ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES DEPARTEMENT OF PROJECT MANAGEMENT

THE EFFECT OF PROJECT MONITORING AND EVALUATION ON PROJECT IMPLEMENTATION: THE CASE OF AWASH BANK

BY

MAHLET ADUGNA

DEC. 2021

ADDIS ABABA, ETHIOPIA

THE EFFECT OF PROJECT MONITORING AND EVALUATION ON PROJECT IMPLEMENTATION:

THE CASE OF AWASH BANK

BY

MAHLET ADUGNA

EMAIL: - yemahiadu@gmail.com

ID: - SGS/0091/2011B-A

Mobile No: - 09 20 84 54 68

A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER OF ARTS IN PROJECT MANAGEMENT

Advisor: Dr. Muluadam Alemu

DEC, 2021

ADDIS ABABA, ETHIOPIA

DECLARATION

This research thesis is my original work and has not been presented for a degree in any other university. All sources of materials used for the thesis have been duly acknowledged.

Name: **Mahlet Adugna**

Signature: _____

Place: St .Mary's university,Addis Ababa

Date; December,2021

Advisor's Approval

This thesis has been submitted for defense with my approval as a universityadvisor.

_____ _____ _____

Name Signature Date

ST. MARY'S UNIVERSITY

THE EFFECTE OF PROJECT MONITORING AND EVALUATION ON PROJECT IMPLEMENTATION: THE CASE OF AWASH BANK

By

Mahlet Adugna

A Thesis Submitted to St. Mary's University Department of project Management in Partial Fulfillment of the Requirement for the Degree of Master of Arts in Project Management

Approved by examiners

_____	_____	_____
Name	Signature	Date
_____	_____	_____
Name	Signature	Date
_____	_____	_____
Name	Signature	Date

ACKNOWLEDGEMENT

First and foremost, all praise and gratitude to the almighty God for his unwavering assistance & guidance during all of my academic Journey.

Second, I would want to show my gratitude to my loving and encouraging spouse Getachew Ambaw, who supported and pushed me to go further in my profession and begin my Master's Degree. I would also like to express my gratitude to my adviser Dr. Muluadam Alemu, who has been extremely patient and supportive of my work. This research would not have been feasible without his diligent monitoring, comments, guidance, and follow-up. He taught me several of the most important aspects of the research.

I would like to extend my thanks and deepest gratitude to employees and management of Awash Bank for their valuable and genuinely responding to the questions and giving theirtime for interview, which helped me in successfully completing my research.

Contents

LIST OF TABLES

LIST OF FIGURES

LIST OF ACRONYMS AND ABBREVIATIONS

AB	Awash Bank
CAGR	Compounded Annual Growth Rate
CBE	Commercial Bank of Ethiopia
CIR	Cost to Income Ratio
ECPE	Ethiopia Country Program Evaluation
KPI	Key Performance Indicator
MBO	Management by Objectives
M&E	Monitoring and Evaluation
NPM	New Public Management
OECD	Organization for Economic Co-operation and Development
RBM	Result Based Management
SPSS	Statistical Package for Social Science
TQM	Total Quality Management
WTO	World Trade Organization

ABSTRACT

Project monitoring and evaluation is an integral part of the project cycle and of good management practice. An effective monitoring and evaluation system is fundamental if the goals of a project are to be achieved. The main objective of the study was to assess the effect of project monitoring and evaluation on project implementation in Awash Bank. A quantitate research approach was used. The study has applied descriptive study design. The study has focused on four Awash Regional Branches (North, West, East and South) in Addis Ababa of project implementation of project Vision 2025 in Awash bank, Ethiopia. The non-probability sampling method was used. An approach for selecting samples based on discretionary judgment/purposive sampling was applied. Primary and secondary data sources were used to collect data. From the survey questionnaire distributed about 73 were returned with a response rate of 97.33%. The analysis of data was done byutilizing computerized statistical package of social sciences (SPSS) version 20 and summarized in tables for interpretation and inference. M & E practices were analyzed at four levels of planning process, technical expertise, stakeholder involvement and management participation. Associations between M & E practice and project performance were measured using logistic regression model, with estimated odds ratios (ORs) at 95% confidence intervals (CIs) with a $P < 0.05$ regarded to be statistically significant to establish influence of M & E practice on performance. The study established adaptability of planning process and technical expertise on allocation of funds for M & E, development of clear M & E plans/tools, regular collection and analysis of M & E information, training of M & E staffs and attracting skilled M & E staffs with average flexibility on M & E needs assessment. The project though reported low staff awareness on M & E planning process, lack of control mechanisms to keep track of project progress, lack ofutilization of M & E to support decision making during project implementation, lack of developed comprehensive strategic operational plans for regular monitoring and evaluation. The project further reported low-level application of stakeholder analysis or feedback and communication strategy that reflects community needs or people's interest in the implementation or enable stakeholders to influence project acceptance based on their needs. There was lack of visible support and commitment by management towards project implementation as well as effective communication that meets project objectives and effective use of lessons learnt from different projects for future decision-making and improved project delivery. The study recommends establishment of strategic plans to define internal process of carrying out M & E, strengthening organizational M & E capacity, structuring stakeholder involvement and management participation.

***Key words**: monitoring and evaluation Planning Process and Stakeholder's involvement*

CHAPTER ONE

INTRODUCTION

1.1.Background of the Study

According to Gaibo (2019), monitoring is the compilation and analysis of data about either a specific program or operation, while evaluation is an appraisal aimed at answering queries about the program or intervention. Both concepts portray tracking of continuous assessments that is mostly focused on fixed deadlines and scheduled events during job planning & implementation stages. It assists with keeping the project on track and will alert the management team if things aren't going as planned during the project's execution. If executed properly, it is a valuable guide for project management and provides a solid foundation for assessment. Evaluation is more about the results/outcomes and impact of the project. It is usually a periodic assessment of changes in the predetermined results that relates to the program or the interventions of a project (Goyder, 2005). It supports the project manager to determine whether the project has met its goals and objectives as well it enables to make decisions about the project's future. Crawford and Bryce (2015) cited by Gaibo, *et al.*(2019) stated that Monitoring and Evaluation (M&E) has become a leading priority for many development and humanitarian organizations. Advancements in measurement approaches, indicators and targets, performance monitoring and managing for results (impact) have been made in recent years in order to adequately and effectively evaluate progress and program impact on development matters.

The success of projects plays a key role in achieving organization growth and development. Most project managers appreciate that monitoring and evaluation of projects is important if the project objectives and success is to be achieved. Project monitoring and evaluation exercise adds value to the overall efficiency of project planning, management and implementation by offering corrective action to the variances from the expected standard (Charles, *et al.,* 2015). An effective monitoring and evaluation is a major contributor to project success and hence the use of technology to compliment the efforts of the M&E team will strengthen it; which will in turn lead to value addition by the team. Monitoring and Evaluation (M&E) of project improves overall efficiency of project planning, management and implementation and therefore various projects are started with the sole goal of changing positively the sociopolitical and economic status of the residents of a given region (Estrella, 2017).

Monitoring and Evaluation is becoming an area of growing importance for many organizations and development community at large. It allows those involved in development activities to learn, to achieve better results and to be more accountable. There is increased interest in M&E among the development community due to a stronger focus on the results produced by interventions. World

Bank, (2011) noted that in the absence of appropriate monitoring and evaluation, it will be impossible to determine if the intended results are being accomplished as expected, what corrective steps might be taken to ensure delivery of the intended results, and if interventions are making meaningful contributions towards human development.

Projects to be effective and efficient, it should be monitored and evaluated. Bruce (2005), clarified that it is a common complaint that tracking and assessment data does not affect decision-making during project execution or preparation for future project progress and new initiatives. This chasm reflects the lack of learning processes in M&E systems practice. And where learning processes occur, they are often given less attention than accountability mechanisms, resulting in a void that can last and valuable opportunities for learning from knowledge and applying what has been learned being overlooked.

Monitoring is descriptive in nature and gives information on where a project is at any given time relative to respective targets and outcomes (Nyonje, Ndunge, & Mulwa, 2012). Evaluation on the other hand, is the systematic and objective assessment of a project and gives evidence of why targets and outcomes are or are not being achieved. It seeks to address issues of causality (Ogula, 2002). Applied as a function, monitoring and evaluation is an integral part of project management involving a system of reflection and communication supporting project implementation (Nuguti, 2009).

Monitoring, whilst seen as an on-going management function, and evaluation as the post- event function, which feeds information back to management for the next event, is too simplistic a distinction. In monitoring one is evaluating, as one is making a judgment about progress and intervening based on this judgment (UNDP, 2010). Similarly, when one does an evaluation, one does so on the basis of monitoring data, and judgments can best be made with these insights. In practice, the sequencing is not as linear as one following the other, but more dynamic depending on the situation (Khan, 2001).

The practice of monitoring and evaluation of implementation of project in Awash Bank a private commercial Bank, has been selected as a case study because it is among organizations practicing monitoring and evaluation in implementation of its projects aimed at expanding access to banking sectors in Ethiopia. It has institutionalized monitoring andevaluation of its projects by having a Monitoring and Evaluation Unit and a Monitoring and Evaluation Strategy.

In view of the forgoing and considering that M&E is a key component of project that gives control over the main parameters that define a project; scope, quality, resources, completion time and cost (Kohli & Chitkara, 2008), this study, in light of the success stories at Awash Bank seeks to

demonstrate the influence of M&E on project. It is hoped that evidence generated in this study can stimulate organizations to assessing the effect of project monitoring and evaluation on project implementation.

1.2. Statement of the problem

Project Monitoring and Evaluation is one of the critical elements of the project management cycle. Internationally progressive projects hinge their success on continuous or routine process of data collection to measure extend of performance against target and goals. Controlled, Monitoring and evaluation significantly improve project performance (Westland, 2006). Poor project performance attributes to limitations in application of monitoring and evaluation as a component of project management cycle. Advent of new tools, techniques and advances in project monitoring and evaluation methodologies gears performance of development projects. Project donors, beneficiaries and stakeholders demand for evidence of project performance against targets.

According to Ethiopia Country Program Evaluation [ECPE] (2010), in Ethiopia, most of the organizations do not use monitoring and evaluation system in appropriate manner for their projects. Although, existing assessment of monitoring and evaluation capacity in Ethiopia reveal gaps both institutional and individual skills development for monitoring and evaluation according to a report on capacity building in Africa (Ethiopia) by the World Bank (2006). There are many misconceptions and myths surrounding M&E like; it's difficult, expensive, requires high level skills, time and resource intensive, only comes at end of a project and it is someone else's responsibility (IFC, 2008). IFC evaluated that there is often a sense of frustration because expectations of M&E activities appear to outstrip resources and skill sets (IFC, 2008).

Most projects in developing countries in general and in Ethiopia in particular face a huge cost and time overrun. This cost and time overrun can be minimized by using effective monitoring and evaluation system in projects (Ermias, 2007).

In a situation that there is scarcity of resources especially shortage of foreign currency, projects that consume imported materials and use foreign currency should be monitored and evaluated effectively. Unless projects are monitored in a way that can teach project participants how to save resources or minimize costs and use the available time effectively, the challenges of monitoring and evaluation should be examined. Effective use of opportunities can also help to improve performance of the project. The effectiveness and efficiency of projects can again contribute for increasing productivity in the company in particular and in the economic system in general.

Awash Bank S.C. regarding Monitoring & Evaluation practices in implementation of projects in general. Therefore, there is a need to conduct a profound study to identify key challenges and

problems for proper implementation of monitoring and evaluation process in implementing projects. This research is intended to articulate the challenges and gaps that encounter in the process of achieving the given target as well to understand the essence of monitoring and evaluation in achieving the desired outcome of the Strategic transformation Project of Awash Bank S.C. and recommend on the problems that are currently observed.

Furthermore, due to the emergence of evolving technology in all fields of financial intermediation and financial markets: e-finance, e-money, e-banking, e-insurance, e-exchange, and so on, studies examining monitoring and evaluation activities in the banking sector have recently piqued the attention of many academics. Because of technical advancements, many commercial banks around the world have adopted electronic banking in order to remain sustainable in this technological era. A variety of scholars have attempted to assess the use of M&E in technology-based programs. For instance, Tegbar (2018), the study discusses only monitoring and evaluation issues of projects especially IT projects in commercial bank of Ethiopia. In addition, Martha (2017) assessed monitoring and evaluation practice specific to E-Banking Project. As a result, there is a research gap and a need to analyze M&E practices outside of technology initiatives. In this case, the aim of this paper was to provide analytical insight into M&E practices in the execution of Strategic Transformational Projects.

M&E tracks the results produced (or not produced) by governments and other entities. Monitoring and evaluation improves management of the output and outcomes while encouraging the allocation of effort and resources in the direction where it will have the greatest impact. Therefore, there are two key reasons for undertaking the research on this topic. The first reason is to deal with a current monitoring and evaluation system issues and challenges in the organization and the other reason is to describe the monitoring and evaluation practices and to provide empirical evidence that will inform an improved system. So this study answers the following questions.

1.3. Research Questions

Based on the statement of problem described above, study has addressed the following research questions:

1. What is the effect of M & E planning process on project implementation in Awash Bank?
2. Which the effect of M & E technical expertise influence on project implementation in Awash Bank?
3. How does M & E Stakeholder involvement on project implementation in Awash Bank?
4. What is the level of Management participation in M & E on project implementation in Awash Bank?

1.4. Objectives of the study

1.4.1.General objective

The general objective of the research was to assess the effects of project monitoring and evaluation on project implementation in Awash Bank.

1.4.2. Specific objectives

The study was guided by the following specific objectives:

1. To determine the effect of M & E practice process on project implementation in Awash Bank
2. To establish the effect of M & E technical expertise influence on project implementation in Awash Bank
3. To determine effect of stakeholder involvement on project implementation in Awash Bank
4. To assess effect of level of management participation in M & E on project implementation in Awash Bank.

1.5. Significance of the study

The findings are helpful to scholars in the project management field specifically monitoring and evaluation to understand influence of specific practices of M & E on project. The study will inform project in financial sectors. The study was collected information related to progressive project monitoring and evaluation for analysis to establish best practices in M & E for improved project. Information from the study will be for mangers of Awash Bank projects. They will establish existing gaps in practice of M & E and identify opportunities for improvement for increased project outcomes. The study will make significant contributions to the comprehension of the complex association between M & E practice for better project results. The findings and recommendations of the study will help improve efficiency and effectiveness in projects management towards realization of the aspiration of Vision 2025. In addition, the study will generate new knowledge for other researchers and scholars in undertaking further study.

The study findings will immensely benefit Awash Bank projects to evaluate the effectiveness of its monitoring and evaluation practices in project management with the aim of enhancing the projectperformance as well as accountability to stakeholders in regard to resource utilization along with the project impact. Project managers, project staff, and stockholders will acknowledge gaps existing monitoring and evaluation system which if looked at can be lead to improvement in their project achievements. Moreover, the findings will add significant value to the pool of knowledge to scholars specializing in project management especially in the implementation of

monitoring and evaluation practices. It will also provide stakeholders with know-how on how to set-up and execute monitoring and evaluation practices that will be strong by avoiding the mistakes pointed out in the study.

1.6.Scope of the Study

The research was only based on project monitoring and evaluation in Awash Bank in Addis Ababa. The study assesses four M & E practices of planning, technical expertise, stakeholder involvement, management participation and their influence on project practices. The study restricted itself to Awash Bank guidelines on monitoring and evaluation practices with little emphasis to other privet project policies. The study focused on four Awash Regional offices (North, West, East and South) in Addis Ababa of project implementation long enough for one to determine and accurately predict the trend in any given project.

1.7.Limitation of the Study

The study has various design and execution limitation. The study relied on information provided by project staffs to measure M & E practice and project performance. To minimize and control information bias, the identity of respondents withheld. Assured of confidentiality in the request consent. The study will reviewed available strategic documents for validation of information filed by respondents.

The findings of the study will limit to Awash Bank project institutional practice of M & E with crude correlation of project performance and less control of the many other confounders that may have directly influenced project performance. Literature review covers studies on varied organizations with different study design. Study focus on one organization limiting findings to experiences one organization and inference.

1.8.Organization of the paper

The rest of the paper was organizing as follow: The second chapter of the paper is going to deal with the review of related theoretical, empirical literature and conceptual framework. Under chapter three, the methodology of the study specifically the approach and design, population, sampling technique and procedure, source of data, collection tools and procedures, and data analysis mechanisms used was described and discussed in detail. Chapter four contain results and

discussion from the study supported with findings from other research works. Chapter five focuses on main findings, conclusions and recommendations of the study.

CHAPTER TWO

REVIEW OF RELATED LITERATURES

2.1.Introduction

The purpose of this chapter is to review and summarize conceptualize and theoretical literature, empirical literature review of to determine the extent of the practice of project monitoring and evaluation on project implementation in Awash Bank and conceptual framework with the objective of adding knowledge and familiarizing the researcher with relevant information regarding. At the end of the review, an effort is made to summarize the major drawbacks of the existing empirical studies and to identify the knowledge gap or the focus of the current research.

2.2. Theoretical Literature Review

2.2.1. Monitoring and Evaluation

Monitoring and Evaluation is a combination of two processes which are different yet complementary (Gorgens & Kusek, 2009). .It is a process of systematically collecting and analyzing information of ongoing project and comparison of the project outcome/impact against the project intentions (Kusek & Hunter, 2009). Monitoring and Evaluation (M&E) has increasingly become vital in the management of growth programs and the two have a separate field of expertise within the development sector (Kevin, *et. al*., 2012). Its significance in global efforts toward doing environmental, economic and social development is paramount. Countries such as the United States of America have been able to achieve successful development because they have put in place effective and efficient systems that track achievement of development objectives (Kevin, *et. al.*, 2012).

Monitoring and evaluation is an orderly process, which measures the development of ongoing tasks and identifies limitations for prompt remedial action (WHO, 2008). Mainly, the aim of M&E is to propose trustworthy choices grounded on data that can be collected to aid in decision-making. M&E permits ongoing learning and feedback during all the stages of project development such as designing, planning and proper implementation. It also includes critically assessing the results achieved and relating them to the initial objectives set out for the project in question (Wagner, *et al.*, 2005).

Monitoring is the routine collection and analysis of information to track progress against set plans and check compliance to established standards. It helps identify trends and patterns, adapt strategies and inform decisions for project/program management. Monitoring can be defined as the ongoing process by which stakeholders obtain regular feedback on the progress being made towards achieving their goals and objectives and Evaluation is a rigorous and independent assessment of either completed or ongoing activities to determine the extent to which they are achieving stated objectives and contributing to decision making (UNDP, 2009). In the project

activities monitoring and evaluation plays a vital role in providing a constant feedback about the progress of a project, the problem it is facing, and the efficiency with which it is implementing. Without effective monitoring and evaluation, it would be impossible to judge if work is going in the right direction, whether progress and success can be claimed and how future efforts might be improved (IFRC, 2011).

Monitoring and evaluation (M&E) described as a process that assists project managers in improving performance and achieving results. The goal of M&E is to improve current and future management of outputs, outcomes and impact (United Nations Development Program, 2002). Williams (2000) asserts that monitoring provides management and the main stakeholders of a development intervention with indications of the extent of progress and achievement of expected results and progress with respect to the use of allocated funds. Monitoring provides essential inputs for evaluation and therefore constitutes part of the overall evaluation procedure. Evaluation is an organized and objective assessment of an ongoing or concluded policy, program/project, its design, execution and results. The aim is to provide timely assessments of the relevance, efficiency, effectiveness, impact and sustainability of interventions and overall progress against original objectives. According to Ballard *et al.*, (2010), monitoring and evaluation is a process that helps program implementers make informed decisions regarding program operations, service delivery and program effectiveness, using objective evidence.

