38.3%) agree, 18(16.8%) are neutral, 17(15.9%) were disagree and 27(25.2%) were strongly disagree that additional Knowledge/profession during IFRS implementation are managed. Jackson,P. & Clobas, J.(2007) state that “ if knowledge is socially constructed then, managers of projects need to attend to the elements of an environment which influence the construction of the knowledge required to get things done in projects.” This implies that project managers need to establish a climate of trust, where it is safe to make mistake during working, and where sharing knowledge is the norm and helping others is promoted (Adenfelt & Lagerstrom, 2006).

Due to most projects require the acquisition of additional knowledge and this requires active management to ensure the project finishes on time and budget. Depending on these the result of the mean slightly cooperates with the literatures and that additional Knowledge/profession during the IFRS adoption made a successful.

v. The activity phase has closed and took over after completion has recognized

According to the table above, the task of recognizing the closure and took over of the activity phase after completion of the adoption which is the final task under the integration management,

36(33.6%) respondents strongly agree, again 36(33.6%) are agreed, 9(8.4%) neutral, again 9(8.4%) disagree and 17(15.9%) were strongly disagree on the issue. this process contains the tasks necessary to close the project, or the project phases. With respect to these the majority (above 68%) of the respondents agreed, the result shows that the activity Phase has Closed and took over after completion has recognized.

vi. The Overall Mean and Standard Deviation of Integrated Management.

Table 4.6 implies that the overall mean scores and deviations from the mean towards the different variable within an Integrated Management body of Knowledge area.

Activities to be analyzed	N	mean	SD	Remark
FFIM1 IFRS implementation Charter has developed	107	3.61	1.22	Agree
FFIM2 Adoption management plan has developed	107	3.46	1.27	Agree
FFIM3 Works were Directed and Managed	107	2.59	1.42	Neutral
FFIM4 Additional Knowledge during IFRS implementation are_Managed	107	3.34	1.29	Agree
FFIM5 activity phase has closed and took over after Completion has recognized	107	2.81	1.48	Neutral
Overall mean and Standard deviation	107	3.16	1.34	Agree

Source: analysis of survey data 2020:

The average Sensitivity regarding the selected variables had a mean score that ranges between 2.59 and 3.61 respectively; with a standard deviation ranging from 1.22 to 1.48 respectively. Indicating the variation from the mean does have significant variation which proves the complexity of human behavior on perception of motivational factors.

The range of Likert scale coding is expressed below

- ⇒ Mean value 2 and less, indicate that Disagree with the statement listed.
- ⇒ Mean value greater than 2 and less than 3, indicate Neutral.
- ⇒ Mean value greater than 3 indicate the respondents are Agree with the statement.

Depending on the study above, even though the variation from the mean of each variable is 1.34 which is greater than +1 and there is a significant variation, the result of finding align with the definition of researcher Duncan (1996) that Project Integration management as “the process required to ensure the various elements of the project are properly coordinated”. It involves trade-offs among competing objectives and alternatives in order to meet stakeholders’ expectations.

4.4.2. Bodies of knowledge under Core Function

i. Descriptive Statistics of Scope Management

Table 4.7: Descriptive Statistics of Scope Management

Activities to be analyzed	N	mean	SD	Remark
CFSM1 Scope Management has planned	107	3.43	1.36	Agree
CFSM2 The scope of the work has defined	107	3.20	1.34	Agree
CFSM3 work breakdown structure (WBS) has created	107	3.43	1.18	Agree
CFSM4 The scope has approved by the recipient	107	3.36	1.31	Agree
Overall mean and Standard deviation	107	3.35	1.29	Agree

Source: - data collected from the survey

According to table 4.7 indicated above, a scope management is one of the project management body of knowledge areas measured using four items like scope management planning, the scope of the work has defined, work breakdown has created and the scope has approved by the recipient whose mean range from 3.20 to 3.43 with the standard deviation from the mean of 1.18 to 1.36. This variation indicates that mentioned in the detail regarding the scope of the IFRS adoption that is, the work included within the project. Since scope changes are one of the top causes of project changes and grief in general, it is very important that the boundaries of the project be well defined from the outset and monitored rigorously. So, from the study result, which the overall mean of the variable is 3.35 and a standard deviation from the mean is 1.29 which is greater than +1 implies the variation between the items is significant. So, this confirms that there is a poor communication on informing this variable. The fact from interview implies that well organized scope management plan has developed and approved by the concerning bodies and put in to the action.

ii. Descriptive Statistics of Schedule/Time Management

Table 4.8: Descriptive Statistics of Schedule/Time Management

Activities to be analyzed	N	mean	SD	Remark
CFTM1 Schedule Management has planned	107	3.08	1.32	Agree
CFTM2 The activities are defined and divided into tasks	107	3.08	1.32	Agree
CFTM3 Tasks are sequenced and the relationships Between them are established	107	3.08	1.32	Agree
CFTM4 Activities are controlled as per the Schedule	107	3.07	1.33	Agree
Overall mean and Standard deviation	107	3.35	1.31	Agree

Source: - data collected from the survey

This Knowledge area involves four items called planned time management, activities are defined and divided into specific tasks, these tasks are sequenced and the relationships between them are established and activities are controlled as per the schedule, the overall mean of this knowledge is 3.35 and with the overall deviation from the mean of 1.31 that indicates the parameters mentioned in the detail regarding a schedule management has a positive and significant differences between the respondents of the enterprises as the mean and variation indicate it falls on positive response on both ends and agreed on the issue.