Monitoring and evaluation systems is tracking tool to check what is being done and whether the project/program is making a difference. These systems allow project /program managers to calculate how to allocate resources to achieve the best results (IFAD, 2012). Project management is hence acknowledged as being the most successful approach of managing changes brought about by projects. This entails techniques along with tools that facilitate the control and the delivery of the activities of a project within predetermined deliverables, timeframes as well as budget (Shapiro, 2011). Monitoring and evaluation forms one of the critical elements assist the project managers to determine whether the project goes as planned. They furnish the management with the information that is used in decision making. Monitoring and evaluation (M & E) is essential to all projects, regardless of the size since it highlights areas that need improvement.

Monitoring and evaluation is increasingly becoming an essential program management tool. According to Dyason (2010), Monitoring is the collection along with the analysis of information regarding a given program or intervention; and evaluation is an assessment whose focus is to answer questions relating to a program or an intervention. All these various definitions depict monitoring as an ongoing process mainly based on the set targets, planned activities in the course of the planning stage of work. It aids in keeping the work on track, and can let the management

know whether things are not running as expected in the course of undertaking the project. If done in a proper manner, it is an instrumental tool for good project management, and offers a suitable evaluation base. It allows one to ascertain if the project resources are enough and whether they are properly utilized, whether the capacity is adequate and suitable, and whether one is doing as planned. Evaluation is more about the results/outcomes and impact of the project. It is usually a periodic assessment of changes in the predetermined results that relates to the program or the interventions of a project (Goyder, 2009). It helps the project manager to arrive at decisions on the project's destiny, and to determine if the project has attained the set goals and objectives.

2.2.1.1. Monitoring

Monitoring is the day-to-day management task of collecting and reviewing information that reveals how an operation is proceeding and what aspects of it, if any, need correcting. Monitoring is a continuing function that uses the systematic collection of data on specified indicators to inform management and the main stakeholders of an ongoing International Federation or national society operation of the extent of progress and achievement of results in the use of allocated funds (IFRC: 2002).

Monitoring gives information on where a policy, program or project is at any given time. It can provide a "snapshot" of the situation or program status. Evaluation provides information on whether or not specific programs are "working" (i.e., achieving intended objectives or targets) and why objectives or targets are or are not achieved (Kusek & Rist, 2004). In carrying out the monitoring activity, both performance and outcome monitoring will be undertaken. Implementation monitoring will be carried out at the program/project level and shall be geared towards the measurement of the progress of project/program activities and the delivery of outputs against established schedules and indicators of progress on key Performance Indicators (KPIs).

The requirements for effective monitoring are baseline data, indicators of performance and results, and mechanisms or procedures for data collection that include such planned actions as field visits, stakeholder meetings, mid-year and annual quality assurance missions, systematic reporting, partnership and implementation strategies based on principles of transparency, accountability, quality assurance mission, mid-year and annual review as key milestone of monitoring (Robert, 2010).

Monitoring is generally an ongoing process of information collection primarily for program management and it tends to focus on activities. Evaluation takes a wider and long term view of the entire program and involves less frequent programmatic reviews. It tends to concern itself with outcomes (Janus, 2016).

2.2.1.2. Evaluation

Evaluation is the systematic and objective assessment of an on-going or completed operation, program or policy, its design, implementation and results. The aim is to determine the relevance and fulfillment of objectives, as well as efficiency, effectiveness, Impact (overall Goal) and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons into management decision-making (IFRC, 2002).

According to ECCSFE (2017); Evaluations can take place in three points of project cycle, the first one is during the project undertaken and such interim evaluations are usually undertaken at mid-term, to review progress and propose alterations to project design during the remaining period of implementation. The second evaluation take place at the end of project for the resource used, results and progress towards objectives. This will enable to give lessons about the project; the evaluation result used to improve future design. The third evaluation take place after the project is completed. The evaluation focuses on assessing the impact of development projects.

The term evaluation in the context of this research, refers to the assessment of either completed or on-going projects to determine the extent to which they are achieving stated objective, in particular it responds the question of what the projects have achieved in terms of long-term impact to the community (Kusek & Rist, 2004; UNDP, 2009:89).

Evaluation complements monitoring: when a monitoring system observes that program efforts are off track, then good evaluative information can help clarify the realities and trends noted. Systematic evaluation activities are intended to build on the findings from monitoring activities. They do so by providing additional information to determine the scope, quality, intensity, efficiency, effectiveness, and overall impact of specific programs. Special evaluations can help policy-makers and program managers identify and understand factors that facilitate or hinder the achievement of the objectives or specific targets of prevention, treatment, and care programs (Ermias, 2007).

In terms of the periods of evaluation four types of evaluation are commonly distinguished: Extant evaluation, mid- term evaluation, terminal evaluation and ex-post evaluation, details of each presented below:

1. **Ex-ante evaluation (Start-up evaluation):** A form of evaluation conducted prior to startup of implementation of a project/program. It is carried out in order to determine the needs and potentials of the target group and its environment, and to assess the feasibility, potential effects

and impacts of the proposed program/project. At a later stage the effects and impacts of the program/ project can be compared with this base line data (EMI, 2014).

2. **Mid-term evaluation:** This type of evaluation takes place while the implementation of the planned project is on-progress. Such evaluations are conducted relatively early in the midway of the project life and are usually external assessments. What distinguishes it from terminal and ex-post evaluations is that correction to the current project still can be made on the basis of findings and recommendations (EMI, 2014).

3. Terminal/Summative evaluation: It is conducted when the funding for the intervention or the whole project activity comes to an end. But this may not mean that the services and inputs being supplied by the program/project terminate. In the terminal evaluation, in addition to the existing records, documents and outputs, an inquiry should be made for secondary data that are relevant for comparison. Recommendations from terminal evaluation are primarily directed to improve the planning and design of future projects.

4. Ex-post /Impact evaluation: It is designed as in-depth studies of the sustainable impact of a program/project that has been already executed. It is carried some time (in most cases 3-5 years) after the program/project activity has been terminated in order to determine its impact on the target group and the local area. However, it is rarely done due to lack of willingness to fund from the financers of the program/project.

2.2.2. The need for M & E

Monitoring & Evaluation practices are a set of planning and information synthesis and gathering process of reporting, alongside the necessary required supporting conditions and capacities in order for the outputs of M&E to make key contributions to the making of decisions. The information generates through M&E provides project managers with a clearer basis for decision-making. Through M&E, the manager can find out if the project is running as initially planned and inform us about the strengths and weaknesses of project implementation. M&E allow us to detect unexpected and unintended results and effects of projects to identify the internal and external factors that influence the performance of the project. M&E document and explain the reasons why project activities do succeed or fail and informs how project planning and implementation can be improved in the future (Ravallion, 2008; Robbins, 1996 & Seyum, 2003).

The first and perhaps the most important guiding principle for all M&E efforts is that information should be collected with the intention of being used for program improvement (Patton, 1997). Although data reporting for accountability remains an important priority to sustain funding, the capacity to collect pertinent, good quality, and timely data and to strategically use this information to improve programs is the cornerstone of an effective and efficient response. Program

management is about making the correct decisions to achieve the program's goals and objectives. It involves good program planning (such as setting realistic goals and objectives and ensuring that program activities are in line with these), good program implementation (such as meeting timelines and ensuring the quality of the program) as well as good resource management (such as monitoring the use of funds and ensuring value for money) (GAP, 2008).

Resources are always limited and there are many competing demands. To avoid any duplication of effort and to reduce the data collection burden, data for accountability should be a sub-set of the data already collected for program management purposes (Zall & Rist, 2004). Sometimes, there may be a need for data serving a specific donor's needs, but those should be kept to a minimum so as not to overburden data collection resources. Finally, there is also a moral obligation to share information and lessons learned for broader use. Data can be shared with program staff, funders, program beneficiaries, community members, policy makers, and other stakeholders (or people who have an interest in the program). Again, this should not involve additional data collection, but simply the sharing of program data relevant to each stakeholder's interests.

According to World Bank (1997), M&E is an essential component of project design and implementation. M&E should be built in from the beginning, and used during all the implementation phases to assess: the extent to which the planned activities are being implemented (activity monitoring); the process followed to achieve the desired outcomes (process monitoring); the progress made in achieving the desired outcomes (progress monitoring); the impact of the project on its beneficiaries (impact evaluation).

2.2.3. Result based Management (RBM) and M & E

Performance management (or results-based management) is a strategy designed to achieve changes in the way organizations operate, with improving performance (better results) at the core of the system. RBM defines the ultimate results and at the same time requires monitoring as well as self-assessment of progress to sustainable results, including recording performance (UNDP, 2012). RBM is a continuous approach - whose key aspects all intensify M & E elements - starting with fundamentals of detailed planning, to include setting the vision, mission and defining the framework tools based on results. RBM is an ongoing process, which requires a regular feedback from the participants; the feedback supports the lesson learning a process improvement (UNDP, 2012). RBM provides elements for project monitoring performance, this are linked to the variables in the current study, the planning process, technical expertise, stakeholder involvement and management participation are key elements directly linked to the RBM theory. This elements result to sustainable change.

Performance monitoring is concerned more narrowly with the production of information on performance. It focuses on defining objectives, developing indicators, and collecting and analyzing data on results (IPEC, 2011).

Results-based M&E systems have been successfully designed and used to monitor and evaluate at all levels project, program, and policy. Information and data can be collected and analyzed at all levels to provide feedback at many points in time. In this way, the information can be used to better inform key decision makers, the public and other stakeholders. According to Robert (2010), an evaluation should offer information with evidence that is proved credible, reliable as well as useful, and should enable the timely incorporation of findings, recommendations along with lessons in the decision-making process. Monitoring and evaluation can and should be evident throughout the life cycle of a project, program, or policy, as well as after completion. M&E with its continuing streams of data and feedback has benefit at every stage from design through implementation and impact. "The specific information will also be different at each level, the complexity of collecting data will be different, the political sensitivity on collecting the data may change, and the uses of the information may change from one level to another" (Kusek & Rist 2001).

Project M & E performance can be measured and evaluated using a large number of performance indicators that could be related to various dimensions (groups) such as time, cost, quality, client satisfaction, client changes, business performance, health and safety (Cheung et al. 2004). Time, cost and quality are, however, the predominant performance evaluation dimensions. Another interesting way of evaluating project performance is through common sets of indicators (Pheng & Chuan, 2006). Dissanayaka and Kumaraswamy (1999) found that project time and cost performances get influenced by project characteristics, procurement system, project team performance, client representation's characteristics, contractor characteristics, design team characteristics, and external conditions. Similarly, Iyer and Jha (2005), identified many factors as having influence on project cost performance, these include; project manager's competence, top management support, project manager's coordinating and leadership skills, monitoring and feedback by the participants, decision-making, coordination among project participants, owners' competence, social condition, economic condition, and climatic condition. Elyamany, *et al*. (2007) introduced a performance evaluation model for construction companies in order to provide a proper tool for the company's owners, shareholders and funding agencies to evaluate the performance of construction companies in Egypt.

2.2.4. Scope of M & E

Various approaches can be mentioned in M&E. According to Ministry of finance & Economics (2008), Monitoring and evaluation efforts should address:

Efficiency: This tells us if the input into the project is appropriate in the light of the output. This could be in terms of, for example, money, time, staff or equipment.

Effectiveness: Here we measure the extent to which our project has achieved the objectives we set at the outset.

Impact: This tells us whether or not we have had an influence on the problem situation we were trying to address. We assess if our strategy was useful, and if it would be worthwhile to replicate the project elsewhere.

Relevance: This tells us the degree to which the objectives of the project remain valid as initially planned in our project proposal. It determines whether project interventions and objectives are still relevant, given the needs and priorities of the beneficiaries. Beneficiaries' priorities might change over time because of social, political, demographic or environmental changes. As a result, on conclusion, a project might not be deemed as important as it was when initiated.

Sustainability: It measures the prospects for the maintenance of a project's positive results after external support by donor agencies has been withdrawn. Many development projects are not sustainable because neither the organization involved nor the beneficiaries themselves have the financial capacity or the motivation to provide the resources needed for the activities to continue. As a result, donor agencies are interested in the long-term improvements brought about by any given project. They want to know how long they will need to support a project before it can run with local resources.

2.2.5. Management participation in Monitoring & Evaluation

Project management performance is highly linked to management support, they provide crucial insight to project delivery, stir the project process to the right direction, and encourage all project teams to have an active role in the project delivery. Revision of project plans done to align to the management decisions and approval. To provide clear guidance and direction, management is indeed required to have great support in the project monitoring and evaluation activities. Visible support by management is equally important to the project team, they recognize the importance of the project performance along with the repercussion of project failure, and the project teams value the project performance in support of management interest in the project. Management support and commitment can be put in two categories, and these are project sponsorship, with the other one being project life-cycle management. The main role of the project sponsor is to link the

interference that may exist for the managers of the project besides constantly reminding the project teams that project performance at the highest levels of excellence are tolerable (Bickman, 2007). It is imperative that the project members throughout the project life cycle understand project goals, objectives along with values. Continuous and positive Management involvement, in a capacity of leadership will definitely reflect the commitment to project objectives by the top management.

Active participation by management in monitoring and evaluation has enormous impact on the team perception. The engagements between the various stakeholders produce effective communication. These include enhancing communication of early project wins to enhance the support of the management, and solicit those members that are not willing to engage. Effective communication, ensure access of quality products and services, meeting the beneficiaries expectations and driving new initiatives for the overall project goals. The management mobilizes more resources that will help in filling the resource gaps, and ensure operational use of learnt lessons for better decision-making in future (Wattoo, Ali, Khan & Shahbaz, 2010). These ensure all project teams are aware of the Management involvement at the various stages of project cycle (Wearne, 2010).

2.2.6. M & E Theories

The debates on the M & E concept discussed in light of two theories in the subject area namely program theory and the results e based management (RBM) view theory.

2.2.6.1. Project Implementation Theory

Transformational theory of project management calls for the transformation of inputs through monitoring and evaluation processes which result into outputs. In order to achieve the intended end product, the transformational role encourages direct efforts to manage projects. The theory of projects which makes use of transformation or decomposition of tasks into partswhich ultimately result into a complete whole calls for handling monitoring feedbacks independently, and managing uncertainties to ensure that the project success is achieved (Koskela & Howell, 2012). During the implementation phase of a core banking system, it is imperative to breakdown the tasks into simple and manageable parts that can be easilyunderstood and performed by the project staff; which when correctly performed will resultinto successful implementation of a core banking system project.

Project management has become increasingly important because to the complexities that have been brought about by global trends related to technological changes. These complex changes have necessitated the adoption of effective monitoring and evaluation techniques for assessing

progress in the implementation of strategic project. The lack of theoretical manifestation of project management is equally witnessed by Kloppenborg and Opfer (2000) in their study which spans over 40years. Harkonen (2007) acknowledges that project management evolution is as a result of complexity in the new tasks in organizations which require, planning, coordination and control of complex and diverse activities which existing organizational departmental structures are unable to handle. Risks and uncertainties calls for the need to manage and monitor the activities which will lead to successful completion of the events or task. Project management requires new skills and knowledge in monitoring and evaluation for effective monitoring of project execution progress for successful implementation of project task. The role of project management in monitoring and evaluation is therefore to plan, manage, control,monitor and evaluate project implementation without compromising the quality, cost and timelines set by the organization.

2.2.6.2. Program Theory

The program theory was developed by Chen, et al., (1195). The focus of this theory is on how to bring about change, and who is responsible for the change. Logical models often used to represent the program theory shows how the overalllogic is used in an intervention. The theory is in the body of theory of change and applied development evaluation field. The application by the proponents to this theory was on how to relate program theories to evaluation for several years Weiss.

Program theory was pragmatic tool in monitoring evaluations for many years; the theory was famous for its conclusive mechanism to fix problems, and addresses the need to carry our assessments to compliment the findings. It also provides tools to control influential areas in evaluation (Sethi & Philippines, 2012). Quite a number of organizations' transactions entail the human service programs that are designed to develop the societal needs; the programs are dynamic and are subject to change based on prearranged situations. The program theory hence uses logical framework methodology. The program theory is a comprehensive version of the logic model. It presented through a graphical scale to relate to the logical model. The logical model support the stakeholders' engagement, senior management and review of outcomes (Hosley, 2009).

The theory is expected and practical model on how a program hypothetical works (Bickman, 2007). Lipsey (2011) stated that it is a proposition with regard to transformation of input into output. Measuring of the transformation by comparing the input and expected output. It illustrates the process program components are supposed to influence the results. Rossi (2012) argued that

a program theory consist of an organizational plan on how to deploy resources and organize the activities of the program activities to warrant that the planned service system is established and at the same time maintained.

The theory further helps with the funds utilizations plans, and which analyses how the target persons get the required intervention. This is through the linkages of the service delivery systems. Finally, program theory provides profound information how the planned activities for specified target persons represents the expected social benefits. Uitto (2010) illustrates the benefits of using theory-based framework in monitoring and evaluation. It includes the ability to attribute project outcomes of specific projects or activities as well as identification of anticipated and undesired program outcomes. Theory based evaluations as such enables the evaluator to understand why and how the program is working (Rossi, 2012).

The theory applied in the input output model to monitor performance, communicate findings and improve project performance. The M & E practices are the basic inputs when utilized well equates to the processing of the inputs and eventually give measurable output. Program theory explains the effects of influencing the input and processes to achieve better output, and yield good results. The inputs to the process refer to the variables that influence the outcome, which isperformance; in this case, the variables are the planning process, technical expertise, stakeholder involvement and management participation. The logical model clarify the objectives of the program identify expected casual links in following the result chain; inputs, process, outputs and the overall outcome. It provides a link to identification of performance measures at each stage of the logical model. It answers the questions of uncertainty within the project by monitoring the progress and taking corrective when diversion occurs to ensure the objectives are realized. A program theory shows a single immediate outcome by which the program has achieved, it helps to understand whether there is change towards a desired performance level. Complex programs mainly found in complex projects show a series of immediate outcomes.

2.2.6.3. Results Based Management Theory

The Results-based management (RBM) theory started with the Australian government in the mid-1980s; the theory became increasingly important in the 1990s spearheaded by the Organization for Economic Co-operation and Development (OECD). This theory as the name suggests is results oriented. The Results Based Management Group (RBMG) noted the evolution of the results based theory by the preceding theories such as Public Sector Management in the 1960s, Program Management by activity in the 1970s to 1980s, Management by Objectives (MBO) and Logical Framework Approach in mid 1970s, New Public Management (NPM) and Total Quality

Management (TQM) in the 1980s.

RBM is one of the strategies in management. All the ground actors, supporting directly or indirectly towards the achievement of specified development results, make sure that their processes, products along with output contribute to the attainment of sustainable results (Crawford & Bryce, 2013). RBM based on clearly defined responsibility. It defines the ultimate results and at the same time requires monitoring as well as self-assessment of progress to sustainable results, including recording performance (UNDP, 2012). RBM is a continuous approach - whose key aspects all intensify M & E elements - starting with fundamentals of detailed planning, to include setting the vision, mission and defining the framework tools based on results. Once agreed, to run a series of results through a program, execution starts, with monitoring now becoming a critical exercise to facilitate sustainable results attained. RBM is an ongoing process, which requires a regular feedback from the participants; the feedback supports the lesson learning a process improvement (UNDP, 2012). Main plans adjusted on a regular basis on lessons learned in the course of monitoring and evaluation. Previously used plans are adjusted and new ones established in line with the current lessons. RBM underlines monitoring as a continuing process, and lessons from the monitoring process discussed periodically. They inform actions and decisions for the project execution. Assessments were done for project continuous improvements. The implementation of the changes done for the ongoing projects as well future planned projects.