This is usually the most time consuming of the knowledge areas. During planning, the project manager must divide the project into tasks and create both a schedule (start and finish dates and budget for each task).

The result is an indicative that the priority number one has given by the public Enterprises Regulatory body to adopt the standard within these public enterprises because they are assumed as one of the backbone of the economic growth of the country. In the same case the proclamation no.847/2014 that issued to provide for Financial Reporting, declares that reporting entities and their Directors may either issue a warning or sanction to the effect that they has failed to comply with the financial reporting standard was a forcing power as much as possible to comply with on time scheduled contributing all the efforts.

iii. Descriptive Statistics of Cost management

Table 4.9: Descriptive Statistics of cost Management

Activities to be analyzed	N	mean	SD	Remark
CFCM1 The Cost Management plan has established	107	3.19	1.32	Agree
CFCM2 The cost of each task has established	107	3.12	1.32	Agree
CFTM3 Cost are controlled	107	3.07	1.32	Agree
Overall mean and Standard deviation	107	3.13	1.30	Agree

Source: - data collected from the survey

Project cost management is one of the project constraints under the knowledge areas that measured with three (establishment of cost management plan, establishment of the cost of each task and Costs are controlled) items each includes the processes involved in planning, budgeting, financing, funding, managing, and controlling costs so that the project can be completed within the approved budget.

So, to determine if the IFRS implementation movement was achieved with the expected cost management process, table 4.6 shown above with mean value of 3.13 and a variation of items from the mean of 1.3 implies that the variation greater +1 is a critical disparity cost management has accomplished with the appropriate accomplishment of each items with in a variable. To strengthen this idea as of the supportive information collected from the interviewee and other relevant bodies like External Auditors involved in the conversion activities, AABE reviewers and the regulatory body by the moment so called Ministry of Public Enterprises, MoPE, the enterprises had full power to allocate the convincing resource for the full adoption of the standard bearing in mind the transition becomes costly and needs a full commitment and understanding of the issue. As of the observation of World Bank Group that had supporting conversion in Ethiopia, “The phase I adopters that are also subject to regulation by the MoPE has progressed well and good coordination between the AABE and the MoPE with capacity building interventions provided with the support of the World Bank”. (Michael W. & Kebede A. 2008).

The result gained from the study seems that it contradicts with result of time and cost obtained from (4.2 Analysis of project constraints) above. As of the explanation from triangulation made due to different factors like the absence of professionals/sufficient skilled manpower in such area, asset valuation, poor practice of data management, resistance to change and other simple but have significant side effect on the accomplishment of the project are mentioned.

iv. Descriptive Statistics of Quality management

In the study made to collect data from the respondents how the quality of the IFRS implementation Project has managed, the researcher used three items like, the Quality Management Plan that contains the quality specifications for the product has set, the processes that ensure the quality of the deliverables has been inspected regularly to ensure they are working (quality has managed) and The deliverables themselves are inspected to ensure they conform to the quality standards (quality has controlled) with the mean of 3.39, 3.34 and 3.46 and with a standard deviation of items from the mean of 1.38, 1.33 and 1.42 as well as the overall mean of 3.40 and a standard deviation of 1.38 respectively, (Table 4.8). This implies that the expected quality of the final product which is the implementation of IFRS project has accomplished. The necessary deliverables like asset valuation statement document, gap analysis made document, solution development, solution implementation, document for IFRS based financial policies and procedures, a few of modules for HR, IT, procurement, sells,... and lastly the full conversion of the IFRS based financial Report

produced are common for all and a major success that a qualified product gained as briefed by the interviewed focal persons under this variable is introduced, This result do not fits with the of a scholars (Liviu I., Emil C. & Ioana N. 2014) stated “Better process quality, Standards and guidelines improve quality by reducing failure and maximizing the achievement of goals. This Indicates that quality is processes that have a defined statement, not an event, a consistently high quality product or service can’t be produced by a defective process. Quality management is a repetitive cycle of measuring quality, updating processes, measuring, updating processes until the desired quality is achieved.”

Table 4.10: Descriptive Statistics of Quality Management

Activities to be analyzed	N	mean	SD	Remark
CFQM1 The Quality Management Plan that contains the Quality specifications for the product has set	107	3.39	1.32	Agree
CFQM2 The processes that ensure the quality of the Deliverables has been inspected regularly to Ensure they are working (quality has managed)	107	3.34	1.32	Agree
CFQM3 the deliverables themselves are inspected to ensure they conform to the quality standards (Quality has controlled)	107	3.46	1.32	Agree
Overall mean and Standard deviation	107	3.40	1.30	Agree

Source: - data collected from the survey

Vincent and Joel (1995) define total quality management as: “the integration of all in one function and processes within an organization in order to achieve continuous improvement of the quality of goods and services. The goal is customer’s satisfaction”. From this the result implies that the project has completed as per the quality expected.

4.4.3. Descriptive Statistics of Supporting Functions

Table 4.11: Descriptive Statistics of supporting Functions

Code	Activities to be analyzed	N	mean	SD	Remark
SFReM	Resource Management	107	3.39	1.32	Agree
SFCM	Communications management	107	3.34	1.32	Agree
SFRiM	Risk Management	107	3.46	1.32	Agree
SFPM	Procurement Management	107	3.46	1.32	Agree
	Overall mean and Standard deviation	107	3.40	1.30	Agree

Source: - data collected from the survey

The third function is a support function consisting of human resource, procurement, communication and risk management. Project human resource management includes the processes that organize, manage, and lead the project team. The project team is comprised of the people with assigned roles and responsibilities for completing the project.

Based on this, the researcher provided six items evolved on human resources needs to be engaged in the implementation process of the enterprises. In the data collected for each item, the mean value ranges 3.52 to 3.85 and a deviation from the mean of each item is 1.12 to 1.26 and even for all the listed elements under this variable 142/642(22.1%)disagreement, 67/642(10.4%) neutral and 433/642(67.5%) agreements are revealed for the resource management effectiveness of the enterprises. As scholar (Adebeji B., 2008) stated under the human resource, the good project team is usually one of the basic factors in the successive execution of a project. Human resource management is concerned with obtaining the appropriate team, ensuring their satisfaction, and valuing their performance.

So, the study implies that the Enterprises have invested on human resource, training and education, capacity building, team organization, coordination, motivation and efficiency-oriented participation were the major duties explained.

Project communication management includes the processes required to ensure timely and appropriate planning, collection, creation and distribution, storage, retrieval, management, control, monitoring and the ultimate disposition of project information and timely flow of information management amongst the team and the stakeholders. Researches like (Ahlemann, Teuteberg, Vogel sang, 2009) stated that communication is a key factor in a project management that plays a significant role in a success and failure of a project. Standards are also used harmonize Standards are also expected to help harmonize contrary jargons and multiple clarity-needing languages within a process of adoption.

In such a way that to investigate what a communication management of the enterprises looks like, the researcher provided three items consisting of the communications management plan is put into practice, whether the communications among different teams and stakeholders are actively managed and lastly communications are monitored and revisions to the communications plan are initiated, as the table shown above the study shown the cumulative mean of 3.82 and deviation from the mean of 1.15 that the mean value ranges 3.68 to 3.94 and standard deviation of 1.13

to 1.18. Basically the likert collected data also implies that 61/321(19%) disagreement, 22/321(6.9%) neutral and 238/321(74.1%) agrees with the communication management of the enterprises on the IFRS adoption Effort. This assures that the adoption process effectiveness has been determined by the periodical communication and information flow procedure between the team evolved, top management, supporting group, steering committee, stakeholders, ...

Project risk management: is the process of conducting risk management planning, identification, response planning, and controlling risk on a project.

The objectives of project management are to increase the likelihood and impact of positive events, and decrease the likelihood and impact of negative events in the project. As of the table shown above, table 4.11, the variable has been measured with five major items because managing project risk is one of the most devalued aspects of project management. Major risk is very seldom identified up front and analyzed within the project management plan, but when they are project stakeholders tend to forgive the unexpected issues much quicker. So from this point of view, the investigator has collected the result from the study that the mean 3.72 to 3.92 and standard deviations of 1.06 to 1.21 and the overall mean of 3.85 and a deviation from the mean of 1.13. Here the Likert scale value also demonstrate that 100/535(18.7%) of the respondent disagreed about the risk management activities of their enterprises, 39/535(7.3%) are Neutral and 396/535(74%) of them are believe that their enterprises have devoted to curb risks proactively. And the idea coincides with a researcher (Van Scoy. 2002) stated that "Risk in itself is not bad but is essential to progress, and failure is often a key part of learning. But one must learn to balance the possible negative consequences of risk against the potential benefits of its associated opportunity.

Project procurement management: includes the processes necessary to purchase or acquire products, services, or results needed from outside to the project team. The organization can be buyer or seller of the products, services, or results of a project. It includes the contract management and change control processes required to develop and administer contracts or purchase orders issued by authorized project team members. (Tewodros A. 2017). Depending on these for the survey made by the researcher as the table 4.8 shown above, procurement management have been evaluated with four broad items with the mean of each item ranges from 2.09 to 2.82 and a variation from the mean of 0.74 to 1.18. And the mean of the detail dimension of the variable has a value of 2.38 and variation of 0.96 indicating the parameters mentioned in the detail regarding

procurement management has a negative response as the mean and variation indicate it falls on negative response on both ends. The result is an indicative that given most of the Public Enterprises do not use government procurement directives. Because they are income generating and self-sponsored entities and the practices they had with procuring a consultancy services, and other related practices forced them to fail in this course. So the study confirms that in relative to the other knowledge areas this area faced a challenge and in the cumulative effect, the procurement was not managed during the IFRS implementation of the Enterprises.