Hwang and Lim (2013) illustrated the RBM model, they paid emphasizes on monitoring as an important task in the life of a program or project; as a non-stop process of regular organized taxation based on stakeholder involvement, replication, criticism, data grouping, analysis of definite performance (using indicators) and periodic reporting. An imperative aspect of effective monitoring is safeguarding that information systems are established and collecting data on a consistent period. The baseline data generally collected at the beginning to show where the program or project performance at a given moment (Valadez & Bamberger, 2012). While monitoring essentially considered a management role and internal to the operation of a program or project, evaluation is independent and external role. RBM needs external endorsement of outcomes reported for it to be regarded as reliable. It focuses on the expected and achieved attainments, examining chain of results, processes, contextual factors of causality, so as to understand accomplishments or the lack thereof. According to Robert (2010), an evaluation should offer information with evidence that is proved to be credible, reliable as well as useful, and should also enable the timely incorporation of findings, recommendations along with lessons in the decision-making process.

To enhance the usefulness of the findings along with recommendations, main stakeholders should be involved in a number of ways in the course of evaluation (Clarke, 2011). Evaluations have relevant key functions; they are but no limit to utilization, accountability, and performance. Utilization rate is a key feedback to furnish decision-makers with information along with evidence regarding project performance and existing good practices. Accountability is to project donors, funders, Government authorities, stakeholders and the common public, and contribution is for official policy-making, performance matrix and organizational effectiveness (UNDP, 2012).

At a holistic view, the theory helps to develop performance-monitoring tools that influence the performance of the projects. The evaluations used to improve performance through the documented lessons learnt and findings. The theory put more emphasis reporting to the stakeholders, and holding the management accountable for project outcome. The theory focuses on sustainable change through a well structure planning process with the use of skill labor to influence the project performance (Clarke, 2011).

RBM provides elements for project monitoring performance, this are linked to the variables in the current study, the planning process, technical expertise, stakeholder involvement and management participation are key elements directly linked to the RBM theory. This elements result to sustainable change (UNDP, 2012).

2.2.6.4. Stakeholder Theory

The stakeholder theory helps us to understand the firm in its environment (Oakley, 2011). The initial purpose of the Stakeholder theory was to empower project managers to comprehend the project stakeholders and how to effectively handle them (Patton, 2008). Stakeholder theory has been used widely in various fields and has been applied in different and distinct ways that involve different methodologies, concepts and criteria of evaluation and types of evidence. Interest in the concept of Stakeholders has been growing rapidly and this has prompted a rise in the number of perspectives on the subject (Oakley, 2011). The aim of this theory is to educate the management on its roles and responsibilities that go past their profit maximizationduties and their duties to the stakeholders identified in the firm's input-output model to embrace the claims and interests of non-stockholding groups. Patton (2008) in reviewing the stakeholder theory said that people or groups who have legitimate interest in an enterprise only do so because of the benefits that they obtain and added that no set of benefits and interests are prioritized over the others. Karl, 2007 added that future employees and customers, associated corporations, and the public in general, need to be taken into consideration.

2.3. Empirical Review

2.3.1. M & E Planning Process and Project Performance

A study conducted by Mackay and World Bank. (2007) in Washington, indicated that planning formonitoring and evaluation was critical in enhancing better project performance on government projects. The focus of this study was on the government projects that are majorly sponsored by World Bank. The study sought to determine how better governments can be arrived at through monitoring and evaluation of projects. This study employed the use of descriptive statistics with the findings being that a majority of the respondents indicated that there was lack of monitoring and evaluation practices in the various projects which they formed part of. On the other hand, a study by Muhammad, *et al* (2012) on project performance, with the variables, Project Planning, Implementation and Controlling Processes in Malaysia College of Computer Sciences and Information, Aljouf University, noted project management offers an organization with control tools that advance its capability of planning, implementing, and controlling its project activities. The study was to identify those project performance enhancements through planning, implementation and monitoring processes. Variable models used to identify how each stage is helpful in the process of managing project performance. To achieve this objective, information relating to different projects and models related to project planning, execution, control, and proposal of project performance explored; the findings showed project-planning processes contribute to the project performance.

Besides that, a study that was conducted by Singh, Chandurkar and Dutt, (2017) highlighted that monitoring and evaluation was the major driving factor in development projects. The objective of this study was to determine the effect of monitoring and evaluation on development projects. However, the recommendation that was given in this study was that the management should provide full support and should fully engage themselves in the monitoring and evaluation process as this will help them in coming up with sound and well informed decisions.

2.3.2. Technical Expertise

A study done by Vittal (2008) indicates technology awareness is important in project monitoring and controlling due to greater challenges in today's technology-enabled project, this is especially where technological tools are used in project management practices, This study helped to analyze fundamental connections between technical expertise and project performance. Subsequently, understand the indulgent function of expertise to the project team in cultivating enhanced project performance. The findings to this study were that project teams equipped with the right technical skills linked to project performance. The study demonstration that it is difficult to disassociate

the use of technology with project performance and the absence of such relation induced project performance, being a technical expert in monitoring and evaluating a project can play a main role in supporting project team in handling projects effectively and efficiently.

A study by Sunindijo (2015) Faculty of Built Environment, Australia highlighted on Project manager multi-layered tasks that expressively influenced the project performance. Other studies had recognized four skills for effective project managers, they include mental, human, stakeholders, and technical skills, along with their 16 other skill competencies. The study was to determine whether project technical skills influence project performance. Data collected from 107 project team members using a questionnaire assessment method. The study results showed that project team leads technical skills impact project performance. Project excellent performance impacted by several skill components, which include visioning, sensitivity intelligence, interactive skill, dynamic leadership, interpersonal influence, integrity, quality management, and document and agreement administration. Project Managers may use the outcome as a parameter to assign project managers with the 'right' skill profile or to concentrate their human resource development on skills that are significant for project success.

A study by Harry, *et al.* (2003) on the social practices and knowledge management in projects, outline the importance of knowledge retention and dissemination. The study set out to outline the implication of social factors in facilitating knowledge management capacity in such an environment, derived from case study research precisely from construction industry. The key study finding, signify processes of knowledge capture, transfer along with learning in project formulation depend heavily on the social trends, practices and processes in manners, which depict the value and the importance of including community-based approach in knowledge dissemination.

Human capital, with notable experience is vital for the achievement of M & E results. There is need for a sound M & E human resource capital in regard to quantity and quality; hence M & E human resource strategies are needed for the achievement and maintenance of a stable M & E (World Bank, 2011). Competent employees are a major obstacle in selecting M & E practices. M & E being a new tool in project management field, it faces challenges in sustainable results and performances matrices. There is a big gap for skilled M & E professionals, capacity building of M & E systems, and harmonization of project management courses and technical support (Gorgens & Kusek, 2009). Human capitals on the project should have clear job description as well as designation matching their skill. In case they are insufficient then training assessment needs for the necessary skills should be agreed. For projects, using staff posted to work out in the

field and undertake project activities on their own there is need for regular and intensive onsite supervision. The field personnel require the comfort of management support and necessary guidance in their day today project execution (Ramesh, 2012). Individual of the bigger aspects of developing the skills of the employees and capabilities is the actual organizational priorities on the employee to turn out to be better, either as individual or as a service supplier to the firm. The receptiveness by the organization together with increased anticipations following the opportunity culminates to a self-fulfilling prophecy of improved employee output (Vanessa & Gala, 2011).

Musomba, *et al* (2013) concludes organizational technical capacity in carrying out evaluations, reviewing the rate of human capital participation in the process of policymaking and motivation to challenge management decisions can be big determinants of how the M & E practices on lessons learnt, communicated and perceived. M & E practices endeavor to be independent and relevant. Ahsan and Gunawan (2010) in his study stipulate realization of independence when undertaken by persons free of the control of those appointed for the strategy and implementation of the project development intervention. This illustrate that training is an essential aspect geared towards affecting the implementation of M & E in development projects. Uitto (2010) emphasizes that human capital training needs is paramount for reliable monitoring and evaluation, stipulating that staff working must have the necessary technical expertise in M & E for them to guarantee monitoring and evaluation results that are of high quality. Employing an M& E practice that is effective requires management to selectively appoint the right skills, enhancethe capacities by further developing the skill on a regular basis. The training needs assessment should be accurate, monitored and executed diligently by the team responsible for the human capital management. Project research skills in project management encourage the team to have base data for the human capital skill retention, development and enhancement (Nabris 2002).

M & E practical training is important in capacity building of personnel because it helps with the interaction and management of the M & E systems. M & E training starts with the understanding of the M & E theory and ensuring that the team understands the linkages between the project theory of change and the results framework as well as associated indicators (Rossi, 2012). Skills are of significant importance to a monitoring and evaluation practice that is effective; the staff needs trained on the basics of evaluation (Bailey & Deen, 2012). In the context of project performance evaluations, it is necessary to have devoted and sufficient numbers of monitoring and evaluation staff, it is critical for these project evaluators to have the correct M & E skills. Professionally trained staff and a budget were a key requirement in Malawi when they were implementing the monitoring and evaluation system (Rossi, 2012). There is noted unbalanced utilization of monitoring and evaluation personnel where they mainly assign tasks other than

monitoring and evaluation. This create extra burden for them to concentrate on project M & E related work. Time then becomes a challenge for them to manage the entire process completely and advocate widely for its use leading to ineffective monitoring and evaluation (Gorgens, Nkwazi, & Govindaraj, 2005). Therefore, there should be balanced work distribution of duties to ensure that there are qualified staffs set aside to hold accountable for the monitoring and evaluation system achievement of quality results. This will make them devoted and work towards achieving the expected priorities and goals.

Project and senior managers are essential drivers for the less technical skilled personnel. They should have adequate comprehension to rely on information provided by M & E. This kind of broad experience and orientation is critical in managing results and dealing with cultural diversity within organizations. There are actually no quick fixes in creating a system for M & E, huge investment in relevant training along with systems development in the long run. The implementers of the project get clear job deploying that matches their expertise, and further training if need be. For projects that comprises of members who go to the field to execute the various project activities without supervision, there should be constant and intensive support to them (Ramesh, 2012). Some of the larger features of developing skills along with capabilities in employees is the concrete organizational goals on employees to motivate them; the support by the organization along with improved expectations can result to self-directed actions for enhanced outcome (Pamela, Joe & Nay, 2013).

2.3.3.Stakeholder Involvement

A study by Njuki, *et al* (2015) on Participatory Monitoring and Evaluation (PM & E) for Stakeholder Engagement, evaluation of Project Impacts, and for Institutional and Community Learning and Change Enabling Rural Innovation in Africa - CIAT-Africa, Uganda, investigating the role of stakeholders and their contribution in project implementation. The study suggested that to improve the delivery of outputs, outcomes, and the results explained the need to integrate the local indicators with project level indicators. This provided a more holistic view of the project benefits. This process also provides indicators for measuring the often hard to measure outcomes such as empowerment from the perspectives of the communities or people involved in the project. Negotiating with different stakeholders allows for performance measurement from the perspectives of diverse project stakeholders.

Community participation in development projects aimed at benefiting them has proved the importance in attaining sustainable development. The theory is that the participants can better recognize their economic as well as social challenges that they encounter and probably have deep

understanding that can be instrumental in outlining initiatives that are aimed at benefitting them (Benjamin, 2012). Ideally, consented participation of stakeholders in participation initiatives will allow those who have interested in, or those who are affected by a decision, have a chance to influence the final outcome. Stakeholders assume a key role and relate at various levels–from local to global, their role and collaboration influence the effectiveness of a development intervention. Wayne (2010) noted that it is important to involve stakeholder participation when designing monitoring and evaluation tools. Multi-sectorial methods', including delegating some work to stakeholders, enhances learning, strengthen ownership and encourages transparency among the actors involved. This is especially important when deliberating the purpose of monitoring and evaluation and how the information is used, analyzed and affects ongoing project planning (Wayne, 2010).

Involving the stakeholders from the beginning in the designing of tools ensures that the project include all stakeholders needs, and is thus more responsive to their expectations. The participatory methods also create and encourage stakeholder project ownership (Clarke, 2011). These are crucial factors contributing to the project performance and sustainability. The stakeholders especially the beneficiaries are more likely to endorse the project output. In some instances, the participatory method promote change in the attitudes of individuals and community culture, and norms, since the development along with the implementation process necessitates community members reflection and analysis of their own culture, attitudes, beliefs, and behaviors. Participatory method provides insights to the required tools for monitoring and evaluation, this itself is a capacity-building activity (Clarke, 2011).

Forssand Carlsson (2012) noted the growing need for overall efficiency, cost effectiveness along with results. This meant the active stakeholders to possess skills that will enable them tocontribute to their level best. Stakeholders' engagement in decision making about the what, the how and the why of the activities of the program. This approach was necessary in empowering them and additionally, promoting inclusion and facilitate participation that is meaningful by various stakeholders categories. Proudlock (2009) found out that the impact evaluation processes especially the review and analysis of results, can be significantly be improved through the participation of the target beneficiaries. He pointed out that the involvement of stakeholders is a critical approach, and its management should be well formulated to avoid derailing decision-making, reason being, over engaging stakeholders could lead to conflict of interest (Goyder, 2009).

Participation by the community groups in designing the M & E tools development determines

what they would like to prepare during the evaluation. They bring out issues along with indicators that affect the evaluation and help formulate the comprehensive questionnaires. They are involved in gathering and examining data as well as presenting the end results. When a project adheres to an approach that is participatory from the initial stages, it is easy to carry out a participatory evaluation during the closeout stage (Kahilu, 2010). Participatory M & E promotes dialogue at the lowest level and moves the group community from the dormant beneficiaries to pre-active participants, creates opportunity that helps in influencing the activities of the project on the basis of their underlined needs as well as their expressions (Robert, 2010). Additionally, information shared horizontally and vertically among the implementing entities, shared with the community group, beneficiaries, and donors.

Stakeholders' engagement in discussions on programs related to M & E usually empowers them and at the same time promotes participation that is meaningful by various groups of stakeholders, that avail to the M & E team adequate and appropriate information that is required for the exercise (Guba & Lincoln, 2011). The stakeholder engagement has to be rooted at the onset of M & E and should integrate key stakeholders along with other interested parties in making sure that the applied tool is effective (Wayne, 2010). Pamela, Joe and Nay (2013) also found that if the right persons are engaged in the whole process, there will be a great enhancement of the outcome with the recommendations being well perceived and corrective measures embraced andimplemented on time.

2.3.4.Management participation in monitoring and evaluation

Ofer (2008) find out how top management engagement in project management influences the performance of projects. This was cutting across country studyof a software industry. The study focus was to examine the support of top management and project performance. The objective of the study was to highlight the support processes related to top management that had a significant influence on the successes of project as well as to comparethose key processes with the actual organizational support. Seventeen top management support processes identified, a total number of 213 project managers in software development along with their supervisors in Japan, Israel as well as New Zealand. For each these nations, the impact of the top management support processes on the project performance were analyzed with the aim of identifying critical processes. Definite level of procedure of both key and minor top management support processes by the managers compared. The study found out essential top management support processes helped in significantly improving project performance.

Project management performance is highly linked to management support, they provide crucial

insight to project delivery, stir the project process to the right direction, and encourage all project teams to have an active role in the project delivery. Revision of project plans done to align to the management decisions and approval. To provide clear guidance and direction, management is indeed required to have great support in the project monitoring and evaluation activities. Visible support by management is equally important to the project team, they recognize the importance of the project performance along with the repercussion of project failure, and the project team values the project performance in support of management interest in the project. Management support and commitment can be put in two categories, and these are project sponsorship, with the other one being project life-cycle management. The main role of the project sponsor is to link the interference that may exist for the managers of the project besides constantly reminding the project team that project performance at the highest levels of excellence are tolerable (Bickman, 2007). It is imperative that project goals, objectives along with values are understood by the project members throughout the project life cycle. Continuous and positive Management involvement, in a capacity of leadership will definitely reflect the commitment to project objectives by the top management.

Project success is, in part, contingent on effectively managing the project risks. Major challenges are time, costs, along with performance expectations. To attain this, the requirement is that the project manager hold, employ and exhibit appropriate management and leadership skills (Zimmerer & Yasin, 2011). By applying the desired attributes of leadership like steadiness, expertise, persistence, adequate decision-making, vision, morals, integrity, trust, and honesty a project manager enhance the skills to deliver the project effectively and efficiently (Maylor, 2013). Ahmed (2008) ostensibly noted that a project manager has the capacity make critical decision, and has the power to reinforce changes to the project. Then he gets everyone involved and delivers their portion of responsibility to the advantage of the final beneficiaries of the project. Project Manager has the responsibility of developing a communication strategy to keep all the stakeholders informed. In striving for this recognition, the project manager is supposed to focus on the vision, encourage the team members, encourage teamwork, and manage risk.

Active participation by management in monitoring and evaluation has enormous impact on the team perception. The engagement between the various stakeholders produces effective communication. These include enhancing communication of early project wins to enhance the support of the management, and solicit those members that are not willing to engage. Effective communication, ensure access of quality products and services, meeting the beneficiaries expectations and driving new initiatives for the overall project goals. The management mobilizes more resources that will help in filling the resource gaps, and ensure operational use of learnt

lessons for better decision-making in future (Wattoo, *et al*., 2010).

Management involvement provides input to better project insights, enhances the reliability of the evaluation process. Increased level of reliability ensures improved acceptance of the findings. A strong procedure for results-management aims at engaging relevant stakeholders in reasoning in a responsive and creative manner as much as possible. The project beneficiaries figure about what they want to achieve, they are motivated to organize and achieve acceptable output. The managers structure a monitoring and evaluation process to monitor progress and utilize the information in improving the performance (Lipsey, 2011). The management is largely involved in budget allocation. Allocating the project major resources is key for decision makers. They contribute significantly in deciding the priorities, cut-offs, exceptional approvals and optimal allocation of the resources. It demands for their commitment to the implementation of monitoring and evaluation system, through this process, they review the adequacy of the budget allocations, advice on budget revisions, and revise the project work plans. The side down of the project management support is that, some managers show negligible or no importance in the implementing an active system of monitoring and evaluation (Goyder, 2009).

Normally, project managers hired by national or county governments implement project as guided by rules and regulations by the government, the requirements of the organization, the preferences of the stakeholder and the location of the client. Compliance and maneuvering with different set of standards and requirements to archive the project goals becomes a tall order for the project managers. The managers are required to expedite delivery of expected results to a wider range of beneficiaries, each with diverse expectations. To satisfy the wide range of stakeholders within a set of standards of compliance can create a conflict of interest. Each group of management within the different stakeholders should agree on a common set of rules and process to improve the project output. The support of top management from the various unit that claim viable interest is paramount for better project performance The project manager develop a communication strategy to keep all the mangers from various interest groups appraised. Such coordination enhances the review and approval of project stages. Mangers contribute and support the project implementation when adequately provided with key information for decision-making.Project performances were done by comparing the progress reports and the original plans. Updating must be done in conformance with the revised and relevant standard plans (Robert, 2010).

Project managers must be assigned huge responsibility of facilitating monitoring and evaluation projects. It entails evaluating Management's competency, Commitment, communication and collaborationof the project teams. It has a significant contribution towards the performance of

projects (Yong & Mustaffa, 2012). Management support is a critical element in preparing the implementation of monitoring and evaluation plans adherently they form key project decision makers (Magondu, 2013).

Atencio (2012) suggested charismatic and people-oriented leader have negative implications attributed to them. Charismatic leader's follow-through while people-oriented are biased and ineffective. This is a result of subjectivity of the decisions made and corrective actions done to keep the project running. The decision of the leaders is influenced by the leadership style the managerial actions has an influence on project teams' performance. Jetu and Riedl (2013) outlined that people relations influence project performance. Personal Cultural values and openness to change, as opposed to cultural values that are socially focused, such as self-transcendence have an influence on the performance of project team. They further found cultural values to have an association to the project team success. The actual results from enhanced project team learning and development, project team-working spirit, and improved leadership of the project team.