4.4.4. Summary of PMBoK

Table4.12: Overall mean & standard deviation of PMBoK

No.	Elements of the Project management bodies of Knowledge (PMBoK)	Mean	Standard deviation
	Facilitating Function		
1	Integrated Management	3.1607	1.3353
	Core functions		
2	Scope management	3.3551	1.29774
3	Time management	3.0818	1.31938
4	Cost management	3.1308	1.30711
5	Quality management	3.4019	1.38272
	Supporting functions		
6	Resource management	3.6589	1.19185
7	Communication Management	3.8287	1.15687
8	Risk Management	3.8561	1.13359
9	Procurement Management	2.3832	0.96212
10	Stakeholders Management	3.4019	1.36168
	Overall mean and standard deviation	<u>3.32591</u>	<u>1.24484</u>

Source: - data collected from respondents and produced by the researcher both using SPSS 21 & Microsoft Excel.

The table 4.12 shown above implies that the overall mean and the deviation from the mean is 3.33 and 1.24 respectively which is indicating the parameters mentioned in the detail regarding the project management body of knowledge are considered in these stated public Enterprises that has a positive response as the mean and variation indicate it falls on positive response on both ends with significant variation.

From the study the respondents result is inviting to debate between each other. Even though the result of other knowledge areas is confirmed in “Agree” there is a “Disagreement” on Procurement management of the Enterprises.

For the effective project delivery in the time scheduled, minimum project cost, provided quality services and a strong competitive advantage, effective project management practices with a professional man power is critical. Excellency in effective project management can also guarantee quantifiable and concrete results depending on time, cost and scope those are a foundation for the success of a project. (Kerzner. 2010).

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this chapter based on the research analysis findings outlined in chapter four, relevant conclusions and recommendations are presented to provide insight into the effectiveness of project management practice in IFRS implementation project in the case of Public enterprise in Ethiopia. And lastly some possible future research areas that need to be explored are mentioned.

5.2 Conclusion

The study has aimed to investigate how PEs has practiced project management on the IFRS implementation Project for the effective completion of the adoption. The study also has focused to analyze if the PEs are practiced the Process groups with in a PMBoK and critical success/failure factors they encountered.

Public enterprises are the one that are categorized as a first phase implementers with financial institutions by the regulatory body, AABE, to implement IFRS in Ethiopia for the financial year ended June 2010E.C. (2017/18). Out of which 27 are registered under the ministry of Public Enterprises and the rest 15 are not but under different ministerial offices, the only eight of them has implemented following the Roadmap. (AABE 2017/18 Report).

Research questions for the quantitative data interpretation that consists of 63 items for Management teams of the Enterprises and accountants engaged on the adoption process has produced. Similarly, 18 semi-structured interview questions for IFRS implementation project focal persons have prepared, and all the data are analyzed using a descriptive statistic.

From the result of the study one can conclude that: -

- The IFRS implementation project is led as a project because it revealed the all characteristics that a project consists of like deliverables (asset revaluation documents, policy manuals, gap analysis document, solution development and solution implementation document, different modules of certain core activities, and finally the IFRS based annual financial report documents are the ones all shared in common), and some milestones these activities are Performed.
- It required limited time/schedule between nine to eighteen months to complete the IFRS implementation, cost and scope, stakeholders, in the same manner, even the conversion

direction from the coordinator and regulatory body AABE also enlightens that the implementation process need to be a project.

- There was also a variation from enterprise to enterprise on the assignment of the coordination of the Project. No one has assigned a dedicated project manager to manage the IFRS implementation project but has led by Finance Staff leaders, ad-hoc steering committee on top level and by a team established from different directorates (HR, finance, Int. Audit, legal, IT...).
- As the response collected and evaluated from these coordinators through semi-structured interviewee and reviewers of the practices, the coordinators have no project management knowledge, skills, and but led a project through experience sharing from foreign adopting companies by benchmarking, and from the support of hired consultants. By some extent this is a one of a promising part of the project for its accomplishment.
- The IFRS implementation project of the Enterprises are evaluated in terms of practicing PMBoK, and the result revealed that the nine knowledge areas are effectively exercised except the procurement management is failed. One should bear in mind that the effectiveness of the practice was due to the overall attention and
- The enterprises also have passed through initiation, planning, execution, monitoring and control and final close out while implementing the PMBoK, and it showed that a five process groups are introduced.
- IFRS implementation in Ethiopia is the first practice on Public enterprises including financial institutions in Ethiopia. These are pioneers to face all the challenges, overcoming constraints and possible opportunities: - means commitment from government bodies, different trainings provided for professionals, experts and stakeholders with the support of World Bank group in collaboration of AABE and relative regulatory bodies, due attention and motive from the professionals was the critical factor for the success of the adoption. One of the critical success factors for the implementation of IFRS was undertaking accurate and comprehensive upfront assessment of the impact of IFRS and the “Gap analysis” is the major while lack of knowledge of quality monitoring & control, time overrun of the adoption, Limited staff knowledge and experience & the load pressured only on the finance department that coordinating responsibility are one of the challenge that faced the enterprises as the interviewed has expressed.