2.4. Summary of Literature Reviewed and Research Gap

The review has established the need for effective monitoring and evaluation practices in projects and programs interventions. It has shown that monitoring and evaluation (M & E) has increasingly been recognized as an essential tool for the management of the project. It has also conceded the need to improve on the performance of development funds given by donors. It calls for close consideration to information provision by the management to support project implementation. A complete feedback loop is important in designing new project initiatives. In addition, M & E also offers a provision for accountability in the course of the utilization of the development resources. A close scrutiny of review shows that despite the importance associated by adoption and implementation of effective M & E practices in the projects, very little attention has gone into questioning and investigating the whether the practices results in project performance in donor funded projects. There are several valuable studies of and project performance concur monitoring and evaluation influence project performance.

A few researchers have mentioned that few studies have been done on the monitoring and evaluation of project performance from the Ethiopian chapter. These few studies did not widely focus on monitoring and evaluation as a major influence to the practices of projects Ermias H. (2007). This study will strive to address the knowledge gap to determine the effects of monitoring and evaluation, and project implementation of Awash Bank.

Table 2.1.: Knowledge Gap Analysis

Author	Title	Findings	Research Gap
Themistocleous and Wearne (2010)	Project monitoring and evaluation: enhancing the efficiency and effectiveness of aid project implementation	The study found out that strength of M & E team, monitoring approach, political stability and lifecycle of the project influence the performance of projects	The study did not assess the procedural aspects leading to delays in funds disbursement
Jetu and Riedl (2013)	Cultural values influencing project team performance: An empirical study in Ethiopia.	Cultural values that are individually focused, as opposed to cultural values that are socially focused had an influence on project team performance	Procedural aspects of project delays need to be established.
Hwang and Lim (2013)	Critical Success Factors and project Objectives: Case Study of Singapore	Monitoring and evaluating, the budget performance, scheduling project activities could lead to project success.	The study did not undertake to establish the reasons why many NGOs do not effectively use the M & E system available
Gyrkos (2011)	Gorgens, M. and Kusek, J. Z. (2009). Making Monitoring and Evaluation Systems Work. World Bank.	The core indicators are used to compare the impact of control programs in different jurisdictions or Countries.	No linkage how M & E becomes cost- effective to the organization
Nyandika&Ngugi,2014	To assess requirements foreffective M&E inNational government projects	The study revealed that effective decentralization of accountability was critical for effective M&E	The study examined requirements for effective monitoring and evaluation in National government projects but failed to determine factors that influence successful M&E practices in County government in Kenya
Madeeha and Naqvi, (2014)	Examine influence of stakeholder involvement on project portfolio management success	The study revealed that stakeholder engagement in monitoring and evaluation has a positive impact on the success of the project portfolio management	The study failed to link the relationship between stakeholder engagement monitoring and evaluation and performance of learning program.
Kelly, K.&Magongo, B. (2014).	Report on Assessment of Monitoring and Evaluation - Capacity of HIV/AIDS organization in Swaziland.	The purpose for planning a monitoring and evaluation keeps the entire organization in check.	The study never outlined the reasons why organizations do not plan for M & Eactivities.

Kalali, N. S., Ali, A. P.&Davod, K. (2011).	Why project strategic plans fail? A study in the health service sector of Iran African Journal of Business Management, 5(23), 9831-9837	Planning the project in phases to achieve better results	No comparison data of projects done in phases and those not phased
Zimmerer, T.W. and Yasin, M.M. (1998),	A leadership profile of Project Management Journal, Vol. 29, pp. 31-8.	Benchmarking the projects M & E can lead to better results. positive success and negative leadership are the causes of failure of projects	Data to benchmark and provide the results to such activities was difficult.
Ramesh G (2012)	Maintenance and Reliability Best Practices, Second Edition	Staff working away from office need support from the main office to carry out the M & E activities	The nature and level of support to achieve the acceptable level of performance not guided through.
Dyason, J. R. (2010).	The eye diagram: A new viewpoint on project life cycle. Journal of Education for Business, 80(1), 10 – 16.	M & E budget should be approved upfront before the process. This helps to identify the necessary resources required to monitor the project.	Many possible aspects that read to the project performance at different levels of priority, which were unidentified.
Ahsan, B., & Gunawan, D. (2010).	Client Multi-project; A complex adaptive systems perspective. International Journal of Project Management, 27(1), 72-79.	The project team should identify the task carried out.	The focus is on complex and multi- project management approach. M & E for such environment is complex in nature.
Gorgens, M. and Kusek, J. Z. (2009).	Making Monitoring and Evaluation project Systems Work, by the World Bank.	Need for skilled professionals to do the M & E	M & E being more of a practice gets better with time and the level of what is skilled and non-skilled is more subjective. Measuring the degree of skillfulness in not straight forward.
Vanessa et al (2016)	Events Project Management Paperback – November 23, 2011	For self-managed staff there is enhanced output, rather than micro managing staff to do the work	Building the self-managed staff capacity is a new phenomenon in M & E. the practicability remains unclear

Uitto, J. A. (2010).	Multi Country on Shared waters: Role of Monitoring and Evaluation. Global Environmental Change,14(1): 5 – 14	Organization should be afraid to acquire the required expertise to carry out project monitoring and evaluation	No cause and effect relationship of the projects with hired expertise and those that did not meet the required expertise level.
Rossi, P. H. (2012).	Evaluating with sense: The Theory Driven Approach. Evaluation Review 7, 283 – 302.	Project performance has link to the associated indicators and the theories of change of the indicators	Performance is linked to a variety of theory formulation which canbe diverse to get the ultimate change theory to achieve the results
Gorgens, M ., Nkwazi, A. S. and Govindaraj, A. H. (2005)	Exploring factors leading to Project Success. Baltic Journal of Management, 1 (2) 127 – 147	Management should identify the right skill to dothe M & E	The study speaks highly of time and costas the key determinants of project performance while in real situation there are manner aspects to monitor and evaluate to achieve the objectives
Pamela, H., Joe, N. & Nay,T. (2013).	Program Management and Federal Evaluator. Public administration Review.	When the focus is on contributing to the wider organization objectives, there is a self-fulfilling to have the work done.	Conflict resolution mechanism were unaddressed and read to be the key factor in not self-fulfilling work environment.
Wayne C. P. (2010).	Mapping the Dimension of Project Success, Project Management Journal.	By encouraging stakeholder participation in M & E projects, it provides a response to the local needs.	Stakeholder involvement is dimensions that get relatively important at certain point of time before it loses its strength. Determining when it's necessary toengage for a positive input is not addressed.

Clarke, A. (2011).	Practical use of key success factors to improve effectiveness ofprojects International Journal of Project Management, 17(3), 139– 145.	Stockholders feel a sense ofownership of the project when they get involved	Organization are faced with culture shocks especially the multi- site which prefer to keep their own things while the stakeholders request for change. This conflict is evidence in the studybut does provide its effect on project performance.
Kahilu, D. (2010). Roberts, M. A., (2010).	Reporting on the Impact of Monitoring and evaluation. Development Administration, Asia-Pacific Journal of Rural Development.	The projects achieve qualityfeedback and easily conduct participatory evaluations	The level of engagement is undefined, up to what level of engagement helps to get the right results.
Guba and Lincoln (2011).	Fourth Generation Evaluation: Monumental shift in evaluation practice	Involving the right people improve project performance	The essence of incorporating responsive techniquesfor evaluating projects it is a cumbersome process difficult to achieve.
Zimmerer, T.W. and Yasin, M.M. (1998),	Leadership profile of project managers, Project Management Journal, Vol. 29, pp. 31-8.	There is need for project Managers to have the desired leadership skills tooversee the M & E	The study incorporated cultural values in leadership; the scope is very restrictive since cultural values are wide and not replicable to give accurate measurement.
Lipsey, M. (2011).	Multi Country Co-operation on shared waters: The Role of Monitoring and Evaluation. Global Environmental Change, 14(1), 5- 14.	Use of accurate information to make decision improves the quality of project M & E	The study highlights the pivotal role of M & E and intervention replication, sometimes a replication of the wrong practices can becostly. The question is who approves the standards of replication.

Yee Cheong Yong, Nur Emma Mustaffa, (2012):	Analysis of factors critical to project success. Malaysia, Engineering, Construction and Architectural Management, Vol. 19 Issued: 5, page 543 –556	During the monitoring and evaluation, revised products should be base lined to achieve the desired results.	Baseline of products isa risk exercise managed through change management. The study does not capture the risk management aspect.
Atencio, M 2012,	Critical success factors and the framework involving leadership competencies for successful delivery of projects, PhD thesis, University of Salford.	Leadership style affects the project performance.	The study reveals of leadership skills acquired while there is a theory of leadership by birth, and not expounded in theresearch.

2.5. Conceptual Framework

The independent variables in the study are planning process, technical expertise, stakeholder involvement and management participation, while project implementation of Awash Bank projects is the dependent variable. The connection between the dependent and the independent variable can be summarized in figure 2.1 below.

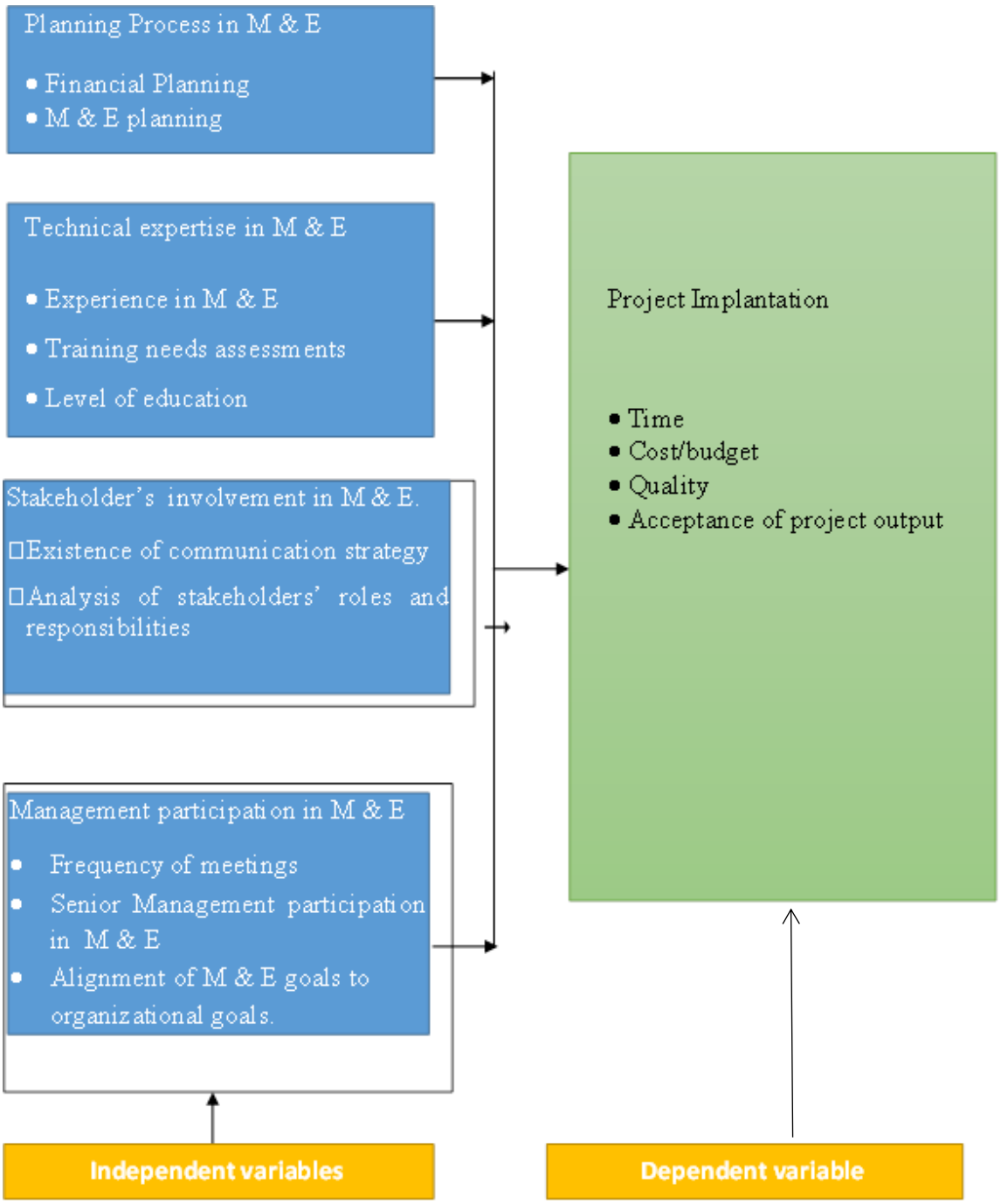

Figure 2.1 A conceptual model for the study

Source: Developed by researcher (2021)

2.6. Interpretation of the Conceptual Framework

The conceptual framework shows the relationship between the four independent variables and the dependent variable. The study sought to assess the effects of project monitoring and evaluation on project implementation in Awash Bank. The framework also indicates the indicators to be used to measure the variables.

Planning Process in M & E

Planning concerns setting up the systems and processes necessary to ensure the intended results are achieved as planned. In addition, M&E plan provides the information needed to assess and to guide the project strategy, to ensure effective operations, to meet internal and external reporting requirements, and to inform future programming (UNDP, 2009). Financial Planning should be available to ensure M&E activities are carried out. The Financial Planning should beadequate. The budgetary allocation to monitoring and evaluation should clearly be delineated from the main project budget so that M&E unit is accorded some autonomy in the utilization of its resources (Gyorkos, 2003). The allocation should be timely to ensure activities are carried out as scheduled.

Planning in monitoring and evaluation involves practically planning the project activities so asto be able to monitor and evaluate the project. This will involve keeping a log frame of the objectives and indicators to be monitored throughout the project (IFRC, 2011). The aim of theM&E plan is to aid in assessing and reporting project progress and how well the project is obtaining the desired outputs and outcomes. The plan also identifies the evaluation questions to be addressed using project evaluation (USAID, 2016). An M&E plan defines the indicators to be noted, defines the people mandated to collect them, defines the tools and forms to be adopted and describes the method of data dissemination to be used in the organization(Bullen, 2014). Therefore, many M&E systems would fail due to the minimal attention given to detail at the planning stage without the use of M&E plans (Sinister, 2015).

Technical expertise in M & E

Monitoring and Evaluation experts provide technical support with the aim of improving data collection and analysis, reporting, monitoring and evaluation of the ongoing projects in a specific area or at country level Sunindijo (2015)

Main activities are contribute to improving the system of data collection and project M&E, provide technical support to project managers for what concerns data collection and analysis, train and supervise local data collectors monitor data collection, supervising the completeness and overall quality of the data collected, support project managers in the monitoring project activities and results, ensure the timely elaboration and quality of reports, contribute to the analysis of context and emerging needs and collaborate in any operational research and scientific documentation activities Harry et al (2003).

Stakeholder's involvement in M & E: -

Project stakeholder's means sharing a common understanding and involvement in the decision-making process of the project. Participation by stakeholders leads to empowerment and to joint ownership of the project Njuki, *et al* (2015). The involvement of stakeholders in appropriate monitoring actions and evaluation exercises furthers the objective of promoting participatory development. Stakeholders have the right and the responsibility to know what is happening in the program or project, which aspects need corrective action, what the results are, and which lessons can be learned and shared with one another, but they should not simply be recipients of monitoring and evaluation reports (Kahilu, 2010).

One effective way for stakeholders to contribute to the achievement of program or project objectives is to be directly involved in the monitoring and evaluation process - in the formulation of critical questions and in the collection and analysis of data. This enables them to participate directly in the assessment of the relevance, performance and success of the program or project and in recommending how to improve the quality of current and future interventions (Reed, 2008).

All of the groups that have a role and an interest in the objectives and implementation of development activities are the stakeholders in the monitoring and evaluation process (Reed, 2008). The key stakeholders are target groups or those sectors of the population targeted to benefit ultimately from the results of program and projects; direct beneficiaries, usually institutions and/or individuals who are the direct recipients of technical cooperation aimed at strengthening their capacity to undertake development tasks that are directed at specific target groups; those who are responsible for ensuring that the results are produced as planned: program managers and staff of the Government (under the national execution modality) or of the United Nations executing agencies and those who are accountable for the resources that they provide to the program and projects: national policy-makers and budget authorities, UNDP, donors and other development partners. There also several associated parties could also be added to the list: external consultants, suppliers and other persons or organizations providing inputs to the program or projects; and other institutions (private-sector entities, CSOs) in the program or project environment that may also be affected by or interested in the results of the program or projects (Creighton, 2005).

Stakeholder participation plays a major role in effectiveness of an M&E system since people who may be affected by activities, outputs outcomes and decisions made about a project or can influence the implementation and operations of a project and the M&E process Njuki, *et al* (2015) Stakeholders will be more concerned with the M&E process if they are involved from the beginning and throughout the process. Thus, through the involvement of all relevant stakeholders,

there will be unanimous support for the process and ownership of findings. Organization's leadership is very important in ensuring effectiveness of an M&E system. The management plays a big role in allocation of resources, designing of the system, communication of results and making other key decision which affects M&E and projects' activities. Their commitment to the implementation and operation of M&E system is paramount (Kahilu, 2010).

Management participation in M & E

The idea of managing for impact can be implemented quite simply in regular events, such as annual project reviews, quarterly and mid-year partner/staff meetings, an d during supervision missions. These ideas are easy for existing projects to implement as part of their current processes and for new projects to plan into t heir operating procedures (Bickman, 2007).

For example, projects increasingly hold *annual reviews with primary stakeholders* as part of their ongoing self-evaluation process. During such a review, staff, partners and local people will discuss the monitoring data on activities, outputs and outcomes. They will analyze them with respect to project goals to see how activities are or are not contributing to poverty reduction. They will also discuss the quality of the project implementation process and of relationships amongst stakeholders. This leads to formulating the next annual work plan and budget (AWPB) and adjusting M&E plans. This self-assessment and development of the AWPB form the basis of the annual progress report, but more strategic issues can also emerge from community level discussions (So an annual review process links all four elements of managing for impact: impact, strategy, operations and M&E (Maylor, 2013).

Quarterly and mid-year review and planning meetings could operate similarly to a participatory annual review, perhaps with fewer stakeholders and more discussion on the quality of implementation and relationships (Lipsey, 2011). Using monitoring data in discussions can challenge people impressions and the assumptions and so trigger analysis of what is really happening. Quarterly and mid-year reports could t hen focus on the achievement of activities, analysis of key achievements and problems, and most importantly on agreeing how to improve implementation. Such regular and improvement-oriented self-assessments are proof of a healthy learning environment that focuses on achieving impact by organizing and implementing operations effectively (Goyder, 2009).

Supervision missions and mid-term reviews are also occasions when all four aspects of managing for impact co me together. But a project cannot rely on these alone, as MTRs come

too late in aproject's life and supervision missions are not always in enough depth or timed appropriately to influence impact achievement. When project implementers take responsibility for their own learning process, they can then take corrective action when it is neededand not when it is too late. Such action involves redressing mistakes, expanding good practices, responding to changes in the context by rethinking activities and processes, an dtaking up new opportunities (Yong & Mustaffa, 2012).

From finding Planning process and Technical Expertise have the weak associations with Project Implantation. These shows the Planning process and Technical Expertise weak correlated with Project Implantation. This implies that to projects need and the achievement of bank objectives, Awash bank should be developed the practices of Project Implantation through different mechanisms and, it should be also developed a best Technical Expertise to create a best Project Implantation in Awash bank.

Management Participation has strong association with Project Implantation. These implies that Stakeholders investment has strong correlated with Project Implantation so that,the bank should be keep it as it is.

Based on the finding analysis, Planning process and Technical Expertise with-value has moderate correlation associations with overall Project Implantation that the independent variables not highly correlated with Project Implantation so that for a quality service provide to the strategic projects of the bank should be up grade those independent variables through with most suitable effort.

As finding indicted that highest positive associations with project implantation towards Awash bank. Planning process and Technical Expertise have the weak associations with Project Implantation. Planning process and Technical Expertise with-value has moderate correlation associations with overall Project Implantation It implies the independent variables affected the project implantation.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1. Introduction

This chapter deals with the methodology of the study where the research approach, the research type, sample and sampling techniques, source of data collection, data collection instruments, reliability & validity of the study and the method of data analysis are discussed.

3.2. Research Approach

A qualitative research approach was used in this thesis. Since a mixed approach was a type of research methodology in which a researcher incorporates elements of qualitative and quantitative analysis methods to analyze and compare the monitoring and assessment practices in the implementation of project Vision 2025 in Awash bank, Ethiopia.

3.3.Research Design

Research design, as defined by Creswell (2014), refers a set of procedures for gathering, processing, interpreting, and reporting data in research studies. It aids in the achievement of the research study's goal by recognizing and collecting information on the particular issue that has been found. The development of a successful research design, which demonstrates the conceptual relation between the data gathered, the study, and the conclusions to be drawn, is a crucial part of the research activity.

According to Cooper and Schindler (2000),a descriptive research finds out who, what where, when and how much. The Research design was appropriate to explore M and E practices that influence project performance. Similar research designs evaluated M and E practices and project implementation in Awash Bank of Ethiopia. It was therefore necessary to statistically characterize the data gathered and extrapolate the outcome to the whole population.

3.4. Sample and Sampling Design

3.4.1. Target population

The study was focused on four Awash Regional Offices (North, West, East and South) in Addis Ababa. The project implementation long enough for one to determine and accurately predict

the trend in the monitoring and assessment practices in the implementation of project Vision 2025 in Awash bank, Ethiopia.

3.4.2. Sampling method

The non-probability sampling method was used by the researcher. Since non-probability sampling may provide the researcher with a variety of alternative approaches for selecting samples based on discretionary judgment. Purposive sampling was a non-probability sampling method used in this analysis. Purposive or judgmental sampling was used when a researcher intends to use his/her own judgments to pick cases that he/she believes will better address the study questions and achieve the relevant research objectives, (Saunders, *et al.*,2009).

Awash Bank purposely selected for the reason that the researcher has got willing and cooperative individuals who can assist in providing the relevant information. Moreover, the researcher selects Awash Bank for the reason that the researcher was conducting his job in Awash Bank; where the researcher has enough experience, information obtained from personal observation and where the researcher assumes to have easy access to get the required information.

3.4.3. Sample size

To obtain the adequate responses through questionnaire, the sample was determined by a statistical formula that 75 respondents of workers of four Awash Bank Regional Office in Addis Ababa. Accordingly, the required sample size at 90% confidence level and 10% precision level was selected from the target population.

The total sample size was determined by using the following sample size determination formula developed by Taro Yamane (1967).

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

Where: n = is sample size, N = is the population and e = level of precision considered 10%

$\mathbf{n} = \frac{300}{1+300(0.10)2}$ = in this research the sample size is **75**

3.5. Source of data and Collection Method

3.5.1. Source of data

There are two data sources; primary and secondary data sources. Primary sources are directly related to the study purpose. Primary data consists of all the data collected throughout the study that directly can be related to the study purpose, both personally gathered as well as data from a third party that has been collected with equivalent purpose. Secondary data on the other hand, contains relevant data that has been collected for a different purpose, but from which the conclusion is valuable for the purpose (Catherine, 2007).

The researcher has used both primary and secondary data sources. Primary data, directly related to the purpose, collected using structured questionnaires. Structured questionnaire was used to collect primary data from respondent, by focusing on the research objective; the questionnaire was adopted to extract sampled workers' experience regarding the practice of project monitoring and evaluation on implementation of strategic projects in AB.

3.5.2.Methods of Data Collection

In order to collect sufficient data so as to answer the research questions, there were two surveys conducted. The first was a questionnaire to get quantified results from sampled workers. The second survey was interviews aim to collect data from selected branch regional managers', planners' marketers, business developers and supervisors. In addition to questionnaire and interview, secondary data sources were used.

Questionnaire

According to Yin (2003), structured questionnaire are important method for collecting primary data and that it further allows the researcher to be well focused on the specific research topic. Also, Cohen (1989) as quoted in Sillignakis (2002) defined a questionnaire as a self-report instrument used for gathering information about variables of interest to an investigation.

The current study has used the questionnaire as it is more convenient as respondents can answer at their convenience. The questionnaire was developed by the researcher based on the research questions and the literature. The researcher has used open and closed-ended type of questionnaires, which gives the respondents an opportunity for adequate expression of their view on the questions. The questionnaire begins with an introductory statement, which specified the purpose of the research as purely academic. Respondents were encouraged being objective in their responses since they are assured of confidentiality.

Questions present in the form of affirmative statements, relating to the concepts on the practice of project monitoring and evaluation and to identify their intention on implementation of strategic projects in Awash Bank in such a way to enable measurement of the respondent's opinions. The respondents were asked to indicate their level of agreement on a five-point Likert scale with the ratings; Strongly agree (SA; or 5), agree (A; or 4), neutral (N; or 3), disagree (DA; or 2), and strongly disagree (SD; or 1). The numbers were indicated in the questionnaire to provide a feel of ordinal scale measurement and to generate data suitable for quantitative analysis. The questionnaire was a close ended questionnaire to elicit guided responses and for easy analysis and to obtain additional information, the respondents were requested to provide open-ended responses if they have opinions which they feel the researcher finds it useful.

Interviews

In order to gather the necessary data and also provide deep insight into the topic of the practice of project monitoring and evaluation on implementation of strategic projects in Awash Bank, the researcher considered interview to be the most suitable way to gather valid and reliable data that are relevant to the research question cited in G & R consultancy (Denscombe, 2000) . The technique of personal interviewing was undertaken in order to reach the objectives since it is the most versatile and productive method of communication which enables spontaneity and provide with the skill of guiding the discussion back to the topic outlined when discussions are unfruitful while it has the disadvantages of being very costly, time consuming and can introduce bias through desires of the respondent to please the interviewer (Aaker & Day, 1990).

Moreover, it helps to obtain new insights, yield rich data, explore the topic in depth, enables flexibility to the interviewer in administering interview to a particular individual and helps in clarifying questions and cognitive aspects of the response (Kumaga, 2010). Therefore, semi-structured interviews were conducted so as to substantiate and improve the results of questionnaire.

3.6. Secondary Data Sources

The secondary sources of data constituted data gathered from records and reports of the industry, AB's official Website k, and literature on M&E, books and journals, and unpublished theses. Following Yen (1989:86) the document examination helps to substantiate the patterns that evolved from the data collected via questionnaires and interview, so that the validity of the findings was enhance through secondary sources.

3.7. Methods of data Analysis

Data analysis highlighted useful information, conclusion and decision-making. The data collected, reviewed, coded and entered in a statistical package. The data is analyzed using the Statistical Package for Social Science (SPSS) version 25 software. Descriptive statistics such as frequencies, percentages, mean, standard deviations were used to summarize collected data.

Regression analysis is a statistical model used that was employed in this study establishes relationship between M & E practice and project performance. The reason as to why the regression model was used because it is effective in determining the effect of the dependent variable over changes in the independent variable.

3.8. Variable Specification and model formulation

Multiple regressions were used to further investigate the significant effects of the independent variables on the dependent variable. The study has used the following regression model developed by Kay and Little (1987):

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + ę,$$

Where: Y = project performance

α =Constant term,

β=Beta coefficients,

X_1= Planning process,

X_2= Technical expertise,

X_3= Stakeholder involvement,

X_4=Management participation

ę = Error term.

According to Bland J & Altman D (1986) the calculation of the correlation coefficient is as follows, with x representing the values of the independent variable and y representing the values of the dependent variable.

$$r = \frac{\sum(x-\overline{x})(y-\overline{y})}{\sqrt{\sum(x-x)^{-2}(y-y)^{-2}}}$$

This can be shown to be equal to:

$$r = \frac{\sum xy - \overline{nxy}}{(n-1)SD\,(x)SD(y)}$$

The study was investigated the effects of planning process, technical expertise, stakeholder involvement and management participation on project performance. It obtained reliable measuresof each variable, entered predictor variable and outcome variable into the standard regression model. The co-efficient X_1, X_2, X_3 and X_4 used to inform the study on non-zero linear relationship with Y.

The study findings displayed using tables, bar charts, graphs and pie charts.

3.9. Validity and Reliability

Reducing the possibility of getting the answer wrong means that attention must be paid to two emphases on research design these are reliability and validity.

3.9.1. Reliability

Reliability refers to the extent to which researcher data collection techniques or analysis procedures would yield consistent findings. It can be assessed by the following three questions (Easterby-Smith et al., 2002): Will the measures yield the same results on other occasions? Will similar observations be reached by other observers? And is there transparency in how sense was made from the raw data? Reliability will be tested using Cronbach's alpha values for the items in each construct. Reliability measure by researchers to test the internal consistency instruments (Mohammad, *n.d*).

Reliability test coefficient can hold a value of 0 to 1 and the result of 0.7 and above implies an acceptable level of internal reliability (Shifera, 2011).. Therefore, in this research of the total sample of 30 cases was analyzed Cronbach's alpha for the effect of the variables that affected to assess the practice of project monitoring and evaluation on implementation of strategic projects in Awash Bank of Ethiopia is 0.843, which indicates that the independent variables effects on project implementation in Awash Bank. So that the researcherdecided to test over all items at once and this on the other hand resulted 0.843 this shows the whole items were reliable and acceptable as (Shifera, 2011) described Chronbch's alpha of 0.843 is acceptable.

Table 3.1 Reliability test

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.843	0.859	39

Source: Survey Data 2021

3.9.2. Validity

Validity is a very important and useful concept in all forms of research methodology. Its primary purpose is to increase the accuracy and usefulness of findings by eliminating or controlling as many confounding variables as possible, which allows for greater confidence in the findings of a given study (Marczyk, Dematteo, & Festinger, 2015).

There are four distinct types of validity (content validity, external validity, construct validity, andstatistical conclusion validity) that interact to control for and minimize the impact of a wide variety of extraneous factors that can confound a study and reduce the accuracy of its conclusions (Marczyk,., Dematteo,& Festinger,2015).

In relation to this study two validity measurements were used. The first one is Content validity which is the extent to which a measuring instrument provides adequate coverage of the topic under study. In this case this study, the researcher used the variables which is tested by researchers in order to assess project implementation practice. The second one is statistical conclusion validity which examines the extent to which conclusions derived using a statistical procedure is valid.The right statistical tools were used in order to test the research questions and also to concludethe study.

3.10. Ethical Considerations

Ethics are acceptable standards governing research conduct and influence the welfare of human being. It is about making decision, choosing the right or wrong behavior by an individual (Bell & Bryman, 2007). The study assured confidentiality, honesty, and informed consent in study methods, procedures, and presentation of results ensuring that there is no falsified or misrepresentation of data.

Research, as a scientific process and activity, has its own basic ethical conducts that should not be compromised at all levels. For instance, any source that is quoted and used as essential part of the study should be cited. That means, acknowledging the authors of books and articles is

necessary and the data will gather from the appropriate and relevant sources. Therefore, with respect to the current study, the researcher will respected and complied with existing ethical principles to make the research credible and acceptable by the academic communities and users of the result. The respondent of participation in the study was done on the voluntary basis and participants are asked for readiness before they are provided the questionnaire and their responses used only for the purpose of the research. The confidentiality of participants (employees) were maintained in that their names, privacy, and signature was not appeared and filled in the questionnaire. The researcher was also presented the findings of the study without any distortion of the reality.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents a discussion of the final results and the process through which the results were obtained. In addition to this, background information of respondents is presented.

This chapter explains and discusses the results of findings based on the analysis done on the data collected. The results of the study were discussed by triangulating the different sources results. The discussion attempts to accomplish the objectives of the study and answer the research questions. The findings of the study were presented according to the research questions. There were 75 questionnaires distributed to sample employees drawn from four Awash Bank projects coordinated by four Awash Regional offices (North, West, East and South) in Addis Ababa of project implementation. **About** 73 questionnaires were returned which indicated a response rate of 97.33%. According to Mugenda & Mugenda (2003), a response rate of more than 80% is sufficient for a study. All the returned questionnaires were found to be correctly filled and fit for analysis.

Finally, the statistical methods of analysis were discussed, which included a descriptive analysis, a correlation analysis, and a regression analysis through SPSS version 20 computer software program The study sought to establish the demographic characteristics of the respondents. About 53% of respondents were male while 47% were female however; the gender composition has no impact on the statistical power on the data. The study though had adequate representation of both sex . The results of the interview are integrated with that of the questionnaire.

4.2.Demographic Characteristics of the Respondents

The questionnaire contained two sections. Section A required the respondent to give personal & background information. Section B requisite the respondent to provide information on monitoring and evaluation practices and project performance. Hence, section A consists of evidence that defines basic characteristics such as gender, age, level of education and years worked in current position of the respondents.

As shown in table 4.1below, most of the respondents age 30 (41.1%) were between the ages of 26-35 group and 25 (34.25%) were in the age group between 36-45 whereas 12(16.44%) were between the age of 18-25 and only 6 (8%) were in the age group of 46-55 years. This implies Awash Bank in Addis Ababa employees whose age was in all age groups.

Highest level of education was one of the parameters of the questionnaire. As shown in table 4.1 71.23% dominated the scene with degree level and 28.77%-degree level of Post Graduate. According to Murphy and Myors (2004), the respondents' capacity to grasp the survey questions is determined by their educational level. The survey received a significant number of replies from people who were well educated. The study's findings indicate that the respondents can easily comprehended and fill the survey questionnaire as evidenced by their education level. Employees are well educated, indicating that the bank prioritizes employee education. The recruiting is also centered on the finest employees, which means that competent individuals are hired.

Table 4.1: Demographic characteristics of respondents

Age		
	Frequency	Percent
18-25 years	12	16.44
26 to 35 years	30	41.1
36 - 45 years	25	34.25
46 to 55 years	6	8
Total	73	100
Level of education		
Degree Level of Education	52	71.23
Post Graduate Level of Education	21	28.77
Total	73	100
Level of management/Position		
.Top level Management	6	8.22
Middle level management	6	8.22
Project manager	6	8.22
M&E expert/officer	55	75.34
Total	73	100.00
Number of years you have worked in AB		
Under 5 years	18	24.66
6- 10 years	23	31.51
11 -20 years	22	30.14
21 – 30 years	10	13.7
Total	73	100

Source: - Survey result Nov, 2021

Table 4.1 above shows the distribution of respondents by position in the organization. Here "Top Management" is the Awash Bank the managers of the region and coordinator for the project program, "Middle Management" is duty manager and officers, "Project Manager" is Project & Programs Management Specialists. The "M&E expert/officer" is a specialist who works closely in monitoring the project under the program. In terms of position in the organization, the respondents under Top management comprise 6% of the total, Middle management 6%, Project Manager 6% and M&E expert/officer 55% as seen from Table 4.1 above.

Study respondents reported varied periods of stay at the Awash Bank with 31.51% having worked for a span of 6-10 years, 30.14% had worked 11-20 years while 24.66% having worked for a period less than 5 years, only 13.7% worked 21-30 years. The demographic enrolled on the study helped to provide a diverse perception of staffs on the practice of M & E and effect on strategic project implementation of Awash Bank.

4.3.Analysis of Data Related to Basic Research Questions

4.3.1. The Effect of Planning Process on Implementation of Strategic Projects

The study sought the level of application and practice of planning process. The practice of funds allocation, establishing M & E plans, utilizing those plans and control mechanism assessed strategic projects in Awash Bank reported varied planning process practices and experiences as per the results and findings of the study. 60% of respondents agreed to the fact that the project allocates funds for monitoring and evaluation at its initial stages of planning. The highest percentage of respondents (40%) who disagreed with the fact that the project allocates funds for M & E were drawn from the support staff a picture that may likely inform lack of participatory approach in project planning.

A near similar percentage of respondents (75%) were arguably in agreement that project plans contained M & E plans with (70%) of respondents confirming utilization of detailed planning processes. The checklist tool identified presence of M & E tools annexed in a number of project management tools. The tool further identified budget lines for M & E in grant budgets a clear indication that fund are allocated for M & E in grand project budgets.

As shown in the above table from 44 respondents (11 strongly disagree and 33 disagree) and 41 of the informants (19 agree+22 strongly agree) on planning process helps to estimate the cost of

required resource for M and E.

A similar characteristic observed among respondents on whether strategic projects in Awash Bank was able to develop a control mechanism to keep the project on track or use planning process to support decision making during project implementation. A paltry 38% of respondents were in agreement as 43% (15% Strongly disagreed and 28%), 19% of respondents neutral while 38% were in agreement of the later. The checklist confirmed lack of control mechanism to keep track of project progress against targets and no demonstrated utilization of planning process to support decision making during project implementation. The table below has a summary of results and findings of various attributes of planning process for strategic projects in Awash Bank of Ethiopia.

Dyason (2010) describes monitoring as regular collection and analysis of information involving program or intervention; and evaluation as an assessment of project progress. It is an ongoing process mainly based on predetermined targets and activities that are highlighted during the planning phase.

As Clarke (2011) noted organizations that have developed comprehensive strategic/operational plans makes the most progress with regular monitoring of their work. As per IFAD (2012) Monitoring and evaluation per se guides resource allocation in projects and measures their sufficiency and effective utilization.

Table 4: 2 Descriptive Statistics on Planning Process M & E practice

Statements	Strongly Disagree %	Disagree %	Neutral %	Agree %	Strongly Agree %	Mean	Std Dev.
The project allocates funds for monitoring and evaluation at the initial stage of planning	13	27	0	37	23	4.45	**0.77622**
Project plans contain M and E planning process	0	23	2	49	26	4.60	0.71660
Project planning process is well detailed and utilized	11	19	0	44	26	4.40	0.65760
Planning process helps to estimate the cost of required resource for M and E	11	33	23	19	22	4.49	0.68524

Project has developed control mechanism to keep the project on track	13	31	19	25	12	4.32	0.61863
Planning process support decision making during project implementation	15	28	19	23	15	4.56	0.68260

Source: Survey data 2021

4.3.2. Technical Expertise M & E practices

The technical expertise M & E practices with high approval rating in the strategic projects in Awash Bank were staff training (87%) and attracting skilled personnel (89%) while flexibility in project design (58%) and project skills needs assessment at (27%) had lesser approval rating. All respondent in one way or the other were agreeable that technical skills are a huge determinant how best monitoring and evaluation analyzed. This finding is in affirmation with the findings of Venessa and Gala (2011) who found that technical capacity and expertise of the staff in conducting evaluations seemingly influences M&E process. Training gives employees the knowledge of the principles, methodology, and tools applied in M&E. It improves the organization performance of M&E activities.

The checklist tool confirmed from available secondary data that project staffs trained in order to equip them with technical expertise necessary to carry out M and E. The project had defined processes through which it identified personnel to carry out monitoring and evaluation functions. The strategic projects in Awash Bank design was flexible enough to better enhance achievement of better results. Project training needs analysis carried out to acquire right skills to manage the M and E activities. There was no evidence of baseline survey prior to initiating any project though all projects had mid-term and end term evaluation.