The researcher also approved from using triangulation method that even though the implementation or conversion activity of the standard is very recently in Ethiopia and there were

no sufficient skilled manpower, strong regulatory body, strong professional association, well organized training and education curriculum, some of the leaders and expertise of the enterprises have got ready based on the international exposure they had, their commitment to tackle the challenge and their belief that the risk to be faced is no more detrimental than its rewards. For instance, to eliminate the information asymmetry, improving accountability and transparency and eradicate corruption & the problem of good governance, producing a clean sheet financial report, to get a credit worthiness of the enterprises or the country.

From the result of the study it is clear that the Public enterprises evolved in the study have practiced how the project has managed applying the PMBoK, which consists of the nine knowledge areas, It is seen that there are a variation between a triple constraints (whether the adoption has completed as per the time scheduled, cost allocated and quality expected, even though the final quality of the product should be assured by the regulatory body, AABE as a major stakeholder, because it is not begin reviewing the final IFRS based financial report, the external auditors have qualified the report), the ultimate value of the accomplishment was assured as the project management has practiced. A distinction has been made between project success and project management success by some managers. It has been shown that project management and project success are not necessarily directly related. The objectives of both project management and the project are different. Project success is measured against not the amount but any cost that has allocated, time bounded and quality that need to be expected are specified and overall progress, which are often the project management objectives, should not be confused with measuring project success.

5.3 Recommendation

The conclusion above demonstrates that PEs evolved in the study have practiced how the project is managed during their IFRS implementation because it is fully a project.

A PEs by their nature typically to manage public resources, this means, that due responsiveness must be paid to mechanisms for enforcing accountability. The desire for the creation and explosion of PEs after the post war-II, especially in developing countries were driven by the Government to realize the expected social and economic objective of the public intended. They are seen as major contributors to the economic growth and socio-political stability.

Ethiopia has enacted a law to adopt IFRS with the financial reporting proclamation 847/2014 that contributes for growth through increased financial transparency, accountability and efficiency that financial information in compliance with such standards assist in the price discovery mechanisms that underpin foreign direct investment, mobilize the investment of domestic savings and facilitate access to credit thus enabling reduction in the cost of capital.

AABE who is given a responsibility for regulating accounting and auditing practice in Ethiopia, with the collaboration of the regulatory body MoPE and others follow up are a key success factor in preparing most public enterprises for the implementation of IFRS. In such a way that PEs, other private entities, and those are obliged to implement full IFRS, IFRS for SMEs and IPSAS for charities and societies are need due care for the realization of the objective Ethiopia should adopt IFRS and related standards of accounting and auditing practices with in intended time.

In order to eliminate the information asymmetry, improving accountability and transparency and eradicate corruption & the problem of good governance, producing a clean sheet financial report, to get a credit worthiness of the enterprises or the country, the concerned bodies should give attention in building skilled manpower, strong regulatory body, strong professional association, well organized training and education curriculum.

Projects are more complex than they seem to be appearing because of recurring changes in resources, objectives, requirements and technology, etc. therefore project management is truly a science to deal with systematic and cost effective presentation, execution, re-evaluation and reporting of an important activity. The project managers are the unsung heroes who in most cases stand outside the public eye but without whose talents and skills neatest ideas would never to amount anything. They are responsible for giving shape to products, systems and things, which we take for granted or marvel. (Tarun S, 2005). Therefore, the researcher recommends that it needs to be practiced that project as a project needs to be managed by full understanding, skill & knowledge of Project management.

Since a substantial portion of project is typically executed through contracts, proper management of contracts is critical to the successful implementation of project. The challenge to find an asset valuation professional, consultant for the implementation, culture and capacity of contract

management exist as country were some specific challenges faced the enterprises need to be reviewed and needs a solution.

Collaboration that have been created with Regulatory Bodies MoPE and AABE, the training and ToTs provided for expertise/ professionals (accountants and internal Auditors), the task force established to facilitate preconditions between the AABE and the Enterprises, the viable and continuous practice review and support from all direction, moreover, the commitment the government revealed by the moment was an incredible for the fully fledged implementation effort made in all dimensions.

5.4. Future Research Areas

- 1) A critical success/failure factor, CSF determination even for these individual company and the left PEs needs its own assessments using different methodologies,
- 2) If there is no difference on a project managed by a project manager and any line/ function manager in Ethiopia,
- 3) As shown from this study, these PEs are very lucky due to all-inclusive support and commitment from the concerning internal and external parties. Similar research need to be conducted on those didn't adopted on time and other Reporting entities like private companies shall adopt full IFRS, IFRS for SMEs and IPSAS for charity and societies.
- 4) The next researchers shall conduct their studies based on the size, structure & culture of the organizations.