Strategic projects in Awash Bank had no particular skills check guideline for identifying key M & E staffs andmanagers or clear plans on knowledge and skills retention and transfer to projects. Venessa and Gala (2011) recognized the value along with the participation of organizations' human resources in decision-making, and their motivation in the implementation of decisions, possibly influence M & E practice.

Table 4 : 3 Descriptive Statistics on technical expertise M & E practice

Statements	Strongly Disagree %	Disagree %	Neutral %	Agree %	Strongly Agree %	Mean	StdDev.
Project staff are trained in order to equip them with technical expertise necessary to carryout M and E		11	2	76	11	4.25	0.63869
Technical skills are a huge determinant onhow bests monitoring and evaluation is done	15	48	17	19	1	4.26	0.60030
The project identifies skilled personnel to carry out the monitoring and evaluation functions	0	5	6	79	10	4.25	0.65951
The projects are design is flexible to achieve better project results.	12	17	13	43	15	3.36	0.56089
Project training need analysis is done to ensure the right skills are acquired to manage the M and E activities.	15	19	39	11	16	4.56	0.72111

Source: Survey data 2021

4.3.3.Stakeholder Involvement

The study attempted to determine the level and approaches of stakeholder participation in the project. The findings shown low level application of stakeholder analysis, stakeholder feedback and communication strategy developed to address flow of information. When compared to other target M & E practice criteria, stakeholder participation received the least acceptance. A small percentage of respondents 23%, 15% and 28% respectively confirmed involvement, with the majority of respondents reporting to strongly disagree, disagree or of moderate extends of involvement.

The stakeholder involvement is essential in project management as some stakeholders have high stakes in the project while others have significant influence over the project deliverables (Kenon, Howden & Hartley, 2010). Stakeholder documentation enables the project team to assess the stakeholder and know who really matters to the project.

Njuki, Kaaria,, Chetsike and Sanginga (2013) found that active monitoring and evaluationstrengthen learning and change at both community and institutional level. It also enhances success of M&E activities by promoting negotiation of outcomes that different stakeholders expect from the project. Stakeholders' participation in M&E also facilitates the assessment of project from multiple perspectives.

Respondents further disagreed with participation of stakeholders that reflects community needs stimulating people's interest in the implementation of M & E as well as enabling stakeholders to influence product acceptance based on their needs.

The checklist evaluation also revealed that stakeholder's analysis is not performed to guarantee that all stakeholders are involved in project monitoring. Stakeholder input was not being gathered and analyzed for the project implementation at Awash Bank, and there was no communication plan in place to handle the flow of information.

Shenhar (2011) supported for the use of community participation and the development of local capacity throughout the program cycle. Communities can be directly involved in identifying their own needs, developing program objectives, carrying out activities, and monitoring and assessing the initiative.

Table 4.4 Descriptive Statistics on stakeholder involvement

Source: Survey data 2021

Statements	Strongly Disagree %	Disagree %	Neutral %	Agree %	Strongly Agree %	Mean	Std Dev.
Stakeholder analysis is done to ensure all the stakeholders are involved in project monitoring	22	39	17	15	7	4.26	0.77692
Stakeholders feedback is wellcaptured and analyzed for implementation	27	49	9	15	0	4.05	0.69542
Communication strategy is Developed to address the flow of information	19	38	15	21	7	4.14	0.76571
Participation of stakeholders reflects the community needs and stimulate people's interest in the implementation of M & E.	29	41	11	13	6	4.46	0.84363
It enables the stakeholders to influence the product acceptance based on their needs.	23	37	14	23	3	4.54	0.75861

As per Donaldson (2013) stakeholder must be involved in discussions on how, why and what project activities are to be implemented. Njuki, *et al* (2015) suggested that to improve project outputs, outcomes, and the results there is a need to integrate the local stakeholders. Sunindijo (2015) confirmed that equipping project staffs and managers with the right skills and expertise improves practice of M & E and general performance of projects. The findings show lack of a structured system for stakeholder involvement in project development cycle. Stakeholders are least involved in project monitoring and evaluation.

4.3.4. Management Participation

The use of M&E is a quality assurance process in which project managers are tasked with clarifying objectives and preparing realistic goals that clearly describe what resources are required, what outputs are to be produced, and how those results promote development change.

Many others believed that management engagement resulted in efficient communication to fulfill project objectives, as well as effective utilization of lessons learned from previous projects for future decision-making and enhanced project delivery. As a consequence, the majority were unable to agree that management engagement assured ownership, learning, and sustainability of results, enhanced the credibility of the evaluation process, or boosted acceptance of assessment findings. Awash Bank's adoption of management involvement concepts in strategic project implementation was frequently lacking. A large proportion of respondents noted a lack of apparent management support and commitment to project implementation.

Small percentage of respondents agreed to visible support and commitment by management towards project implementation (26%), management participation producing effective communication to meet project objectives (17%) and effective use of lessons learnt from different projects for future decision-making and improved project delivery (21%). Still a minor percentage were in agreement that management participation ensured ownership, learning and sustainability of results and enhanced credibility of evaluation process/increased acceptance of evaluation findings at 18% and 35% respectively. This result collaborates with the findings of Karanja (2014), which in most projects M&E done by the project leaders.

The majority of these characteristics were derived from management and staff members working in the monitoring and evaluation department. Respondents mentioned a variety of M&E techniques that they believed influenced the execution of important initiatives at Awash Bank. Chaplowe and Cousins (2015) advocate that all people engaged in M&E receive sufficient training so that they feel empowered to persuade all other stakeholders of their advantages. M&E methods guarantee that the project/program achieves the desired levels of impact, acceptability, output, process, and products, all of which are measured to provide a framework for responsibility.

Table 4.5 Descriptive Statistics on management participation M & Epractices

	Strongly Disagree %	Disagree %	Neutral %	Agree %	Strongly Agree %	Mean	Std Dev.
There is visible support and commitment by management towards the project performance.	19	37	18	17	9	4.64	0.60716
Management participation helps produce effective communication to meet the project objectives.	23	47	13	17	0	4.40	0.61753
Ensure effectiveuse of lessons learned in different projects for future decision making and improved project delivery	27	43	9	17	4	4.04	0.70596
It ensures ownership, learning, and sustainability of Results	21	48	13	11	7	4.21	0.77622
Management involvement enhances the credibility of the evaluation processand ensures increased acceptance of the findings	12	19	34	29	6	4.12	0.65677

Source: Survey data 2021

4.3.5. Monitoring and Evaluation Implementation

Table 4.6 below shows that majority of the respondents have stated that 41% of respondents strongly agree and 59% of them agree cited under M&E unit responsible for monitoring and evaluating the project. Under the human capacity building plan factors that respondents only 3% strongly agree and 14% agree. i.e. Based onassessment of results 83% of respondents strongly disagree on human capacity building plan and it is. From above table 80% of respondents agree on M&E technical working groups (TWG)/ Committees coordinated by Awash Bank and their TORs are in line with intended objectives of the respective TWGs and 10% of respondents were disagree. As indicated in table 4.6

about statement for M&E strategic plan for the project 72% respondents are agreed and 28% of respondents are strongly agree. Regarding M&E document for policy issues and strategies 69% of respondents were disagree while 17% of respondents neutral and a relatively 14% were agree. From the findings, majority of the respondents 100% strongly agree a guideline on data recording, collecting, collating and reporting. Table 4.6 shows that 59% agree and 41% strongly agree for statement on an inventory of surveys conducted in the country and it is updated. On the other hand the respondents were asked about the existing database is comprehensive and of high 72% and 18% agree and strongly agree respectively.

Table 4.6 Descriptive Statistics on Monitoring and evaluation implementation

Statements	Strongly Disagree %	Disagree %	Neutral e%	Agree %	Strongly Agree %	Mean	StdDev.
There is an M&E unit responsible for monitoring and evaluating the project	0	0	0	59	41	4.45	0.77622
There is a human capacity building plan and it is based on assessment of results.	0	83	0	14	3	4.41	0.65951
There are M&E technical working groups (TWG)/ Committees coordinated by Awash Bank and their TORs are in line with intended objectives of the respective TWGs	0	10	0	80	10	4.45	0.77622
There is an M&E strategic plan for the project	0	0	0	72	28	4.37	0.65292
There is an M&E work plan for the project	0	0	0	21	79	4.49	0.70468
There is an M&E document for policy issues and strategies	0	69	17	14	0	4.59	0.68083
There is a guideline on data recording, collecting, collating and reporting	0	0	0		100	4.64	0.58448

There is an inventory of surveys conducted in the country and it is updated.	0	0	0	59	41	4.41	0.65951
The existing database is comprehensive and of high	**0**	**0**	**0**	72	28	4.37	0.58756

Source: survey data, 2021

These findings suggested that to have an M&E document for policies and strategies will help us plan, develop and manage an advocacy and communication strategy for the organization's or implementing partner M&E system. The purpose of an advocacy and communication strategy is to help ensure knowledge of, and commitment to, M&E and the M&E system among policy-makers, program managers, program staff and other stakeholders. Even though the bank developed advocacy and communications strategies to define how they plan to communicate messages about their programs to the general public and to other, more specific target audiences, there aren't strategies that refer to the need to communicate about, and advocate for, monitoring and evaluation. If the organization has done so, it would have given a positive culture for M&E, as it is an essential and important part of having an enabling environment for the organization's M&E system in place.

In the interview with key informants it was stated the complete M&E plan allows the project/program team to cross-check the log frame and indicators before project/program implementation (ensuring they are realistic to field realities and team capacities). Team involvement is essential because the M&E plan requires their detailed knowledge of the project/program context, and their involvement reinforces theirunderstanding of what data they are to collect and how they will collect it. In order to do that the team must be trained to deploy the right people with the right skills, to the right place at the right time is critical for successful operations. However, there has not been a human capacity building plan that is itemized under M&E budget. Identifying M&E capacity-building requirements and opportunities were listed as a major area of improvement. This constraint includes lack of willingness by senior management to invest in the M&E system by investing in human resource capacity development and One-dimensional capacity building strategies such as relying only on workshops

4.4.ANOVA Result

Table 4.7 **ANOVA Results**

ANOVA[b]

The Model		Sum Squares	df	Mean	F	Sig.
1	Regression value	16.56	4	5.52	38.803	.000[a]
	Residual value	29.731	73	0.142		
	Total	46.291	73			

a. Predictors: (Constant), Planning process, technical expertise, stakeholder involvement and management participation

b. Dependent Variable: Project implementation

Source: Survey Data 2021

The ANOVA tells us whether the model, overall, results in a significantly good degree of prediction of the outcome variable (Field, 2005). Since the significance result on the ANOVA table is 0.000 which is $p< 0.05$, the regression analysis proved the presence of a good degree of prediction. The contribution of each dimension can be seen from the results of multiple regressions in the coefficient table below.

Table 4: 8 Regression for M & E practices against Project implementation

Coefficients [a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	β	Std. Error	Beta		
(Constant)	2.515	0.138		18.269	0.000
Planning process	0.151	0.008	0.386	6.753	0.000
Technical expertise	0.135	0.021	0.374	6.51	0.000
Stakeholder involvement	0.047	0.04	0.066	1.171	0.000
Management participation	0.096	0.081	0.012	2.379	0.000

a. Dependent Variable: Project implementation

Source: Survey Data 2021

Unstandardized regression coefficient- Indicates the strength of relationship between a given predictor, *i*, and an outcome in the units of measurement of the predictor. It is the change in the outcome associated with a unit change in the predictor.

From the above multiple regression equation one can see that the practice of project monitoring and evaluation on implementation of strategic projects in Awash Bank positively affects Project implementation. Unstandardized coefficient (Beta value) indicates the degree of importance of each project monitoring and evaluation towards project implementation. Accordingly, the monitoring and evaluation can be ranked in the following manners on the basis of their contribution.

1. Planning process $\beta = 0.151$
2. Technical expertise $\beta = 0.135$
3. Management participation $\beta = 0.096$
4. Stakeholder involvement $\beta = 0.047$

The beta value on the coefficient table indicates level of effect each dimension has on the dependent variable Project performance. The highest beta level is for planning process of $\beta = 0.151$. This means that the more the bank used planning process methods the more Project monitoring and evaluation. Hence, it assumed other things being constant and planning process increased by one, it increases Project implementation by 0.151.

The second highest beta value is technical expertise which means that when other things are constant if Project monitoring and evaluation increased by one unit, is technical expertise increases by 0.135. Therefore, from among the four objectives, is technical expertise has the strongest effect on Project monitoring and evaluation and should be given the highest focus. And management participation and stakeholder involvement have the lowest effect on the practice of project monitoring and evaluation on implementation of strategic projects in Awash Bank of Ethiopia.

Regression Equation

Project performance =2.515 + 0.151(Planning process) + 0.135 (Technical expertise) + 0.047 (Stakeholder Involvement) + 0.096 (Management participation) +ẹ,

4.5.The relationship between the study variables

The correlation matrix with the dependent and independent variables allows the researcher to assess the strength of the association between the variables of interest. The reason why the researcher choice Pearson correlation for my study was, it was very easily to understand the relationship between dependent and independent variable easily and each the relationship variables of each other's. The correlation matrix for the overall sample is shown in Table 4.9.

Table 4.9: Correlation Analysis

	Planning process	Technical Expertise	Stakeholders investment	Management Participation	Project Implantation
Planning process	1				
Technical Expertise	0.404**	1			
Stakeholdersinvestment	0.307**	0.638**	1		
Management Participation	0.183*	0.509**	0.477**	1	
Project Implantation	0.137**	0.389**	0.872**	0.619**	1

**. Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Data 2021

The study applied Pearson correlation to the practice of project monitoring and evaluation on implementation of strategic projects in Awash Bank of Ethiopia. Pearson's Correlation is a correlation between two variables (Field, 2009). It measures the strength and direction of their relationship, the strength can range from absolute value 1 to 0. Thestronger the relationship, the closer the value is to 1. Direction of The relationship can be positive (direct) or negative (inverse or contrary); correlation generally describes the effect that two or more phenomena occur together and therefore they are linked (Zaid, 2015).

Pearson's Correlation of a two-tailed test confirm the presence of statistically significant difference at probability level $p<0.01$ i.e. assuming 99% confidence interval on statistical analysis.

Pearson's Correlation of a two-tailed test confirm the presence of statistically significant difference at probability level $p<0.05$ i.e. assuming 95% confidence interval on statistical analysis.

Dancey and Reidy (2004) state that a correlation result which is 0 indicates no relationship, result

which is between 0.1 and 0.3 indicates a weak correlation among variables, a result which is between 0.4 and 0.6 shows a moderate correlation, a result between 0.7 and 0.9 indicates a strong correlation among variables, while a result which is equal to 1 indicates perfect correlation.

The correlations of the variables are shown in the Table, however, each variable correlates perfectly with itself, as evidenced by the coefficients of +1.00 at the intersection of a particular variables' row and column.

According to the above table, correlation matrix shows Planning process and Technical Expertise have the weakassociations with Project Implantation with a value of 0.137and 0.389 respectively. As per the above correlation matrix, it fails the range between 0.1-0.3, these shows the Planning process and Technical Expertise weak correlated with Project Implantation. This implies that to projects need and the achievement of bank objectives, Awash bank should be developed the practices of Project Implantation through different mechanisms and, it should be also developed a best Technical Expertise to create a best Project Implantation in Awash bank.

According to the above table result, Management Participation has strong association with Project Implantation with a value of 0.872.thse implies that Stakeholders investment has strong correlated with Project Implantation so that,the bank should be keep it as it is. Based on the above table correlation analysis, Planning process and Technical Expertise with-value has moderate correlation associations with overall Project Implantation with a value of 0.619 and 0.556 respectively. These implies that the independent variables not highly correlated with Project Implantation so that for a quality service provide to the strategic projects of the bank should be up grade those independent variables through with most suitable effort.

Generally, data has highest positive associations with Project Implantation towards Awash bank. Planning process and Technical Expertise have the weak associations with Project Implantation. Planning process and Technical Expertise with-value has moderate correlation associations with overall Project Implantation It implies the independent variables affected the Project Implantation.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter presents the summary of the findings presented in chapter four according to the study objectives. It also presents the conclusions and the recommendations to the study.

5.2 Summary of Major Findings

The study used a descriptive study design, with the questionnaire serving as a method for collecting primary data from respondents. The acquired data patterns were examined using descriptive statistics, which included frequency, tables, and means, as well as standard deviations. Furthermore, multiple linear regression analysis was employed.

The study discovered that technical knowledge in monitoring and evaluation has an impact on the practice of project monitoring and evaluation on the implementation of strategic projects in Awash Bank of Ethiopia. Aside from that, the study found that monitoring and evaluation planning was crucial to the success of Awash Bank programs. Another outcome of this study indicated that stakeholder participation was significant in improving project practice in Awash Bank of Ethiopia.

According to the findings of the study, there is a favorable association between the planning process and the efficacy of the M & E system. The availability of the planning process can also influence what can be accomplished in terms of implementation, strengthening, and sustainability of the monitoring and evaluation system. It is critical for monitoring and evaluation Technical knowledge in M & E to weigh in on monitoring and evaluation needs at the project design stage so that vital monitoring and evaluation activities are implemented.

The study found that the organization involves stakeholders in M & E activities. Stakeholders are not adequately involved in key areas and higher level activities like decision making process, identification of indicators and communication of M & E results and findings. Stakeholder involvement has become increasinglynecessary as large and more complex projects are planned and implemented. Stakeholders can participate at various levels of which the lowest is information sharing at a higher level is consultancy for decision making. At higher level, bank should collaborate with stakeholders in each aspect of decision making including the development of alternatives and the identification of the preferred solution. There is a strong positive correlation between

stakeholders' participation and effectiveness of M & E.

The study discovered that the engagement in the organization greatly influences the efficacy of project monitoring and evaluation systems.

To which management engagement influences the efficiency of a project monitoring and evaluation system. The findings revealed a substantial positive link between management participation and M&E system efficacy. The study also discovered that leaders do not always and clearly communicate M&E results, leaders do not actively participate in the design of M&E systems, and management does not ensure adequate resources are allocated to M&E, despite these aspects playing a significant role in the system and process's effectiveness. Because of the essential role they play in Awash Bank strategic projects, management engagement is critical to attaining M&E performance.

5.3 Conclusion

It is determined that the M&E planning process, M&E technical knowledge, stakeholder interaction, and management participation in M&E have a good and substantial impact on the project performance of Awash Bank. Given this discovery, the different relevant authorities should consider hiring specialists to assist them in developing efficient monitoring and evaluation strategies, which will aid in directing the planning process. Aside from that, the authorities should think about improving the monitoring and assessment skills of their technical employees. Furthermore, project stakeholders should be encouraged to participate actively in the monitoring and assessment of their initiatives. Finally, rather of taking a passive position in monitoring and assessment, management should take an active one.

Finally, the study discovered that the amount of commitment of senior leadership and management in the company greatly influences the efficacy of project monitoring and evaluation systems. According to the findings of the study, leaders do not always and clearly demonstrate Management engagement in M&E results and do not actively participate in the creation of M&E systems. The majority of respondents also disagreed that management involvement guarantees adequate resources are provided to M & E. This contradicts World Bank (2011), which claims that the role of management engagement determines the efficacy of the M&E system. Management participation is the fundamental nervous system of a successful M&E system. It controls the M&E human resource and organizes the M&E system's activities to ensure its performance. Furthermore, organizational leadership has a significant impact on how effective M&E procedures will be.

5.4. Recommendations

Based on the study's findings, suggestions have been developed that, if adopted, will strengthen the effect of project monitoring and evaluation practice on strategic project execution in Awash Bank of Ethiopia.