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ANNEX 1

በመንግሥት የልማት ድርጅት ሚኒስቴር ሥር በቀጥታ ተጠሪ የሆኑ የልማት ድርጅቶች

1. ለኢትዮጵያ ምድር ባቡር ኮርፖሬሽን *19.08.09*
 2. ለኢትዮጵያ ስኳር ኮርፖሬሽን *19/08/09*
 3. ለኢትዮጵያ ኬሚካል ኢንዱስትሪ ኮርፖሬሽን
 4. ለኢትዮጵያ ግብርና ሥራዎች ኮርፖሬሽን
 5. ለኢትዮጵያ ኮንስትራክሽን ሥራዎች ኮርፖሬሽን *20/08/09*
 6. ለኢትዮጵያ ኮንስትራክሽንና ዲዛይን ስ-ፐርፕሊንግ ሥራዎች ኮርፖሬሽን
 7. ለኢትዮጵያ ማዕድን፣ ነጻጅና ባዮሬውል ኮርፖሬሽን
 8. ለኢትዮጵያ የባህር ትራንስፖርትና ሎጂስቲክስ አገልግሎት ድርጅት *19/08/09*
 9. ለኮስቲክ ሶዳ አክሲዮን ማህበር
 10. ለአሱሚኒየምና ሰፊፊትና ሰፊፊት አሲዮን ማህበር
 11. ለአዳሚቲብ ፀረ-ተባይ ማዘጋጃ አክሲዮን ማህበር
 12. ለኢንዱስትሪ ፕሮጀክቶች አገልግሎት ድርጅት
 13. ለኢትዮጵያ ቀሪት ንግድ ሥራዎች ድርጅት
 14. ለፍልጫ አገልግሎት ድርጅት *19/08/2009*
 15. ለግዥ ሆቴል ድርጅት *19/8/09*
 16. ለሆቴሎች ልማት አክሲዮን ማህበር/ አዲስ አበባ ሄልተን/
 17. ለቨባሌ ትራንስፖርት አ/ማ
 18. ለሀዋሳ አርቫ ልማት ድርጅት
 19. ለብሔራዊ አልኮልና አረቄ ፋብሪካ *19.8.09*
 20. ለአርቲስቲክ ማተሚያ ድርጅት *20/8/09* *ሠጠርጉ*
 21. ለኢትዮጵያ ፕላስቲክ ወረቀት አ/ማ
 22. ለኮምፖዩተር ጨርቃ ጨርቅ አ/ማ *19/08/09*
 23. ለባህርያር ጨርቃ ጨርቅ አ/ማ *28/11/09*
 24. ለአሠላ ብቅል ፋብሪካ
 25. ለአንገላ ዕቃዎች አቅራቢ ድርጅት
 26. ለብርሃንና ሠላም ማተሚያ ድርጅት *19-8-09* *ግዕዝ*
- 27 ከጠቅላይ ሚኒስትር ማኅበር አባል ከሆኑት የልማት ድርጅቶች ተጠሪ የሆኑት*

1. ለኢትዮጵያ አየር መንገድ *20/08/09*
2. ለኢትዮጵያ አሲትሪክ ኃይል *20/08/09*
3. ለኢትዮጵያ አሲትሪክ አገልግሎት
4. ለኢትዮ-ቴሌኮም *27 APR 2011* *selam*
5. ለኢትዮጵያ ነጻጅ ድርጅት *19/08/09*
6. ለኢትዮጵያ ኢንዱስትሪ ፓርኮች አገልግሎት *20/8/09*
7. ለኢትዮጵያ ኤርፖርቶች ድርጅት
8. ለኢትዮጵያ የንግድ ሥራዎች ኮርፖሬሽን *MEYER April 28/11*
9. ለኢትዮጵያ ምርት ገበያ ድርጅት *20/08/09*
10. ለኢንፎርሜሽን ቴክኖሎጂ ፖርክ (IT) *19/08/09* *ሐጻኔ*
11. ለኢትዮጵያ ፖስታ አገልግሎት ድርጅት *19/08/09*
12. ለሲቪል ሰርቪስ ትራንስፖርት አገልግሎት ድርጅት *20/8/09* *አገልግሎት*
13. ለተሰማሚነትና ምዘና ድርጅት
14. ለኢትዮጵያ የከፍተኛ ስራዎች ለንተርፕራይዝ
15. ለትምህርት መሣሪያዎች ማምረቻ ድርጅት

*16. ለህዝብ ግብይት ለተጠቃሚ ገንዘብ አገልግሎት ማህበር *19/08/09**

ANNEX II

Questionnaire for the management team and Accountants of the Organization

This survey is being conducted in order to collect information on the effectiveness of Project Management Practices of IFRS implementation project in public enterprises in Ethiopia. The researcher is undertaking this study as part of the partial fulfillment of the Master’s Project Management program in St. Mary’s University. Foremost, I Thank you for giving your time and I would like to kindly ask you to answer the questions as accurately as possible. The information you provided here will be very confidential and will be used only as input for the research purpose that makes it complete. Please provide your relevant answer required in the space given putting check mark like “✓” for the questions provided or circle on the given alternative and can underline when important. If any and for more clarity it is Abebe Shiferaw +251 913770550 or 966928591 Thanks more.

A) Personal information of the respondent

- I. Gender: - a) Male b) Female
- II. Age: - a) <25yrs old b) 26-35yrs c) 36-45yrs d) 46-55yrs e) >56yrs
- III. Work experience: - a) < 5yrs b) 6-10yrs c) 11-15yrs d) >16yrs
- IV. Your position/ role in the enterprise you are in.....
- V. Academic back ground: - a) less than Bachelor b) Bachelor c) Masters d) above

B) General Information

- 1. **When did your Organization implement International Financial Reporting Standard (IFRS)?**
 - a. As per the AABE’s road map mandatory adoption period
 - b. After AABE road map mandatory adoption period
- 2. **Did the implementation of IFRS lead or managed as a project?**
 - A) Yes B) No C) Not sure
- 3. **If yes by whom it has been managed?**
 - a) Assigned project manager b) any line manager
 - c) Finance manager d) any other
- 4. **Are you sure that the implementation of IFRS has completed as per the?**
 - I. Time scheduled? A) Yes B) No C) Not sure
 - II. Cost allocated? A) Yes B) No C) Not sure
 - III. Quality needed? A) Yes B) No C) Not sure
 - IV. Satisfying the need of beneficiaries? A) Yes B) No C) Not sure

5. **Which professionals provide your company with assistance or Guidance when converting to IFRS?**
 - a. Certified auditors
 - b. Company staff
 - c. IFRS implementing Department staff
 - d. Hired consultant
6. **How long did it take to accomplish the adoption?**
 - a) Less than a year
 - b) 13-18 months
 - c) 19-24 months
 - d) 25-30months
 - e) above 31 months
7. **Does your company have qualified professional in managing IFRS implementation?**
 - a) Yes
 - b) No
8. **Does the implementation of IFRS in your company have had the necessary engagement from the concerning stakeholder?**
 - a) Yes
 - b) No
9. **If question no.9 is yes, what was their support? They engaged on (Tick all that apply)**
 - a) The creation of the project charter and the project scope statement
 - b) Project management plan development
 - c) Approving project changes and being on the change control board
 - d) Identifying constraints
 - e) Identifying requirements
 - f) Risk management
 - g) The stakeholders may also become risk response owners.
10. **What critical Success factors has your company encountered in complying with IFRS implementation? (Tick ✓ if agreed and X if not)**
 - a. Understanding of process groups in applying IFRS,
 - b. Ending all contracts and delivering the final results on time,
 - c. Changes in Information Technology (IT) system,
 - d. management of the company late to communicate the responsibilities to stakeholders,
 - e. lack of knowledge of quality monitoring & control,
 - f. Limited staff knowledge and experience,
 - g. High time overrun of the adoption,
 - h. Not assigned a project manager,
 - i. Poor communication within the team,
 - j. Absence of professional consultants who support in adoption,

The Effectiveness of PMP On IFRS implementation Project in the case of PEs in Ethiopia

Below is a series of statements about your reflection on implementation of IFRS in public Enterprises. Please put check mark (√) on the box how strongly you agree or disagree with each of the following statements on a scale of 1 to 5, with

5 = Strongly Agree, 4= Agree, 3= Not Sure, 2= Disagree and 1= Strongly Disagree.

No.	IFRS implementation Project Management(PM) Body of Knowledge	SA (5)	Ag (4)	NS (3)	D (2)	SD (1)
1	Under the Facilitating Function					
	Integrated Management					
	IFRS implementation Charter has developed					
	implementation Management Plan has developed					
	Works were Directed and Managed					
	additional Knowledge/profession during IFRS implementation are Managed					
	Adoption Works are Monitored and Controlled					
	Integrated Change Control are Performed					
	The activity Phase has Closed and took over after completion has recognized					
2	Core Functions					
	Scope Management					
	Scope Management has planned					
	the detailed requirements of the final product or service are assembled and itemized or Collected					
	The scope of the work has defined					
	work breakdown structure (WBS) has created					
	The scope has approved by the recipient					
	The scope statement has regularly in light of the adoption work that has been completed and current activity status.					
3	Schedule (Time) Management					
	The time/schedule management has planned					
	The activities are defined and divided into tasks					

No.	IFRS implementation Project Management(PM) Body of Knowledge	SA (5)	Ag (4)	NS (3)	D (2)	SD (1)
	Tasks are sequenced and the relationships between them are established.					
	Using its resource list, activity is estimated for each task					
	Activities are controlled as per the Schedule					
4	Cost Management					
	The Cost Management Plan has established					
	The cost of each task has estimated					
	The task budgets are rolled up into an overall project budget (Budget determined)					
	Costs are controlled					
5	Quality Management					
	The Quality Management Plan that contains the quality specifications for the product has set					
	The processes that ensure the quality of the deliverables has been inspected regularly to ensure they are working (quality has managed)					
	The deliverables themselves are inspected to ensure they conform to the quality standards (quality has controlled)					
6	Under the Supporting Function					
	Resource Management					
	• There is a human resources management plan					
	• the roles/positions required by the work are identified,					
	• the minimum requirements for those roles are identified,					
	To ensure the necessary resources are available, the quantity of each resources has been estimated					
	Resources are acquired as per the estimate					
	to develop the necessary competencies to complete the adoption required, relevant training has given to the work team					