1. The management of AWASH Bank should consider outsourcing experts in monitoring and evaluation planning.
2. Top management of AWASH Bank should involve and give due attention for project management
3. AWASH Bank should also consider building capacity of their employees on planning for monitoring and evaluation.
4. Awash Bank management body should provide scholarships and study leaves for employees who are eligible for technical training in monitoring and evaluation as this will help in boosting the M & E technical expertise.
5. The stakeholders and the management of AWASH Bank should be sensitized on the importance of their participation in monitoring and evaluation
6. To maintain the implementation progress, AWASH Bank project coordinators units should be work in accordance with their job description. Especially Project Manager and M&E expert/officer with Shared Service Directorate should be work closely.
7. Based on the findings that AWASH Bank M&E plan should be in place and be fully implemented if project performance is too enhanced.
8. AWASH Bank should be institutionalizing monitoring and evaluation,
9. AWASH Bank should be create a monitoring and evaluation unit and /or employ a monitoring and evaluation officer.
10. AWASH bank shall allocate more budgets and arrange the training platform for sound skill development of the staff for proper project management. It is also advantageous to develop clear manual for the gagging of each project progress.
11. For better and appropriate project management and technical understanding of the project, AWASH bank should be to recruit the new blood employee from the required fields, in addition the existing business and economics background employee.

Suggestions for further research

This study reveals many interesting areas where further research can be carried out. In particular, the following can be considered:

1. An assessment of monitoring and evaluation capacities needed for an M&E Officer
2. An investigation into the various types of monitoring and evaluation among governmental organizations

REFERENCES

Ahsan, B., &Gunawan, D. (2010). Construction client multi-projects–A complex adaptive systems perspective. *International Journal of Project Management*, 27(1), 72-79.

Al-Tmeemy, S. M. H. M. (2011). Future criteria for success of building projects in Malaysia.

International Journal of Project Management, 29(3), 337-348.

Anandajayasekeram, H, J. &Gebremedhin, S. (2009). The importance of nongovernmental organizations(NGOs)in global governance and value creation: An international business research agenda. Journal of International Business Studies,35.

Atencio, M 2012, A critical success factors framework that includes leadership competencies forsuccessful delivery of projects , PhD thesis, University of Salford.

Benjamin, P. (2012). Resource Requirements and Environmental Dependency. European Scientific Journal, August 2013 edition Vol.12.

Bickman, D. P. (2007) Critical success factors across the project life cycle. Project Management Journal, 19(3), 67–75.

Bruce Britton. (2005). Organisational Learning in NGOs : Creating the Motive, Means and Opprtunity. *The international NGO Training and Research Centre*.

Charles G. Kamau, Mohammed. H. (2015). Efficacy of Monitoring and Evaluation Function in Achieving Project Success in Kenya: A Conceptual Framework. *Science Journal of Business and Management, 3*, 82-94.

Chaplowe, S. G., & Cousins, J. B. (2015). *Monitoring and evaluation Training: A systematic approach.*

Cheung, S. O., Henry, C.H.,& Kevin K.W. (2014). PPMS: a Web-based construction Project Performance Monitoring System." *Automation in Construction*,13, 361-376.

Chin, C. M. M. (2012). Transferring projects to their final users: the effect of planning and preparations for commissioning on project success. *International Journal of Project Management*, 23, 257–265.

Clarke, A. (2011). A practical use of key success factors to improve the effectiveness of project management. *International Journal of Project Management*, 17(3), 139 – 145.

Crawford P & Bryce P., (2013). Project Monitoring and Evaluation: A method of enhancing the efficiency and effectiveness of aid project implementation. *International Journal of ProjectManagement*, 21(5): 363 – 37319.

Dyason, J. R. (2010). The eye diagram: A new perspective on the project life cycle. *Journal of Education for Business*, 80(1), 10 – 16.

Ermias H. (2007), Monitoring and Evaluation of Projects in Government Organizations: Expectations and Practices, Addis Ababa.

Estrella, M. . (2017). Learning from Change;Issues and experiences in participatory monitoring and evaluation. *International Development Research Center*.

Forss, K., &Carlsson, J. (2012). Practical guidelines for effective Sample size determination. *Journal of Statistical Research*

Gaibo, G. S. & Mbugua, J. (2019). Influence of monitoring and evaluation practices on the implementation of county governments' infrastructural development projects in Marsabit County, Kenya. *International Academic Journal of Information Sciences and Project Management, 3*(5), 184-217.

Gorgens, M., & Kusek, J. Z. (2009). *Making Monitoring and Evaluation Systems Work*.World Bank.

Gorgens, M ., Nkwazi, A. S., & Govindaraj, A. H. (2005). Exploring Project Success. *Baltic Journal of Management,* 1 (2) 127 – 147

Goyder, R. (2005). A retrospective look at our evolving understanding of project success. *Project Management Journal,* 36(4), 19 – 31.

Gyorkos T. (2011). Monitoring and Evaluation of large scale Helminth control program. *Acta Tropic,* 86(2),275 – 282.

Guba & Lincoln (2011). Fourth Generation Evaluation: Monumental shift in evaluation practiceHarvey Maylor, (2013). Project Management Fourth Edition.

Houston, D. (2008). Project management in the international development industry: the project coordinator's perspective. *International Journal of Managing Projects in Business* 3(1), 61-93.

Hwang, B.&Lim, E. (2013). Critical Success Factors for Key Project Players and Objectives: Case Study of Singapore. *Project Management Journal*, 40(4), 6-19.

International Finance Corporation (IFC). (2008). The Monitoring and Evaluation Handbook For Business Environment Reform. Retrieved From http://www.publicprivatedialogue .org/monitoring and Evaluation/M&E%20 Handbook %20july%202008.pdf

International Fund for Agricultural Development IFAD (2012). *Participatory Monitoring and Evaluation Training Manual* Rome, Italy

John W. Creswell. (2015). A Concise Introduction to mixed methods Research. *SAGE Publications Inc*.

Kahilu, D. (2010). Monitoring and evaluation report of the impact of information and communication technology service(ICTs) among end users in the ministry of agriculture and cooperatives in Zambia. *Journal of Development and Agricultural Economics*, 3(7), 302-311

Kalali, N. S., Ali, A. P.& Davod, K. (2011).why does strategic plans implementation fail? A study in the health service sector of Iran African Journal of Business Management, 5(23),9831-9837.

Karanja, G. (2014). Influence of management practices on sustainability of youth income generating projects in Kangema District, Murang'a County, Kenya. *International Journalof Education and Research*

Kelly, K.& Magongo, B. (2014). Report on Assessment of Monitoring and Evaluation Capacity of *HIV/AIDS organization in Swaziland. Swaziland: NERCHA.35*.

Khan, A. M. (2001). *A Guidebook on Results Based Monitoring and Evaluation: Key Concepts, Issues and Applications.* Sri Lanka: Monitoring and Progress Re- view Division, Ministry of Plan Implementation

Khang, D. B., & Moe, T. L. (2011). Success criteria and factors for international development projects: A life-cycle-based framework. *Project Management Journal*, 39(1), 72-84.

Khan, D. B. (2013). Measuring Project Success in the Construction Industry. *Electronic Journalof Business Research Methods*, 6(1), 43-52

Kohli, U. T., & Chitkara, K. K. (2008). *Kohli, U. Project management Handbook.* New Delhi, India:Tata McGraw-Hill Publishing company Limited

K Proudlock, B Ramalingam, P Sandison - 8th Review of Humanitarian Action; *Improving humanitarian impact assessment:*

Lipsey, M. (2011). Multi-country co-operation around shared waters: Role of Monitoring and Evaluation. *Global Environmental Change*, 14(1), 5- 14.

Mackay, K. R., & World Bank. (2007). *How to build M & E systems to support better government*. Washington, D.C: World Bank.

Malach-Pines, A., Dvir, D., & Sadeh, A. (2009). Project manager-project (PM-P) fit and project success. *International Journal of Operations & Production Management*, 29(3), 268-291.

Magondu (2012) Study: Factors influencing implementation of monitoring and evaluation in HIV research projects

Musomba (2013) *Journal of International Academic Research for Multidisciplinary*

Murphy, K. R. and Myors, B. (2004). Statistical Power Analysis: A Simple and General Modelfor Traditional and Modern Hypothesis Tests. Mahwah, New Jersey: Lawrence Nuguti, E. O. (2009). *Understanding Project Monitoring and Evaluation.* Nairobi, Kenya: EKONPublishing

Njuki, J., Kaaria, S., Chetsike, C., & Sanginga (2013).Participatory monitoring and evaluation for stakeholder engagement, and institutional and community learning. *Journal of Academic Research in Business and Social Sciences.*

Nyandika, O. F &Ngugi, K. (2014).Influence of Stakeholders' Participation onPerformance of Road Projects at Kenya National Highways Authority**.***European Journal of Business Management, 1* (11), 384-404

Nyonje, R. O., Ndunge, K. D., & Mulwa, A. S. (2012). *Monitoring and Evaluation of Projects and Programs - A Handbook for Students and Practitioners.* Nairobi, Kenya: Aura Publishers. ErlbaumAssociates.

Oakley, P. (2013). *Projects with people: The practice of participation in rural development.* Geneva: International Labor Office

OECD. (2002). *Glossary of Key terms in Evaluation and results Based management.* OECD.

Ogula, P. A. (2002). *Monitoring and Evaluation of Educational Projects and Progrmas.* Nairobi,Kenya: New Kemit Publishers

Pamela, H., Joe, N. & Nay,T. (2013). Program Management and Federal Evaluator. *public administration Review.*

Roberts, M. A., (2010). Managing Project Sustainability Key concepts and Issues in Development Administration, *Asia-Pacific Journal of Rural Development.*

Ramesh G (2012) Maintenance and Reliability Best Practices, Second Edition

Rossi, P. H. (2012). Evaluating with sense*: The Theory Driven Approach. Evaluation Review* 7,283 – 302.

Saunders, M, Lewis P., & Thornhill, A. (2009). *Research Methods for Business Students.* New Jersey : Prentice Hall.

Sethi, R., &Philippines, R. (2012). The influence of project managers on project success criteria and project success by type of project. *European Management Journal*, 25(4), 298-309.

Shapiro, R. (2011). Project management: cost, time and quality, two best guesses and a phenomenon, it's time to accept other success criteria. *International Journal of Project Management*, 17(6), 337 – 342.

Shenhar, A. J. (2011). An empirical analysis of the relationship between project planning and project success. *International Journal of Project Management*, 21(20), 89-95.

Singh, K., Chandurkar, D., & Dutt, V. (2017). *A practitioners' manual on monitoring and evaluation of development projects.*

Tesfaye Boru. (2014). the Determinants of Ethiopian Commercial Banks Performance. *European Journal of Business and Management, 6*.

Themistocleous, R.G. &Wearne, T.J. (2010). Benchmarking the Firms Critical Success Factors in New Product Development, *Journal of Product Innovation Management*, 12, 374-391

Ober, H. T. (2012). Project monitoring and evaluation: a method for enhancing the efficiency and effectiveness of aid project implementation. *International Journal of Project Management,* 21, 363–373.

Polidano, P & Hulme, R., (2009). Project Monitoring and Evaluation: A method of enhancing the efficiency and effectiveness of aid project implementation. *International Journal of Project Management*, 21(5), 363 – 373.

Uitto, J. A. (2010). *Multi-country co-operation around shared waters: Role of Monitoringand Evaluation.* Global Environmental Change, 14(1): 5 – 14

UNDP (2012). Handbook on Monitoring and Evaluation for Results. New York: UNDP.

UNDP. (2010). *Results-Oriented Monitoring and Evaluation: A Handbook for Program Managers.*UNDP.

Valadez, J. & Bamberger, M. (2012) Monitoring and Evaluating Social Programs in Developing Countries: A Handbook for Policymakers, Managers and Researchers. EconomicDevelopment Institute of The World Bank

Vanessa (2016) *Events Project Management Paperback* – November 23, 2011

Wattoo, Ali Khan & Shahbaz, (2010). *An analysis of the problems faced by farmers in the mountains of northwest Pakistan*

Wayne C. P. (2010). Mapping the Dimension of Project Success ,*Project Management Journal.*

World Bank. (2011). Monitoring & Evaluation Capacity Development. *The World Bank group*.

World Bank (WB). (2006).Capacity Building and Monitoring and Evaluation in Africa. Washington D.C, Series No.15.Retrieved from http://www.ieg.worldbank.org/.../ monitoring_evaluation_psm.pdf

Wright, G. (2017). *Academia obscura: The hidden silly side of higher education.*

Yee Cheong Yong, Nur Emma Mustaffa, (2012): Analysis of factors critical to construction project success in Malaysia, Engineering, Construction and Architectural Management, Vol. 19 Iss: 5, pp.543 556

Zimmerer, T.W. and Yasin, M.M. (1998), A leadership profile of American project managers, Project Management Journal, Vol. 29, pp. 31-8.

Appendix

Appendix 1 Questionnaire filled by employees

ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES

DEPARTEMENT OF PROJECT MANAGEMENT

The purpose of this questionnaire is to collect data for the study entitled **"ASSESSING THE PRACTICE OF PROJECT MONITORING AND EVALUATION ON IMPLEMENTATION OF STRATEGIC PROJECTS: THE CASE OF AWASH BANK OF ETHIOPIA"** The genuine responses you forward will be used as input for the study and have great contribution to the success of the study. Your privacy will be kept anonymously and, therefore, no one knows who provided the information. Furthermore, any information you provide in the questionnaire will be kept confidential and only used for the purpose of the study. Therefore, you are kindly requested to provide your genuine responses to different questions below.

Thank you in advance for your honest cooperation!!

General Instruction: - you do not need to write your name on this questionnaire. In all cases where answer options are available please tick (√) in the box provided among the provided alternatives. If you have any inquiry, please do not hesitate to contact me and I am available as per your convenience (*Tel; 0920844568 or e-mail;* yemahiadu@gmail.com*)*

SECTION 1

1. Gender A. Male □ B. Female □
2. Please indicate your age
   A. 18 to 25 years [ ] B. 26 to 35 years [ ] C. 36 - 45 years [ ]
   D. 46 to 55 years [ ]
3. Please indicate the highest level of your education
   A. Degree Level of Education [ ] B. Post Graduate Level of Education [ ]
4. What level of management do you belong to in this organization?A
   Top level Management [ ] B. Middle level management [ ]
   C Other, (specify) _____
5. Please indicate the Number of years you have worked in the Awash Bank.
   A. Under 5 years [ ] B. 6- 10 years [ ] C 11 -20 years [ ] D. 21-30 [ ]

SECTION II: Basic Research Questions

Part one: - Planning Process

Listed below are a series of statements that represent **the effect of planning process on implementation of strategic projects**. With respect to your own feeling about **Awash Bank (Addis Ababa)** please, indicate the degree of your agreement or disagreement with each statement by putting a tick mark ***(√)*** on one of the five alternatives.

Responses are measured on 5- point scales with the following verbal anchors: Strongly Disagree (1), Disagree (2), Neither Disagree or Agree (3), Agree (4) and Strongly Agree (5)

Statement	5	4	3	2	1
At the project initial stage the project allocate funds for monitoring and evaluation					
The project plans contain the M and E planning process					
The planning process is well detailed and utilized					
The planning process helps to estimate the cost of the required resource for M and E					
The project is able to develop a control mechanism to keep the project on track					
The planning process support decision making during project implementation					

Part two: - Technical Expertise

Listed below are a series of statements that represent **the effect of technical expertise influence on implementation of strategic projects** . With respect to your own feeling about **Awash Bank (Addis Ababa)** please, indicate the degree of your agreement or disagreement with each statement by putting a tick mark ***(√)*** on one of the five alternatives.

Responses are measured on 5- point scales with the following verbal anchors: Strongly Disagree (1), Disagree (2), Neither Disagree or Agree (3), Agree (4) and Strongly Agree (5)

Statement	5	4	3	2	1
Project staff are trained in order to equip them with technical expertise necessary to carry out M and E					
Technical skills are a huge determinant on how bets monitoring and evaluation is done					
The project identifies skilled personnel to carry out the monitoring and evaluation functions					
The projects are design is flexible to achieve better project results.					
Project training need analysis is done to ensure the right skills are acquired to manage the M and E activities.					
Project staff are trained in order to equip them with technical expertise necessary to carry out M and E					

Part Three: - Stakeholder Involvement

Listed below are a series of statements that represent **the effect of Stakeholder involvement implementation of strategic projects**. With respect to your own feeling about **Awash Bank (Addis Ababa)** please, indicate the degree of your agreement or disagreement with each statement by putting a tick mark ***(√)*** on one of the five alternatives.

Responses are measured on 5- point scales with the following verbal anchors: Strongly Disagree (1), Disagree (2), Neither Disagree or Agree (3), Agree (4) and Strongly Agree (5)

Statement	5	4	3	2	1
Project staff are trained in order to equip them with technical expertise necessary to carry out M and E					
Technical skills are a huge determinant on how bets monitoring and evaluation is done					
The project identifies skilled personnel to carry out the monitoring and evaluation functions					
The projects are design is flexible to achieve better project results.					
Project training need analysis is done to ensure the right skills are acquired to manage the M and E activities.					

Project staff are trained in order to equip them with technical expertise necessary to carry out M and E					

Part Four: - Management Participation

Listed below are a series of statements that represent **the effect of Management participation in M & E of strategic projects**. With respect to your own feeling about **Awash Bank (Addis Ababa)** please, indicate the degree of your agreement or disagreement with each statement by putting a tick mark ***(√)*** on one of the five alternatives.

Responses are measured on 5- point scales with the following verbal anchors: Strongly Disagree (1), Disagree (2), Neither Disagree or Agree (3), Agree (4) and Strongly Agree (5)

Statement	5	4	3	2	1
There is visible support and commitment by management towards the project performance.					
Management participation helps produce effective communication to meet the project objectives.					
Ensure effective use of lessons learned in different projects for future decision making and improved project delivery					
It ensures ownership, learning, and sustainability of results					
Management involvement enhances the credibility of the evaluation process and ensures increased acceptance of the findings					

Part five: - Monitoring and Evaluation Implementation

Listed below are a series of statements that represent **the effect of Monitoring and Evaluation Implementation of strategic projects**. With respect to your own feeling about **Awash Bank (Addis Ababa)** please, indicate the degree of your agreement or disagreement with each statement by putting a tick mark ***(√)*** on one of the five alternatives.

Responses are measured on 5- point scales with the following verbal anchors: Strongly Disagree (1), Disagree (2), Neither Disagree or Agree (3), Agree (4) and Strongly Agree (5)

Statement	5	4	3	2	1
There is an M&E unit responsible for monitoring and evaluating the project					
There is a human capacity building plan and it is based on assessment of results.					
There are M&E technical working groups (TWG)/ Committees coordinated by Awash Bank and their TORs are in line with intended objectives of the respective TWGs					
There is an M&E strategic plan for the project					
There is an M&E work plan for the project					
There is an M&E document for policy issues and strategies					
There is a guideline on data recording, collecting, collating and reporting					
There is an inventory of surveys conducted in the countryand it is updated.					
The existing database is comprehensive and of high					

Thank you for your cooperation!!!!

Appendix 2: Interview questionnaire

ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES

DEPARTEMENT OF PROJECT MANAGEMENT

Purpose: This interview is being conducted as part of the researcher **assessing the practice of project monitoring and evaluation on implementation of strategic projects: the case of Awash Bank of Ethiopia in Addis Ababa** in achieving its overall objectives.