The Effectiveness of PMP On IFRS implementation Project in the case of PEs in Ethiopia

No.	IFRS implementation Project Management(PM) Body of Knowledge	SA (5)	Ag (4)	NS (3)	D (2)	SD (1)
	The work team is actively managed to ensure their effort is maximized and they are satisfied					
	The resources are monitored and their performance evaluated (resource control)					
7	Communications Management					
	the communications management plan is put into practice					
	communications among different teams and stakeholders are actively managed					
	communications are monitored and revisions to the communications plan are initiated					
8	Risk Management					
	The risk management plan that identifies how the risks will be itemized, categorized, and prioritized has set					
	The major risks to the adoption are identified and placed into a risk register (list of risks)					
	qualitative risk analysis has performed					
	<ul style="list-style-type: none"> • the biggest risks identified are classified into categories of likelihood and impact, 					
	<ul style="list-style-type: none"> • and then ranked according to priority 					
	quantitative risk analysis has performed					
	Once the risks are ranked according to priority, the biggest priority risks are numerically according to their impact to the budget, schedule, or any other part of the adoption process					
	For the most important risks, are drafted such that all parties are aware of how to respond to the occurrence of the risk.					
	Identified Risk Responses are Implemented					
	Risks are monitored					
9	Procurement Management					

No.	IFRS implementation Project Management(PM) Body of Knowledge	SA (5)	Ag (4)	NS (3)	D (2)	SD (1)
	The Procurement Management Plan that identifies the outside procurement needs of the adoption works and parameters under which the consultants will be procured has set					
	Procurements are Conducted, includes:-					
	<ul style="list-style-type: none"> • the statements of work has produced, 					
	<ul style="list-style-type: none"> • terms of reference has set, 					
	<ul style="list-style-type: none"> • request for proposals has done, 					
	<ul style="list-style-type: none"> • solicited the responses and choosing a vendor 					
	Procurement activities are Controlled					
10	Stakeholder Management					
	The major stakeholders are identified and their concerns are established.					
	The Stakeholder Management Plan that lists each stakeholder and prioritizes their concerns and potential impacts on the IFRS adoption activities has produced					
	The stakeholder's needs are addressed and communicated.					
	Stakeholder Engagement has Monitored					

ANNEX III

Semi structured Interview for the IFRS implementation leader/manager

This survey is intended to assess the effectiveness of Project Management Practices of IFRS implementation project in public enterprises in Ethiopia. The researcher is undertaking this study as part of the partial fulfillment of the Master's Project Management program in St. Mary's University. Foremost, I Thank you for giving your time and I would like to kindly ask you to answer the questions as accurately as possible. The information you provided here will be very confidential and will be used only as input for the research purpose that makes it complete. Please provide your relevant answers required in the space given for the questions provided or circle on the given alternative and can underline when important.

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- IV. Your position/ role in the enterprise you are in.....
- V. Academic background:- a) less than Bachelor b) Bachelor c) Masters
d) PhD

B) General Information

- 1) Do you have any project management or related skills?
a) Yes b) No
- 2) If yes, in what level?
a) MA level b) Bachelor level c) certificate d) short term level
- 3) If so, do you have Experience in managing diverse projects? A) Yes B) No
- 4) If not, how did you have managed the implementation process?
a) acquired from experience
b) by observing from other Project managers
c) Please specify if any.....
- 5) Were you the managing person for the implementation of IFRS in your company from the initiation to the close out? A) Yes B) No
- 6) What was your role on the planning, organizing, monitoring and control of all aspects of the IFRS implementation?

- 7) Have you managed the implementation of IFRS in your company with the understanding of the Project management Body of Knowledge areas?
- 8) To what extent have you applied these knowledge areas in your implementation process?
- 9) If so, on which areas of knowledge were you successful? Who & how did it measured?
- 10) On which areas have you faced critical challenges? Have you identified the reason/cause before as a risk?
- 11) Do you believe that the application of these knowledge areas has a contribution for the success of the IFRS adoption of your company?
- 12) Have you had support from top management of the company as well as relevant bodies? Ex, from whom & what a support?
- 13) Have you identified your stakeholders? When and how?
- 14) How was the communication between each stakeholder within the process hirarckially?
- 15) What issues have you considered during your planning stage?
- 16) How long the implementation does took to close out the process?
- 17) Are you and your stakeholders satisfied with the accomplishment of the adoption? In what case especially in terms of time, cost & quality?
- 18) How do you measure the quality of the work? Who and how has assured its quality?