Date of Interview:_____

1. How would you describe the input of the stakeholders in the M&E system, process and activities? In your own opinion are the stakeholders adequately involved?
2. Does monitoring and evaluation section have separate allocation in the budget? Is allocation and provision of funds done in time?
3. Does the organization management support monitoring and evaluation of projects? Is the support sufficient and if not what more should they do?
4. Does M&E contribute in the decision made in the organization? May you describe how in your own words.
5. Does the organization involve external expertise in setting up the monitoring and evaluation systems and during M&E processes?
6. What factors would you rate as the main determinants of the effectiveness of a monitoring and evaluation system for projects?

Thank You!!!

Appendix 3: Articulating AB Strategic Initiatives

Theme	Strategic Initiatives	Expected Result	Key Measures of Success
Aggressively grow market share and penetration	▪ Develop strong wholesale banking competencies and capabilities to support the sophisticated needsof customers	▪ Attain wholesale market leadership through clear value service/ relationship and product propositions	▪ Revenue per Relationship Manager (RM) ▪ Interest and non-interest income
	▪ Drive client acquisition/market penetration and strategic relationships in priority sectors including manufacturing, construction & real estate, tourism& hospitality, transport & logistics, agriculture, energy & mining etc.	▪ Market dominance in target markets, segmentsand sectors ▪ Deepening strategic relationships in the market	▪ Market share (both in value and volume) ▪ Revenue per Relationship Manager (RM)
	▪ Drive retail customer acquisition/ sales across AIB	▪ Growth in customer base from 1 million to at least8 million ▪ Revenue (top-line) growth	▪ Number of new customers ▪ Number of new customers from unbanked population
	▪ Invest in and deploy market leading, technology–enabled wholesale banking solution capabilities forcash management, trade finance and payments	▪ Deposit mobilisation ▪ Income diversification/ non-interest income	▪ Interest and non-interest income ▪ Foreign currency and local currency deposits
	▪ Drive profitable branch expansion and rollout of 'banking on wheels' in viable regions with relatively low financial inclusion & high bankable population	▪ Growth in low cost deposits ▪ Profitable balances ▪ Financial inclusion	▪ Branch income and profitability ▪ Deposits (foreign and local currency) ▪ Number of new customers from unbanked population
Drive service delivery excellence	▪ Define a new retail banking operating model to drive sales and service efficiency	▪ Sales and service efficiency ▪ Enhanced customer experience	▪ Customer Satisfaction Ratings (NPS and CSI) – Target of 95%
	▪ Transform AIB branches into sales and service engines underpinned by sales, enablers and lean processes	▪ Enhanced service delivery at the branch ▪ Centralization of branch operations ▪ Reduction in process TATs	▪ Branch performance (sales, deposits, profitability, FX, transaction A/Cs per FTE etc.) ▪ Process TATs
	▪ Proactively build a customer oriented environment and workforce	▪ Enhanced customer engagement and experience	▪ Customer satisfaction ratings (NPS/ CSI) – Target of 95%
	▪ Undertake a bank-wide process review to refine and automate (where possible) processes tobecome more customer-centric	▪ Reduction in service delivery TATs ▪ Enhanced staff productivity ▪ Enhanced customer experience	▪ Process TATs ▪ Customer Satisfaction Ratings (NPS/ CSI) – target of 95%
	▪ Develop and implement a business case for centralization / decentralization and outsourcing ofkey activities to improve operational efficiency	▪ Improved operational and cost efficiencies ▪ Reduced process TATs	▪ Improved cost to income ratio ▪ Process TATs ▪ Rework percentage (%)
	▪ Enhance multi-channel service delivery	▪ Improved accessibility ▪ Seamless Omni-channel service	▪ Customer experience ratings ▪ Breadth of channel deployed
Leverage technology-	▪ Invest in and drive the adoption of technology-enabled alternate channels (mobile, internet, POS ATM, Contact Centre)	▪ Increased accessibility ▪ Omni-channel service experience	▪ Breadth of channel deployment ▪ Uptake of alternate channels

enabled operations	▪ Strengthen IT governance and operations	▪ Optimised support and enablement of business operations	▪ Internal customer satisfaction rating ▪ Security of infrastructure ▪ Number/ percentage of system failure
	▪ Stabilization and optimization of Core Banking Application (CBA)	▪ Customised CBA, process flows and reporting that match Bank requirements	▪ Percentage of system downtime ▪ Optimization and utilization of CBA
	▪ Enable process automation for other core and support processes	▪ Operational efficiencies ▪ Optimised reporting	▪ TAT reductions in operations ▪ Timely rendition of relevant reports
	▪ Enhance IT infrastructure (hardware, software and security) to cater to bank's needs	▪ Robust, secure & scalable IT infrastructure ▪ Optimized reporting	▪ Security of infrastructure
Establish a winning/ high performanc e culture	▪ Optimise the AIB HR operating model such that it is an effective enabler of the AIB People Agenda	▪ Reduced HR service delivery TATs ▪ Increased Staff satisfaction	▪ HR service TATs ▪ Management and staff satisfaction
	▪ Develop talent acquisition strategies and succession plans that ensure AIB attract and retain the needed skills, at the right time in the right job	▪ Best talents in the industry ▪ Improve staff productivity	▪ Recruitment TATs ▪ Quality candidates
	▪ Develop a learning and development offering that ensures AIB has a globally competitive workforce with the requisite skills	▪ Competent workforce with requisite skills	▪ Training satisfaction results ▪ Increase in staff productivity
	▪ Establish an organisational culture aligned to the renewed AIB strategy and ensures employees are highly motivated and engaged	▪ Increase staff retention ▪ Improve employee motivation and engagement	▪ Employee Satisfaction ratings
	▪ Develop a performance management and reward framework where superior performance is recognized and rewarded	▪ Improve staff performance and productivity ▪ Reduce staff attrition	▪ Staff performance management ratings
Effective risk managemen t	▪ Redesign risk governance structures and processes	▪ Seamless service delivery ▪ Deepen product and market penetration	▪ Minimum 50% maturity level ▪ Risk process TATs
	▪ Implement risk based performance measures across the bank	▪ Enhanced risk ownership ▪ Improve risk performance	▪ Risk based performance measures and compliance
	▪ Implement a corporate risk appetite framework	▪ Robust risk management aligned to overall corporate strategy and risk	▪ Clear risk tolerance limits and controls for all risk types
	▪ Pillar I - Standardized approach for credit and market risk; Basic indicator approach for operational risk	▪ Enhanced management of credit, operational and market risks	▪ SA for credit and market risk ▪ BI for operational risk
	▪ Pillar II – Implement ICAAP process	▪ Adequate capital that supports current and future risks in their business	▪ Capital adequacy ratio

Appendix 4: Summary of Financial Statements

The summary of financial statements i.e. balance sheet, income and cash flow position is based on the base case scenario. The statements are as follows:

4.1. Balance Sheet Statement

The following table shows the projected balance sheet:

ETB 'Million" (Year ended 30 June)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cash on hand	989	1,692	2,227	2,643	3,907	4,849	5,829	6,189	5,797	5,382	3,638
NBE Balance - Reserve account	950	1,228	1,589	2,058	2,669	3,462	4,494	5,835	7,578	9,844	12,790
NBE Balance - Payment and settlement account	808	1,166	1,699	2,493	3,578	5,151	7,385	10,382	14,414	19,804	26,988
Deposits with foreign banks	1,134	1,372	1,729	2,262	2,993	4,055	5,566	7,595	10,328	13,983	18,858
National Bank of Ethiopia bills	5,365	5,534	7,277	9,948	15,046	21,603	30,110	42,487	58,754	80,389	108,594
Gross loans and advances	12,482	17,353	22,116	27,839	33,617	41,093	50,707	61,825	76,013	93,872	116,894
Provision for doubtful loans and advances	(217)	(260)	(332)	(418)	(504)	(616)	(761)	(927)	(1,140)	(1,408)	(1,753)
Property plant and equipment	906	838	772	711	656	622	620	631	656	695	753
Total assets	**25,211**	**31,714**	**39,870**	**50,329**	**64,753**	**83,012**	**106,741**	**136,809**	**175,191**	**225,353**	**289,555**
Demand deposits	4,244	6,019	7,825	10,172	13,224	17,191	22,349	29,053	37,769	49,100	63,830
Savings deposits	12,348	15,650	20,345	26,448	34,383	44,697	58,106	75,538	98,200	127,660	165,958
Time deposits	1,928	2,408	3,130	4,069	5,290	6,877	8,939	11,621	15,108	19,640	25,532
Customer deposits	18,520	24,077	31,300	40,689	52,896	68,765	89,395	116,213	151,077	196,400	255,320
Total liabilities	**22,025**	**27,582**	**34,805**	**44,194**	**56,401**	**72,270**	**92,900**	**119,718**	**154,582**	**199,905**	**258,825**
Share capital	1,777	2,200	2,600	3,000	4,500	6,000	8,000	10,000	12,000	15,000	18,000
Share premium	1	1	1	1	1	1	1	1	1	1	1
Legal reserve	828	1,069	1,365	1,732	2,160	2,670	3,290	4,021	4,894	5,942	7,221
Retained earnings	139	210	299	409	537	690	876	1,095	1,357	1,672	2,055
Proposed dividend	440	651	799	991	1,154	1,379	1,673	1,973	2,357	2,832	3,452
Shareholders' equity	**3,186**	**4,132**	**5,065**	**6,134**	**8,352**	**10,741**	**13,841**	**17,090**	**20,609**	**25,448**	**30,729**
Liabilities and shareholders' funds	**25,211**	**31,714**	**39,869**	**50,328**	**64,753**	**83,011**	**106,741**	**136,808**	**175,191**	**225,353**	**289,554**

Projected Balance Sheet Statement
Source: Financial projections

4.2.Income Statement

ETB 'Million" (Year ended 30 June)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Interest income on loans and advances	1,461	2,288	2,916	3,670	4,432	5,417	6,685	8,151	10,021	12,376	15,411
Interest expense on deposits	(639)	(824)	(1,071)	(1,393)	(1,810)	(2,353)	(3,059)	(3,977)	(5,171)	(6,722)	(8,738)
Net interest income	**823**	**1,464**	**1,844**	**2,277**	**2,622**	**3,064**	**3,625**	**4,173**	**4,851**	**5,654**	**6,672**
Interest on NBE bills and interbank deposits	141	142	151	197	267	395	561	781	1,096	1,511	2,065
Other income	698	737	826	929	1,048	1,186	1,345	1,530	1,746	1,998	2,292
Total income	**1,662**	**2,343**	**2,822**	**3,404**	**3,937**	**4,644**	**5,532**	**6,484**	**7,692**	**9,163**	**11,030**
Salaries and benefits	(467)	(543)	(631)	(734)	(854)	(993)	(1,155)	(1,343)	(1,562)	(1,817)	(2,113)
Depreciation	(89)	(103)	(107)	(114)	(121)	(116)	(105)	(117)	(137)	(162)	(193)
Other administrative and general expenses	(237)	(275)	(320)	(372)	(433)	(504)	(586)	(681)	(792)	(921)	(1,071)
Provision for doubtful debts	(8)	(43)	(71)	(86)	(87)	(112)	(144)	(167)	(213)	(268)	(345)
Audit fee	(0.30)	(0.35)	(0.41)	(0.47)	(0.55)	(0.64)	(0.74)	(0.86)	(1.00)	(1.17)	(1.36)
Operating expenses	(801)	(964)	(1,131)	(1,307)	(1,496)	(1,726)	(1,990)	(2,309)	(2,705)	(3,169)	(3,724)
Profit before tax	**861**	**1,378**	**1,691**	**2,097**	**2,441**	**2,918**	**3,541**	**4,175**	**4,987**	**5,994**	**7,305**
Income tax expense	(216)	(413)	(507)	(629)	(732)	(876)	(1,062)	(1,253)	(1,496)	(1,798)	(2,192)
Profit for the year	**645**	**965**	**1,184**	**1,468**	**1,709**	**2,043**	**2,479**	**2,923**	**3,491**	**4,196**	**5,114**
Assignment to legal reserve	(161)	(241)	(296)	(367)	(427)	(511)	(620)	(731)	(873)	(1,049)	(1,278)
Distributable earnings	**484**	**724**	**888**	**1,101**	**1,282**	**1,532**	**1,859**	**2,192**	**2,618**	**3,147**	**3,835**
Dividends	440	651	799	991	1,154	1,379	1,673	1,973	2,357	2,832	3,452
Retained earnings	**44**	**72**	**89**	**110**	**128**	**153**	**186**	**219**	**262**	**315**	**384**

Projected Income Statement

Source: Financial projections

4.3.Cash Flow Statement

The following table shows the projected cash flow statement:

ETB 'Million" (Year ended 30 June)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cash flow from operating activities											
Earning After Tax	645	965	1,184	1,468	1,709	2,043	2,479	2,923	3,491	4,196	5,114
Adjusted for:											
Income tax expense	216	413	507	629	732	876	1,062	1,253	1,496	1,798	2,192
Gain on foreign exchange	(220)	(264)	(317)	(380)	(456)	(548)	(657)	(789)	(946)	(1,136)	(1,363)
Interest on NBE bills and interbank deposits	(141)	(142)	(151)	(197)	(267)	(395)	(561)	(781)	(1,096)	(1,511)	(2,065)
Investment income	(4)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Provision for Bad debt	8	43	71	86	87	112	144	167	213	268	345
Depreciation and amortisation	89	103	107	114	121	116	105	117	137	162	193
Profit before working Capital changes	**593**	**1,112**	**1,396**	**1,714**	**1,920**	**2,199**	**2,566**	**2,884**	**3,289**	**3,771**	**4,411**
Change in operating assets											
Cash reserve with National Bank of Ethiopia	(180)	(278)	(361)	(469)	(610)	(793)	(1,031)	(1,341)	(1,743)	(2,266)	(2,946)
NBE Balance - Payment and settlement account	-	-									
Other investments	-	-	-	-	-	-	-	-	-	-	-
Other assets	(154)	-	-	-	-	-	-	-	-	-	-
Issuance of loans and advances	(3,306)	(4,871)	(4,764)	(5,722)	(5,779)	(7,476)	(9,613)	(11,119)	(14,188)	(17,859)	(23,022)
Customer deposits	3,481	5,556	7,223	9,390	12,207	15,869	20,630	26,818	34,864	45,323	58,920
Margins held on letters of credit	(93)	-	-	-	-	-	-	-	-	-	-
Other liabilities	(140)	-	-	-	-	-	-	-	-	-	-
Total movements in operating assets	**(392)**	**408**	**2,098**	**3,198**	**5,818**	**7,599**	**9,985**	**14,359**	**18,933**	**25,198**	**32,952**
Net cash flow from/ (used in) operating activities before tax	**201**	**1,520**	**3,494**	**4,912**	**7,738**	**9,798**	**12,551**	**17,243**	**22,222**	**28,969**	**37,363**
Gain on foreign exchange	220	264	317	380	456	548	657	789	946	1,136	1,363
Directors allowance paid	(1)	-	-	-	-	-	-	-	-	-	-
Income tax paid	(211)	(413)	(507)	(629)	(732)	(876)	(1,062)	(1,253)	(1,496)	(1,798)	(2,192)
Net Cash flow from/ (used in) operating activities	**210**	**1,370**	**3,304**	**4,663**	**7,462**	**9,470**	**12,146**	**16,779**	**21,672**	**28,306**	**36,534**
Investing Activities											
Interest on NBE bills and interbank deposits	141	142	151	197	267	395	561	781	1,096	1,511	2,065
Dividends received	4	6	6	6	6	6	6	6	6	6	6

Payments for property, plant and equipment	(359)	(34)	(42)	(53)	(66)	(82)	(103)	(128)	(161)	(201)	(251)
Payment for National Bank of Ethiopia Bills	(1,298)	(1,758)	(2,638)	(3,947)	(5,404)	(7,856)	(11,177)	(15,015)	(20,214)	(27,039)	(36,061)
Repaid from National Bank of Ethiopia bills	-	1,588	896	1,276	306	1,298	2,670	2,638	3,947	5,404	7,856
Net Cash used in investing activities	**(1,512)**	**(55)**	**(1,628)**	**(2,521)**	**(4,891)**	**(6,239)**	**(8,043)**	**(11,718)**	**(15,327)**	**(20,319)**	**(26,386)**
Financing Activities											
Cash collected from shareholders for allocated shares	18	423	400	400	1,500	1,500	2,000	2,000	2,000	3,000	3,000
Payment for reduction in shareholding	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	(74)	(440)	(651)	(799)	(991)	(1,154)	(1,379)	(1,673)	(1,973)	(2,357)	(2,832)
Net Cash obtained in financing activities	**(57)**	**(17)**	**(251)**	**(399)**	**509**	**346**	**621**	**327**	**27**	**643**	**168**
Net cash generated/used in the year	**(1,358)**	**1,298**	**1,425**	**1,743**	**3,080**	**3,578**	**4,723**	**5,387**	**6,373**	**8,631**	**10,316**
Cash and cash equivalents as at start of period	4,290	2,932	4,230	5,654	7,398	10,478	14,056	18,779	24,166	30,539	39,169
Cash and cash equivalents as at end of period	**2,932**	**4,230**	**5,654**	**7,398**	**10,478**	**14,056**	**18,779**	**24,166**	**30,539**	**39,169**	**49,485**

Projected Cash Flow Statement

Source: Financial projections

Appendix 5: Key Performance Indicators

5.1.Balance Sheet Performance

Key Performance Indicators (Year ended 30 June)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Balance Sheet Ratios										
Cash to total asset	5.6%	5.8%	5.4%	6.2%	5.9%	5.5%	4.6%	3.3%	2.4%	1.3%
Interbank deposits to total assets	4.5%	4.5%	4.6%	4.7%	5.0%	5.3%	5.6%	5.9%	6.2%	6.5%
NBE bills to loans and advances	31.9%	32.9%	35.7%	44.8%	52.6%	59.4%	68.7%	77.3%	85.6%	92.9%
Loans to total assets	57.1%	57.4%	56.8%	53.0%	50.3%	48.1%	45.6%	43.7%	41.9%	40.6%
Loan to deposit ratio	72.1%	70.7%	68.4%	63.6%	59.8%	56.7%	53.2%	50.3%	47.8%	45.8%
Growth in										
Loans and advances	39.4%	27.5%	25.9%	20.8%	22.2%	23.4%	21.9%	22.9%	23.5%	24.5%
Deposits	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Liquid assets to deposits	22.7%	23.1%	23.2%	24.9%	25.5%	26.0%	25.8%	25.2%	25.0%	24.4%
Market share for										
Demand deposits	5.7%	6.5%	7.2%	8.3%	9.8%	11.1%	12.6%	14.3%	16.3%	18.5%
Savings deposits	7.3%	7.9%	8.7%	9.6%	10.4%	11.0%	11.7%	12.5%	13.3%	14.1%
Time deposits	4.3%	4.7%	5.2%	5.4%	5.9%	5.6%	5.3%	5.1%	4.8%	4.6%

Balance Sheet Performance

Source: Financial projections

5.2.Income Statement Performance

Key Performance Indicators (Year ended 30 June)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net interest income margin	64.0%	63.3%	62.1%	59.2%	56.6%	54.2%	51.2%	48.4%	45.7%	43.3%
Cost to income ratio	41.2%	40.1%	38.4%	38.0%	37.2%	36.0%	35.6%	35.2%	34.6%	33.8%
Cost of funding	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Return on average shareholders' equity	26.4%	25.7%	26.2%	23.6%	21.4%	20.2%	18.9%	18.5%	18.2%	18.2%
Return on average invested capital	48.5%	49.3%	52.4%	45.6%	38.9%	35.4%	32.5%	31.7%	31.1%	31.0%
Share of										
Non-funded income	31.4%	29.3%	27.3%	26.6%	25.5%	24.3%	23.6%	22.7%	21.8%	20.8%

Source: Financial projections